



Apple INC's. Marketing Plan

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Marketing 1100

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Executive Summary

This marketing plan has been designed for the Apple Inc. to create innovative strategies and objectives for its broad series of products. Apple is a technology company that develops, designs and sells its electronics and computer software to the market consumer. Founded by Steve Jobs, Steve Wozniak and Ronald Wayne on April 1, 1976, the company has worked to create products of high quality such as the iPhone, iPad, iTV and MacBook computers. The computers and software has been well established to ensure that customers needs are met and ultimately exceeded. Apple uses its marketing strategies such as brand loyalty, store-retailing and differentiation to achieve a strategic competitive advantage. The company works nationwide as it creates a brand for itself, attracting customers and becoming an innovator of technology.

Apple has continued to generate a brand for itself, becoming an innovator for its companies products. This level of innovation among Apple has shaped technology to become an influential factor in one's life. Apple has used its marketing strategy to create effective ways to strengthen the overall business. The company took into consideration its marketing environment to ensure that they are attaining new customers on a daily basis. However, a dilemma amongst Apple Inc. is that the company often seeks to advertise and update their products rather than to focus on the productivity of the products. This marketing plan is set to address Apple's retail-marketing strategy and how it is used to create Apple's success. In addition, the plan has been generated to address specific issues while displaying how Apple Inc. can increase its market share and growth rate.

The objectives stated above, can be achieved with two significant goals. First, the plan sets to use advertising to show that a unique software is embedded in Apple products. Advertising how strong and advanced the software is, can lure prospects towards the various Apple products on the market. This can be accomplished by creating advertisements specifically about the phone and the software embedded in it. Secondly, the company can revise its marketing mix to ensure that the products are suitable for customers. This can be accomplished by marketers using SWOT analysis to assess the company's current strengths, weaknesses, opportunities and threats. Overall, these goals will help the company understand what's essential for their success.

Environmental Analysis

Apple Inc. is a multinational company recognized for its electronically efficient brand. Software and hardware has been designed specifically for Apple products which creates a competitive advantage other companies. Apple is one of the companies in the industry who manufactures and designs their products. There are general forces within the environment causing potential threats to occur within the company. Planning will allow for observations and analysis to be made based what takes place in the environment.

- **Competition**

Apple has various competitors such as Samsung, Microsoft and Google who are on high level market. The company has various items on the market and seeks to have a long lasting products, at a high prices. However, Apple has differentiated themselves from other industry competitors, allowing the company to be unique.

- **Political**

Political factors have heavily impacted Apple, causing the decision making process to be highly valued. These uncontrollable political factors such as taxes, public health issues and government regulations may have lasting effects on the sale of Apple's products. The political instability of a given country can affect the distribution and product sales of the company. Apple can spread their distribution of products to various companies to help avoid these political factors.

- **Technology**

The market for today's technology has grown rapidly, causing consumers to look upon new and existing products on the market. Apple uses its innovative technology to create an advantage over other companies such as Android. The level of development that occurs within Apple products, such as within the operating system, has lured tech savvy customers to their line of products.

- **Sociocultural**

Sociocultural factors such as people’s lifestyles, demographics and age have played a role in the development and performance of Apple. The technology industry is growing at a fast pace causing the company to constantly develop its products. People have a higher dependency for technology as the power of consumers has increased.

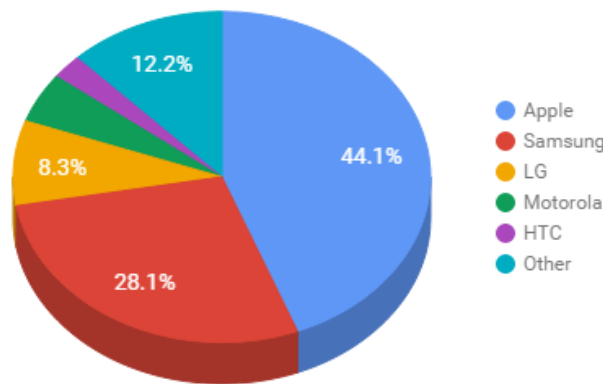
- **Economic**

Each country has its own economic factors which include exchange rates, standards of living and taxation policies. Exchange rates have played a significant role among the trade regulations a country may have. Many of Apple's product parts come from foreign suppliers such as China. Consequently, Apple has purchased foreign currencies, causing the revenue of products to increase while respecting international trade regulations.

- **Legal and Regulatory Forces**

Apple must work under specific legal regulations to ensure that the company is working as efficiently as possible. These forces include competition, unfair advantage, safety, and employment laws. Governments are recognizing that privacy issues are evident associated with technology use causing to Apple increase its privacy regulations.

United States Smartphone Manufacturer Rankings



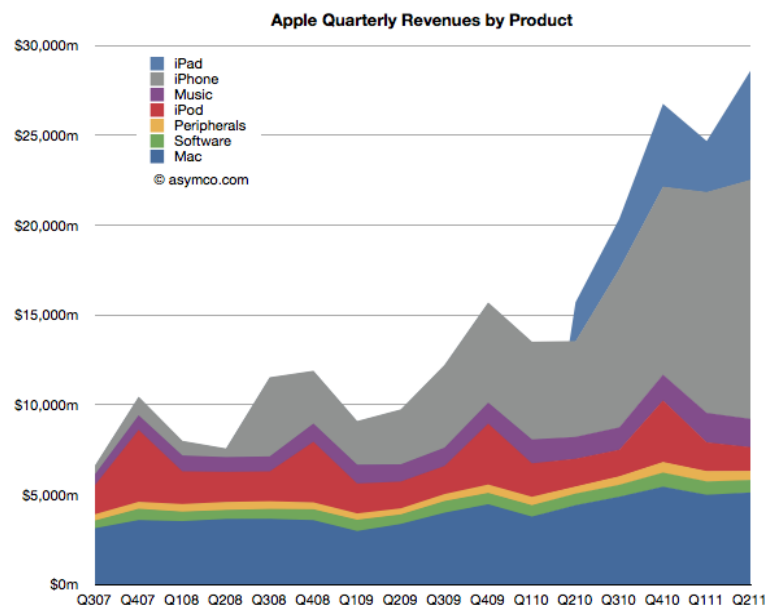
Assessment of Target Markets

Apple uses its target markets to develop effective communication tactics within the organization. The company's products such as iPads, iPhones, and MacBooks are used among a wide variety of people in today's society. Business people generally use Apple products such as MacBooks because they have a high level of internet speed, large amounts of memory and carry a sleek appearance. Adults use Apple iPhones and iPads for phone calls, internet use, taking pictures, map directions and making calls. Teenagers and young adults typically use iPhones to make calls, store information, listen to music and for educational purposes. Young children use iPads to download and play games; however adults and students use it for internet use.

Current Market Objectives and Performance

Objectives: Apple Inc. has created a marketing strategy, allowing the company to reach ultimate success. Apple manufactures its own products and hopes to expand their brand worldwide. In addition, the company wishes to keep the prices of their products stagnant, to sell them consecutively to customers. Ultimately, technology is developing the company, allowing for success within the company's marketing mix.

Performance: The marketing mix for Apple ensures customer satisfaction and a high marketing share within the company. Apple is engaging in new strategies by expanding and increasing its stores within America, Japan, Canada and the United Kingdom. Approximately 400 retail stores have contributed to the company's overall revenue. Apple sells its products within a specific price series and uses "skimming" to ensure that a product is sold at a high price, gaining higher profits.



SWOT Analysis

SWOT analysis is used by marketers throughout various companies to create business strategies while recognizing strengths, weaknesses, opportunities and threats. The SWOT analysis of Apple displays specific components of the company, creating insights to strengthen the company's growth.

Strengths

- **Design:** Apple products display an elegant product design, while withholding a high processing operating system.
- **Operating System:** Each product runs on the Apple operating system, setting it apart from competitors such as Microsoft and Samsung.
- **Pricing Strategy:** The company has created a pricing strategy, allowing for prices to be adjusted while creating high profits.
- **Advertising:** Apple uses advertising as a promotional strategy to attract customers to their high end products.

Weaknesses

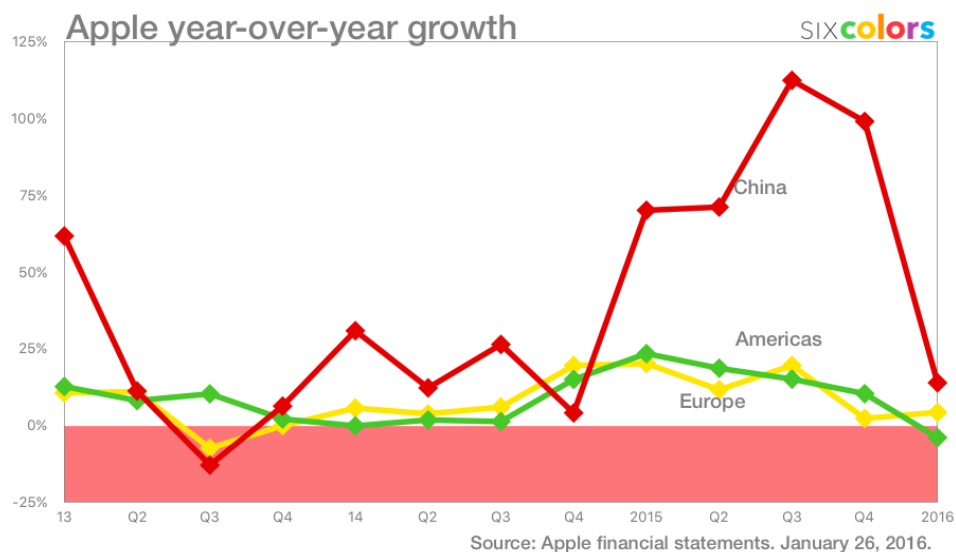
- **Few products:** In comparison to competitors, Apple has a selective amount of products on the market. If a product becomes defective, it's a loss for the company.
- **Overpriced products:** Apple's high priced products can push customers away, causing competitors to make similar products at a lower price.
- **Market share:** The market share of Apple can potentially decline if customers purchase products from competitors.
- **Narrow focus:** Apple places a high focus on the development of its products, as opposed to the products services.

Opportunities

- **Advancement of products:** Apple has the capability of advancing the technology within their products, creating a competitive advantage over others.
- **Relationships:** The company can obtain long term business relationships with other corporations.
- **Market share:** The market share for Apple may increase due to the high demand for products such as iPhones and iPads.
- **Research:** Apple can study markets to receive feedback and determine what customers buying needs are.

Threats

- **Software:** The Android software can dominate Apple software, causing a decline to occur.
- **Aggressive Competition:** Apple's competitors have the capability of imitating Apple products and selling them at lower prices to consumers.
- **Laptops:** Apple MacBooks have strong competition, including IBM, Dell, Microsoft. Samsung and Google have joined together to make a powerful hardware for their electronics.
- **Labor costs:** Labor costs in countries have increased, which can impact the vendors that Apple uses for product parts.



Marketing Objectives

Qualitative Measures

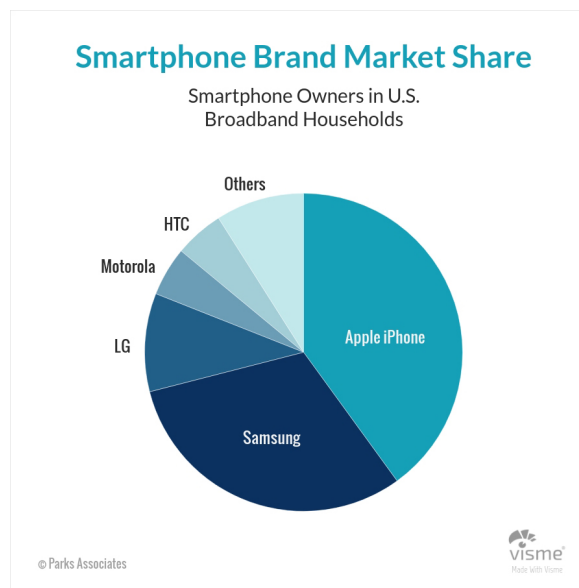
Apple Inc. is differentiated from other companies because of its capability to manufacture high quality products, determine buying behavior trends and making conclusions from research.

The company's marketing objective is to distribute and expand their products/ retail stores to customers nationwide. The expansion of Apple's product markets can improve sales to customers and expose their products to potential prospects. The company believes in investing in its research to create insights and develop an understanding of how to produce quality products.

Apple seeks to satisfy their customers needs by creating technological gadgets that are innovative and revolutionary.

Quantitative Measures

Apple Inc. is continuing to do exploratory research to innovate technology, allowing the company to be the top of the technology industry. In 2014, the market capitalization of Apple reached approximately 460 billion, which was higher than competitors such as Google and IBM. Apple can sell its products to larger retailers such as those in Hong Kong, to attract new customers. Among each generation of iPhones new technological features are implemented, drawing customers to their products.



Marketing Strategies

Target Markets(s)

Target markets are used to develop effective communication tactics within the organization. Apple Inc's products such as iPad's, iPhones, and MacBooks are used among a wide variety of people in today's society. The company focuses on selling its products to broad groups in society, allowing for products to satisfy customers buying needs and wants. Generally, the company targets people to determine where, and who will use their products. Apple's products may target a wide variety of customers including business people, adults, teenagers and young children.

Business people use Apple products such as MacBooks because of its high level of internet speed, large amounts of memory and carry a sleek appearance. Adults use Apple iPhones and iPads for phone calls, internet use, taking pictures, map directions and making calls. Teenagers and young adults typically use iPhones make calls, store information, listen to music and for educational purposes. Young children use iPads to download and play games; however adults and students use it for internet use.

Marketing Mix

- **Product**

Apple continues to innovate the company's products such as the iPhone, iPad, iTV and MacBook computers. The company uses its marketing strategies such as brand loyalty, store-retailing and differentiation to achieve a strategic competitive advantage. Apple products have exclusive design features such as different storage amounts, retina display and image stabilization.

- **Price**

Apple uses a pricing strategy where the prices vary among each premium product. The company achieves value among its products, while meeting customer buying expectations. The pricing strategy used among Apple helps ensure that the market share consists of people from the middle and upper class, maintaining the image of the company.

- **Place**

Apple's headquarters is located in Cupertino, California. At headquarters, services are offered such as repair services and training /assessments of Apple's salespeople. The company hopes to expand its stores among different distribution channels and use authorized retailers such as Walmart and BestBuy to sell products. In addition, Apple uses online companies such as Amazon to advertise and sell its products.

- **Promotion**

Apple stores use social media, online advertising and customer service to promote its products. The company uses elegant means of advertising to get their points across in an effective manner. A 1 year warranty is provided by the company's products, allowing for customer satisfaction. Apple's website design is sleek and easy to navigate, making it smooth for customers to navigate.

Marketing Implementation

Marketing organization

The organizational structure of Apple ensures that market needs are met and that economic growth is made within the company. The structure of Apple is becoming increasingly innovating, causing success within the market. The leadership role of Steve Jobs has been taken over by Tim Cook, resulting in a change within Apple's organizational structure. There is a wide range of collaboration among the company; however, Tim Cook is the the center, organizing it all.

Activities and responsibilities

Apple can reorganize its marketing organizational structure, ensuring that the responsibilities within the company are fairly distributed. This reorganization can improve the communication among the company, allowing for a successful business to be ran. Apple's responsibility is to build technological products with an innovative design, and create strong media content to shape the technological lives of its customers.

Implementation Timetable (Time: 1-2 years)

1. Apple will revise its marketing mix to ensure that its products are suitable for its market. Marketers of Apple will use SWOT analysis to assess the company's current strengths, weaknesses, opportunities and threats.



2. Third party advertisers will promote the productivity of Apple products online. This can lead internet users to the Apple website where various products will be displayed for people to explore.



3. Marketers of Apple will evaluate segmentation variables by using the company's target markets to determine where, and who will use their products.



4. Apple will use Customer Relationship Management Systems to gather information about customers to create effective marketing strategies.

Performance Evaluation

Apple will evaluate the performance of the implemented plan. Marketers of Apple have done research to secure new customers, extend customer relationships and enhance the profitability of existing customers. Research analysis cost approximately \$2.938 billion; however Apple was capable of developing insights on how to reduce production costs while increasing company profits. Customer feedback was received from market surveys to determine if any changes needed to be made. The company seeks to satisfy its customers needs by creating technological gadgets that are innovative and revolutionary. Among generations, Apple Inc. has worked nationwide, creating a brand for itself, attracting customers and becoming an innovator of technology.

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