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Take the success of a company like Apple, for example. The technology giant operates nearly 400 retail stores, employs more than 42, 000 people and hosts more than a million visitors each day. In 2012, Apple's retail operations generated nearly $19 billion. Furthermore, it's estimated that Apple's Fifth Avenue store generates more than $35, 000 per square foot, making it the highest grossing retailer in New York - ever. Those statistics reinforce the company's product and service strategies of those of a highly successful company.

Apple continues to hold a number one spot on a list of the world's most admirable companies. However, the success of Apple hasn't always been so great, It wasn't until the company combined good products with good services, that profits Increased exponentially. Slide 12-12: Service Differentiation Apple actually had a point in business in which it struggled. That was in the sass when the company was selling products through larger retailers such as Campus and Sears. It was then, that Apple computers were shoved to the side, out of the main view of customers, as Just another computer brand available on store shelves.

Apple employees TLD pay enough attention to the Installation of the product In the big box stores in which it was being sold, so there wasn't a true selling point for buyers. Also, the product delivery took a major hit. In fact, the brand became so weakened when retailers did not market the products properly, that the inventory wasn't fully stocked. While Apple products plummeted in sales, the Gateway company was offering direct sales to consumers in its own stores, and Apple had to reinvent its business model, and quickly learn how to operate In a different manner.

Less than two years after Apple launched Its retail stores, Gateway shut down all of its shops and laid off 2, 500 workers. Only three years later, Campus closed its chain of 23-year-old stores as well. Apple went against much of the advice it had received, and clearly the company was doing something right. Apple created retail stores that offer more than Just a product. The stores offer a shopping experience that consumers often give raving reviews on. That Includes ordering ease, smooth delivery, clear Installation, the right customer training and consulting, and simplified maintenance and repair. Did 12-11: Product Differentiation Apple Stores are now the highest performing stores in retail history. This isn't due to Just good in-store and online service. The products typically set the bar among all other technology products offered in the industry. Many Apple products come with customizable features based on a customers wants and needs. That includes hard drive and disk space, all the way down to the detail of an optional custom engraving on a product. In addition to the features, Apple products are known to hold superior performance quality.

Sure, the products aren't cheap, but typically when a customer guys an Apple product, they know that product will pay for itself over time. Slide 13-5: Categories of Service Mix When you're dealing with a product that Apple designs and sells, it's typically a highly technological device. That tangible good brings on accompanying services. The more advanced the product, the greater the need for those high-quality supporting pad, there's a chance they don't know how to maximize its use to its full capability.

Apple found a way to assist costumers, so they can learn about the devices they're purchasing for free. Employees at each Apple retail shop hold free workshops for nonusers to teach the basics. In addition to workshops, customers can sign up for one-on-one training sessions to dig even deeper into their product's capabilities. Slide 13-6: Service Distinctions These services offered by Apple require the client's presence; therefore employees need to be considerate of the consumer's needs. That is why Apple is known for hiring " customer-obsessed, empathetic employees. Apple expounder Steve Jobs offered a unique insight about how consumers interact with technology. Jobs said often the problem was that consumers are limited to thinking in terms of only what hey know, instead of what is possible. Jobs once said that one of the keys to Apple is that the company builds products that turn the employees on. That is certainly to the benefit of the customers, that it " often means products are exactly what they want because Apple employees are so deeply entrenched in and committed to the customer's experience. Slide 13-8: Distinctive Characteristics of Service While many consumers know the physical products Apple offers are those of high quality, the company has made it a point to " manage the evidence," and " tangibility the intangible. In doing so, Apple had to create stores that have a clean layout, in which traffic flows steadily, have employees that are busy, but they can still manage the workload, have equipment that is state of the art, have a symbol that suggests quality in both product and service, and finally, has a reasonable price for service.