

Apple: a multinational corporation



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Introduction

Apple Inc. it is a well known American multinational corporation that designs most of the famous consumer electronics and widely used software's. It was established on 1st April, 1976 at that time the company was known as Apple computer, Inc. the word computer was dropped after 30 years of its establishment on 9th Jan, 2007. To mark its expansion in consumer electronic market. Apple nearly has 35, 000 employees worldwide and its sales recording nearly US\$42. 90 billion by 26th September, 2009. It came in a magazine named Fortune that Apple had been most appreciated company in United States in 2008 and worldwide in 2009.

Objectives

Apple's motto, " Think differently", a concept which Apple has been following since it started by creating state of the art products that. Other computer manufacturers have tried hard for decades to copy the ideas but none had succeeded as Apple did. It has always manufactured and designed products which no one has even imagined of. They provided the first ever user-friendly laptops and computers. Apple introduced iMac and iBook for the basic computer users such as students etc and Power Book and G series for advanced computer users for graphic designers, business man etc .

Ownership Of Business

As it is public owned company so it sells its shares. Currently there are around 1, 441 shareholders, with total shares held are 652, 325, 642 and the total value of their holdings is around \$134, 501, 972, 866. The top 5 holders are:

TOP 5 HOLDERS Shares held

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- FMR LLC 45, 173, 344
- STATE STREET COMPANY 31, 980, 670
- Vanguard Group 31, 216, 671
- Barclays Global 26, 449, 599
- PRICE T ROWE 24, 545, 605

Board Of Directors:

Chief

Steven P. Executive

Jobs Officer,
Director

Chief

Operating

Timothy D. Officer

Cook Chief

Peter Financial

Oppenhei Officer,

mer Senior

Vice

President

Senior

Philip W. Vice

Schiller President

-

Worldwide

Product
Marketing
Senior
D. Bruce Vice
Sewell President,
General
Counsel,
Secretary

Senior
Ronald B. Vice
Johnson President
– Retail

Senior
Vice
Bertrand President
Serlet – Software
Engineering

Robert J. Senior
Mansfield Vice
Mark President
Papermaster – Mac
Hardware

Engineering
Senior
Vice
President
– Devices
Hardware
Engineering
Scott J.
Forstall Senior
Vice
President
– iPhone
Software
Engineering
ng and
Platform
Experience
e

Stakeholders

Consumers

As there will be any kind of changes in Apple company itself consumers will be affected, as the price increases consumer won't be willing to buy apple products or if the price increases consumers will be buying to buy apple products

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Competitor

The biggest example of competitors can be Microsoft, whatever Apple does directly or indirectly affect Microsoft or vice versa. For example if Apple releases any kind of new computer regarding business the result is some new firms might opt to adapt that new system or might go along with Microsoft, thus effecting each other by every means.

Steve Jobs Apple's CEO

He is the co-founder and chief executive officer of Apple. He was the only one who introduced the bright idea to Apple e. g. iPod, iPhone etc. The whole company is affected by his decisions, as his health was affected the company's share lost its value. Stakeholders had a fear that if Steve Job isn't there it will cause Apple's downturn causing a great loss.

Apple's SWOT Analysis

Strengths

- Sales of its notebooks are very strong which represents a large portion of Apple's income
- Apple is considered as one of the most established IT brand in the world. It not only attracts new customers but existing customers also come back for latest products as well as to take advantage of the services they are offering.

Weakness

- Apple is making an end with IBM who was among Apple's main chip supplier and switching to Intel for supplying chip which is thought to make consumers confuse as most of consumers have tend to use IBM chips which existed before Intel.

- It has its own software platform which doesn't allow users to have any kind of flexibility or to run Microsoft software's on Apple OS which discourages consumers to buy Apple OS based consumer electronic.

Opportunities

- Can offer some software flexibility by open source operating system so it would attract more consumers and making it more user-friendly thus increasing sales.
- Apple can step ahead by horizontal integration with some other major IT Company like Microsoft to expand its business to a completely new level.
- Offer Apple OSX to non Apple hardware which can turn out to be a great advantage as more people will tend to use Apple's OS as it is a completely different experience.

Threats

- The biggest threat to Apple is its competitor Microsoft around 90% of the world-wide computers have Microsoft OS installed on them. This in long run can be very dangerous for Apple's business.
- Global recession can likely reduce the sale of high priced consumer electronic; since apple is offering no cheap alternatives the consumer itself tend to switch to other manufactures for cheap prices.

Market Research

The most shocking thing about Apple Inc is that it never does any kind market research; they never hired any kind of consultants. They hired once in a decade which they considered later as their mistake. Apple itself figures

out what people want and then work on it at the end the whole world is just amazed by that work and wants to include it in daily lifestyle.

Marketing

The marketing concept which Apple Inc uses and has been successful in long run can be divided into 3 categories customer oriented, organization objectives and coordinated market activities. The customer attraction is done by advertising through different media which is appealing to customers, moreover they provide good delivery services all this steps taken is to reach customer orientation concept. For organization objectives concept they set a target for its employees to reach, with that to even move closer to their ultimate goal they improve their quality of product. Apple does marketing management by acknowledging customers needs and wants.

Market Mix

Product

Apple basically sells laptops, iPods, mobiles etc here we are going to concentrate on their laptops. Apple has different kinds of laptops for different uses. They are quite light, slimmer and highly advanced which can make anyone stand alone in a crowd. It is mostly preferred due to its uniqueness and brand name. In their product range Mac book, Mac book pro which comes in different sizes 13", 15" and 17" depending on user's usage. As students will prefer small and compact whereas a graphic designer will prefer large screen display.

Price

The prices differs according to how basic or powerful laptop you are purchasing as for students small and compact can be bought cheaper

ranging from \$999-\$1699, where as for high end user is around \$2499 above depending on specification

Place

Apple has very good delivery service so you just buy it online from anywhere in the world the laptop will be delivered right at your door step which encourages most of the people to buy laptop with quality services. Else all famous electronic retailers sell Apple laptops around the world.

Promotions

Apple promotions are the best deals that can be found anywhere. Apple provides special student concessions and even low interest rate installment so that it is reliable from every aspect. Sometimes free deliveries offers are also available.

External Factors That Can Impact The Business Activities:

- **Economic:** The economic factor plays an important role in the normal functioning of the business. The fluctuations in the economy directly affect the budget and Apple being a public business entity may face challenges to cope with the fluctuations.
- **Social:** Society also plays a major in the flow of the business activities. The customs and trends of a society do affect the way the business is functioning although these customs might be favorable to the businesses.
- **Technological:** Apple being major IT Company, has to provide the best services so it has to constantly upgrade its infrastructure and has to bring changes in its technologies.