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Background

Apple Inc was founded on April 1, 1976. The name was formerly called Apple Computer, Inc. It is the first successful personal computer company. The co-founders are two college dropouts Steve Jobs and Steve Wozniak. The duo brought a vision of changing the way people viewed computers. The first computer was manufactured in Steve Job's family garage. Steve Jobs left the company in 1985, but came back in 1997 and helped the company by introducing more innovative products.

Apple Inc is an American manufacturer that designs, manufactures, and markets mobile communications, personal computers, and portable digital music players. In addition, Apple Inc sells numerous related software, services, networking solutions, and third party digital content. The company sells products and services such as iPhone, iPad, Mac, iPod, Apple TV, the iOS and Mac OS X operating systems, and iCloud. Moreover, Apple sells digital content through online stores iTunes store, App store, iBookstore, and Mac App store. Apple has a total of 521 locations, 272 in the United States and 249 overseas. Over the years, Apple has expanded the number of retail locations and its geographic coverage. Apple's prices range due to the different products they have. Apple's iPhone ranges from \$429 to \$1599. Apple is the first successful personal computer company. In addition, it's the popularizer of graphical user interface. The company's target market is user consumers, small and mid sized businesses, and education, enterprise and government customers.

Corporate Mission

Apple stands by many core values and beliefs and believes that it is essential to follow and adhere to not only the mission statement but the vision as well. At Apple, they want to provide the best user experience, improve the lives of their consumers, empower the public and always provide top-quality products. To ensure they are providing every user with the best experience possible Apple is constantly updating its software, hardware, and services to fit the needs of the consumer. They are also constantly at the forefront of innovation, creating new and creative ways to keep the user experience feeling fresh and new. Apple wants to always make sure that its products are not only giving you the best experience but improving your life in some shape or form. This is a very important part of their mission statement because the goal is to stimulate ease through the life of the user by the use of their simple and easy-to-use technology. Their innovation has led to Apple products helping in so many different ways throughout your everyday life. When it comes to empowerment of the public Apple has become “dedicated to try and help close any gaps when it comes to technology space”. The products that are produced are more than just everyday tools or electronics to help you be entertained. It has evolved into something much more than that to give you a sense of empowerment. Lastly, one of the most important aspects of their mission statement is to deliver top-quality products. All of the components of their mission statement combined is what helps Apple deliver a premium product every time a consumer makes a purchase. Their high quality goes beyond just what the product is made of because Apple makes sure that all of their workers are treated equally, fairly and have access to a variety of resources if they are needed. These beliefs and values are what helps set Apple aside from the rest.

Sales, Profit, and Key Financial Data

Apple is one of the most dominant and powerful brands in the world. In the last 10 years, Apple has transformed from a niche product to a dominant economic force. Apple revenue increased dramatically within the past decade, from 108 billion to 365 billion. It increased its revenues by 33%. The revenue increased from 37.4 billion dollars in 2008 to 65 billion dollars in 2010. In just two years, the revenue increased almost double. In 2020, 230 million iPhones, 71 million iPads and 20 million Macs, 110 million AirPods, 43 million Apple Watches and Macbooks were sold. Apple's annual gross profit for 2020 was 104.956 billion. It was a 6.67% increase from 2019.

In 2021, Apple is valued at over 2 trillion which makes the company the most valuable technology company in the world. Apple produced 365 billion in revenue in 2021. 52% of the sales came from the product, iPhone. 18% of revenue came from Apple services which was the second largest division. Apple's home ad wearables division like apple watches, airpods, etc grew 25% in 2021. Apple's annual gross profit for 2021 was 152.863 billion. It increased 11.74% for 2021 which makes the annual gross profit 170.782 billion.

As of 2022, Apple's revenue is 394.3 billion, up to 8% year over year. Apple's sales, specifically iPhones, accounted for 49.02% of the company's overall revenue in the third quarter of 2022. This is the largest share of all Apple products. In the second quarter of 2022, Apple's global revenue gained 97.28 billion dollars. This shows Apple's strength in a time of hardship, as Covid 19 pandemic caused economic recessions. Overall, the quarterly revenue increased 8% to 90.1 billion and the net profit was \$1.29 per share.

Advertising

Apple is known for its effective marketing and advertising strategies, which have helped to establish the company as a leader in the tech industry. One key element of Apple's marketing approach is their focus on simplicity. The company's product presentations and marketing materials are often characterized by a clean, minimalist aesthetic that emphasizes the sleek and intuitive design of its products. Apple's product designs are known for their sleek and minimal effort, with simple color schemes that help to emphasize the high quality materials. This approach to design is evident in products such as the iPhone, iPad, and Macbook, which are known for their clean lines and uncluttered interfaces.

In addition to its focus on simplicity, Apple also uses emotional appeals in its advertising campaigns. The company often portrays their products as being capable of enhancing users' lives and helping them to achieve their goals. This is evident in Apple's advertising which often shows people using Apple products to accomplish a wide range of things like creating music and art to staying connected with friends and family. Apple also uses suspense and excitement to generate hype around new products. The company often keeps details about its upcoming products a secret which creates a sense of anticipation and excitement among consumers. This approach has been particularly effective leading up to the launch of new iPhone models.

The company often advertises products in popular films, television shows, and other media in order to associate its brand with successful and aspirational figures. For example, Apple products are often featured in films and television shows that are popular with young and tech-savvy audiences. It helps to reinforce the idea that Apple products are a must have for anyone who wants to stay on the cutting edge.

Online Promotional Activities

Apple has a reputation for creating innovative and high quality products. Over the years, Apple has made a name for itself by consistently releasing new and exciting products, such as the iPhone, iPad, and Macbook. One of the key ways that Apple has promoted its products online is through its website. The company's website is easy to navigate, making it easy for users to learn more about the different products that Apple offers. The website also features detailed product information, specifications, and pricing, allowing consumers to make informed decisions when purchasing Apple products.

In addition to its website, Apple has also used social media platforms, such as Twitter and Facebook, to promote its products. The company regularly posts updates and announcements about new products and features on its social media channels. This helps to keep its followers informed and engaged. Apple also uses social media to respond to customer questions and concerns, which helps to build trust and loyalty among its consumers. Another way that Apple has promoted its products online is through online advertising. The company uses targeted advertising to reach consumers who are interested in technology and are likely to be interested in purchasing Apple products. This allows Apple to reach a large audience and generate interest in its products.

Important Events

Over the years Apple has grown larger and larger which has led to them developing and releasing brand-new and updated products very frequently. In order to showcase and explain these items that they have developed, Apple has created two very important events for any tech-savvy individual or Apple fanatic to attend. The first event is the WWDC and the second one is simply named “Apple Event”. Contrary to its simple name the “Apple Event” is anything but simple, as the team of programmers and developers are able to go into depth about what new features and gadgets they have created. These events were kickstarted with the very first Macworld Expo event which happened in 2007. At this event, Steve Jobs had announced to the world that the company name would now be Apple instead of Apple Computer Inc. This was because of the shift of focus from just computers to other devices, such as the popular iPhone. This was the first event that helped paved the way for Apple to continue showing off how innovative they can be.

Following the first and last “Macworld Expo” Event was the “WWDC” event in 2008. WWDC stands for Worldwide Developers Conference which focused on the brand-new iPhone 3G alongside with new software hardware updates, third-party apps, SDK, great tools, and more as the iPhone generation’s started (Appschooper, 2020). The main reason for the WWDC was to introduce to other fellow developers changes that were coming to the software. This helps the developers tweak their apps in ways that work in tandem with the upcoming updates and changes being made. This event is also a time when Apple sheds a more focused light on new specs and features such as a retina display, Face ID, camera modifications, or the new version of iOS. For years to come, Apple has continued to bring the WWDC every year to help make the way we use their products smooth and seamless.

The next event that Apple holds every year is the “Apple event”. The first-ever “Apple event” happened in 2013 and this event was made specifically to help show off new products that Apple has made. This is when Apple got to showcase products such as their iPhones, Macbook, AppleWatch, iPad, and much more in greater depth. It gave them a chance to truly show off what their products can do when you know how to properly use them. Although Apple would briefly go over specs and internal hardware, this was not the main focus. Creators of the device would show high-quality videos, pictures, and even short films that were shot right off of an iPhone so that consumers can understand that all of these things can be done with just Apple products. Consumers began to get the message that you don't have to be a producer, director, or big-time photographer to capture these moments. Even they can do it with a device that fits in the palm of your hand. These events have become key points and major moments for Apple's business which keep developers and consumers intrigued and coming back for more.

SWOT Analysis

Strengths

Apple has come a long way since starting back in 1976 and still has much further to go. Over the years they have become a huge tech giant with many saying they are arguably the best in the business. However, no business is perfect and Apple is no exception. Just like any other company Apple has its fair share of strengths, weaknesses, opportunities, and threats. Once a company is able to step back and see what they are doing right versus what they are doing wrong it helps them improve and become a stronger firm. To understand how Apple is doing good but can do better is by stepping back and analyzing certain components of their corporation

When it comes to strengths there is no doubt that Apple has many. This company has proven time and time again why people are so in love with their products and ingenuity. To start, one of their strengths is the fact that they are a technologically advanced brand. Apple is usually always ahead or right next to their competitors when it comes to technological advancements which is exactly what you need in today's world. We live in a technology-driven world and oftentimes find it hard to escape it because it is all around us. Apple has found ways to make technology become seamlessly integrated into our lives by having products that are not only convenient but extremely useful. "If we recall, the concept of a good quality camera in a mobile phone was initiated by Apple and later adopted by its competitors" (Momin, 2022). This only goes to show how Apple has always been the innovator and not the follower.

Secondly, when it comes to options Apple always seems to have you covered. They have a very diverse set of products that are here to help your technological needs. This is very important for them as a company because by having a diverse set of products they are not only growing but filling market gaps. Although they are heavily known for their popular iPhone,

Apple sells many other items such as headphones, computers, iPads, HomePods, watches, accessories, and much more. By being able to provide all these items Apple has created an experience that makes you feel like you never need to leave. You don't have to go outside and look for another company that sells them because they will more than likely have it for you. This in turn also heavily gives a boost to customer loyalty.

Lastly, Apple has become a very strong brand because they have become well-known for its style, design, quality, and innovation. All of these attributes have combined to give Apple a luxury experience. You know that when you go to one of their stores to make a purchase you will be leaving with something that is of high quality and design. Apple is able to effectively market the beauty of their devices so that consumers feel like they have something of high stature and class. Their simple yet sleek designs combined with innovation and creativity have created experiences that other brands aren't able to quite replicate.

Weakness

Apple has done a great job showing us what they are capable of and just how far they can push the limits. However, there are still many things that can either be improved or simply bringing them down. Now while Apple may be viewed as a luxury brand to many, others may argue and say that their prices are too high. Not everyone can afford a pricey new iPhone every year even if they might be the best in the market. On top of that many customers find themselves downgrading devices or switching to another brand altogether. This is because of their very inflated prices that they bring every year at special events.

Secondly, Apple is severely lacking in digital advertising and marketing. Many will find it very shocking to find out that Apple actually spends much less on digital advertising

which leads to much less marketing on television or social media. Competitors are actually very strong with their digital marketing which puts Apple at a severe disadvantage that can easily be fixed. Their marketing relies heavily on brand recognition and flagship stores which has been working for them thus far. However, if they were to allocate a little more money and effort into their digital marketing they would be able to easily create more revenue.

Over the years the company has gained negative attention due to claims that they are tracking and keeping track of users location. These negative claims lead to many users second-guessing their privacy on Apple devices. This also led to a heavy amount of distrust in the brand and if they even care about certain boundaries should be respected. “This allegation brought bad publicity to the company and made it difficult for users to trust Apple again (Momin, 2022).

Opportunity

Even though Apple does lead in many categories of the technology industry, there is always room for improvement. In today's world, many companies have started to take climate change into consideration. This has made way for the opportunity for Apple to go green. They have just begun to scratch the surface of green and eco-friendly ways to make their company help the environment. They have started by reducing the amount of resources used in the packaging and taking about the charging box from new devices. Apple has also begun to make their iPhones out of many recycled materials to help cut down on resources being used. This is only the start of how much more they can cut down carbon emissions and take the next step into becoming eco-friendly.

As we continue to see Apple dominate the market, more and more opportunities grow for them to dominate the tech industry. There are many different ways that can choose to expand their brand and one of the most creative ways that they can do it is by designing smart wearable technology. We have reached a point where wearable technology is possible and if Apple were to design and create something new then it would push them forward even further into being a tech giant.

Finally, the main way for Apple to continuously grow their opportunities is by making sure they continue to grow its team of specialists. Apple is home to many qualified developers, researchers, and product specialists that continue to push the brand forward. With the expansion of their specialist team, Apple will be able to continue to design and create new and innovative technology that will change the world. This new technology in turn leads to new opportunities for not just the brand but the consumer as well.

Threats

As a big company, Apple is regularly faced with many threats. These threats come in many different forms and if the company does not react accordingly, then it could mean bad things for the firm. The main problem that poses a threat to Apple is its competitors. Apple may be widely known for their popular phones but they have also become known for their various other products. This wide range of products has put them into many other companies other than just technologically oriented ones.

Competitors such as Microsoft, Google, Dell, and Samsung are just some of Apple's direct competitors however because of other products they face an even larger standoff. Other companies such as Amazon, Kindle, and Tile are some examples of companies that have come to

also be competitors to Apple. This increase of competition in the market poses a big threat to this company if they are not careful, can pose to be a big problem. “As the competition is getting stronger, Apple either has to introduce new technologies or revise its pricing policy to stay ahead of its competition (BStratgey, 2022).

Another major threat that Apple faces is the amount of counterfeits that are being created. As previously mentioned, Apple has a wide variety of products available for purchase but this strength has also turned into a potential threat towards their brand. Unfortunately, Apple has become severely vulnerable to third-party companies copying their designs and products. Many sellers are selling falsely branded “Apple” products at slightly lower and even sometimes the same price as authentic Apple products. Sellers have become so good at producing and selling these products that often times the buyers actually think the product is the real deal. This in turn leads to bad publicity and negative reviews for Apple's brand when the product was never actually created by them.

Omni Channel Analysis

Problems that Apple currently face are increasing costs from global logistics and rising employee salaries. In addition, the possibility that consumers will put off their iPhone upgrades because of declining purchasing power. Not only that, Apple is also facing supply constraints related to the China shutdowns this year that could result in an \$8 billion revenue hit (Leswing, 2022). Two places where inflation is shown in Apple's balance sheet is gross margin and operating expenditures.

Another challenge Apple has is maintaining the performance over the last few years. Apple faces current component shortages. Even though the company is better insulated than others, it will still be affected. During covid 19 crisis, Apple managed to stay afloat and the net income jumped from \$55.26bn in 2019 to \$57.41bn in 2020. Declining profitability decreases the company's ability to provide higher returns to its shareholders (Johansson, 2021).

Apple is facing issues for the next few quarters. The first challenge is to top the iPhone sales of 2021 which was extremely high as the first 5G device was launched. Another challenge would be chip component issues which can lead to a dip of unit sales by a couple of million units (Research, 2022). These two factors would be difficult for Apple to deliver for year-on-year growth.

In addition, Apple was having difficulties with China for the iPhone 14 rollout. Apple and China have a history of doing business together. The company spent two decades working with manufacturing partners to build enormous factories supported by a vast network of suppliers in the country (Mickle, 2022). Apple has added Chinese components to its products and profit from its lower prices.

Key Competitor

Apple's competitors include Samsung, Dell, HP, Lenovo, Sony, and Microsoft. Samsung is currently in the top 10 most valued companies in the world. Statistics prove that Samsung is the leader in smartphone market share. Galaxy smartphones are considered the pioneer in the industry. Apple iPhone and Galaxy smartphones are one of the many leading cellular devices creating strong competition to increase market share. Dell is another strong competitor of Apple in the laptops segment. Even though Dell is competing with Apple, Apple has a more loyal customer base. HP is a competitor of Apple, HP Inc. provides acceptable products at affordable prices. However, Apple provides high-quality products with premium pricing (Farooq, 2022). Lenovo is on the fortune 500 and is considered top brands in the world. Sony is another competitor with Apple based on gaming PlayStation, laptops, and smartphones. Last but not least, Microsoft is one of the leading brand competitors of Apple, for example; operating systems, computers, and smartphones.

Recommendations

Apple is known for producing some of the most innovative and high-quality products on the market. However, there is always room for improvement. Here are a few recommendations for how Apple could improve its products. First is the increase the durability of Apple products. While Apple products are known for their sleek designs and high-quality build, they can be prone to damage. This is especially true for products like the iPhone and MacBook, which are often carried around and used on a daily basis. By increasing the durability of its products, Apple could reduce the need for repairs and improve customer satisfaction. The second recommendation is to improve battery life. One of the most common complaints about Apple products is the short battery life. This is particularly frustrating for users of devices like the iPhone and iPad, which are often used for long periods of time. By improving battery life, Apple could make its products more convenient and user-friendly. The last recommendation is to offer more storage options. The last recommendation is to offer more storage options. Another common complaint about Apple products is the limited storage options. Many people find that the standard storage options offered by Apple are not enough for their needs, leading them to spend extra money on additional storage. By offering more storage options, Apple could make its products more appealing to a wider range of consumers.

Conclusion

Apple Inc was founded on April 1, 1976. The name was formerly called Apple Computer, Inc. It is the first successful personal computer company. Since then, Apple has become one of the most dominant and powerful brands in the world. In the last 10 years, Apple has transformed from a niche product to a dominant economic force. Apple stands by many core values and beliefs and believes that it is essential to follow and adhere to not only the mission statement but the vision as well. At Apple, they want to provide the best user experience, improve the lives of their consumers, empower the public and always provide top-quality products.

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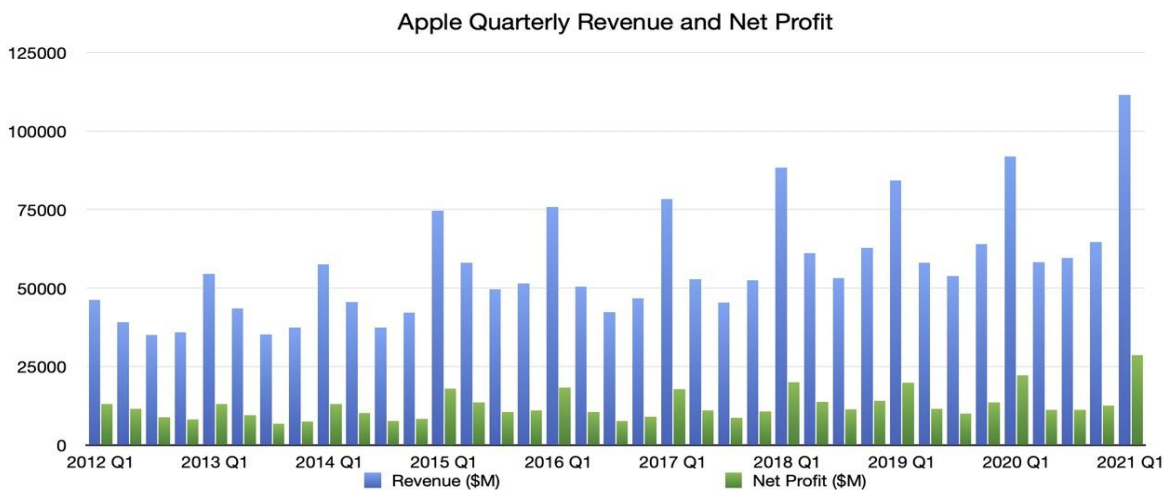
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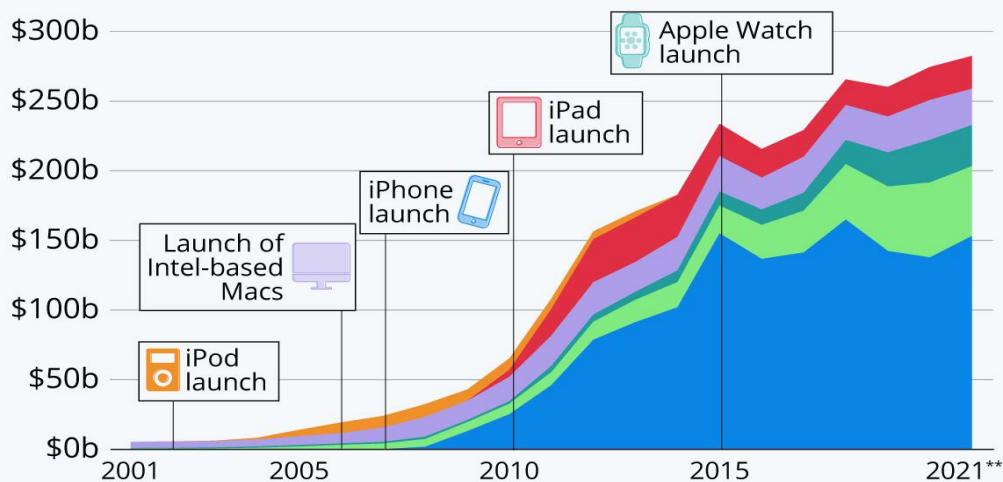
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Apple's Incredible 21st Century Growth

Apple's revenue by operating segment since 2001 (fiscal years ending in September)

- iPhone
- Services
- Wearables, Home and Accessories
- Mac
- iPad
- iPod*



* starting in 2014, iPod sales are included in "Wearables, Home and Accessories"

** Up to Q3

Source: Apple



