

Marketing Strategies by Apple Inc

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Introduction

Organizations manufacture products with a view to selling them to the customers. Marketing involves in all the activities product pricing, promoting, transporting and selling the products to the customers and gain profits. Without proper sales of the manufactured products organizational success is not possible. It is the job of the marketing department to attract the customer and influence them to buy products. In this report it will be analyzed the importance of the marketing department of Apple Inc. which is a very popular brand in the electronic market.

Key marketing activities

Marketing is one of the most important department of the organization that is involved in many different activities (Lovelock & Patterson, 2015). It refers to all the primary and supporting activities that organization engages to collect raw materials and sell the products to the customers (Kotler, Burton, Deans, Brown, & Armstrong, 2015). Marketing is one of the core activities that organizations engages to sell the products or services to the customers. When they launch a new product in the market the customers are surely unaware of the specification of the products and how the product better than the other competitors. The customers will not buy the product of a new brand if they cannot find anything particular from the products supplied. The core activities of the marketing department of Apple Inc and any other organization are shown in the scheme in figure 1 and explained below.



Fig. 1 Marketing activities scheme

Distribution: Distribution in marketing refers to the development process for the current products. After the manufacturing of the products, the organisations must develop strategies and means that they will use to distribute the products to the customers. Products are divided in small sections and sold to different segments of the target market. The transportation of the products is also included in the distribution process. Apple is a global organization having distribution channel in over 24 countries. The organization also maintains their corporate website which provides customers the opportunity to purchase products easily.

Selling: Selling is the primary job of the marketing department. Organizations manufacture products for their consumption by customers as much as possible in a way to avoid wastage and gain optimal profits. The marketing department maintains a straight relationship with the customers. They communicate with them and gather the idea about what kind of product the customers really want. The information provided by the marketing department helps the organization to identify customers preferences and develop the products according to them. Selecting skilled salesman is crucial to fulfill selling expectations.

Financing: Finance is considered the blood flow of a business. Organizations gather capital from different internal and external sources and create a budget of where they will spend those money (Zimmerer & Scarborough, 2008). The marketing provides the information of the customer demand and the quantity of production. The overall financial decision made by the organizational managers are according to the marketing information. It is created then a budget of the overall marketing activities such as marketing research, commission of the sales man and product promotion.

Pricing: Product pricing is one of the most critical activities that the marketing department goes through when selling products (Hinterhuber & Liozu, 2012). Different factors must be considered when selecting the price for the product. Organizations should firstly make an overall budget of the total activities and measure the total cost of goods. The price of the product must ensure that the cost product manufactured is compensated. The final pricing of the product should be selected after analyzing the price tag of the other competitors selling the same kind of products.

Promotion: Promotion is from the activities that the marketing department engages to communicate with the customers and persuade them to buy products (Armstrong, Kotler, Buchwitz, Trifts, 2015). After manufacturing the products or services, the customers of the target market must be notified. Marketing engages in promotional activities to outline the merits of products or services and show reasons that differentiates them from the other competitors. Several methods are used to promote products, knowing that multichannel is one of the most important among companies. Considering touchpoints for promotion, social media, television, video conferencing and interview are some of the most popular.

Marketing information management: Refers to the process of conducting marketing research to identify customer demand, values and the rest of the competitors in the same field (Wilson, Jones, Miller, & Pentecost, 2009). Organizations must manufacture products that can be sold to the customers. Oversupply of product may cause deflation which may decrease the value of the products. The marketing information system monitors the marketplace and customers to identify their demands. With proper information they can analyze the competitors and develop proper marketing strategies that can help the organization to differentiate themselves from the competitors.

Product service management: The marketing department follows product service management to develop quality of products or services through marketing information. There are different investment opportunities present in the market. All of them will not be suitable for the organization. From the marketing information, there can be identified the best opportunities that can help the organization to reach their goals. They can gain competitive advantages by exploiting the opportunities and implementing modern technology in production and marketing (Armstrong, Kotler, Buchwitz, Trifts, 2015).

In view of the different parts of the marketing activities, organizations may differ in their strategies depending on the type of products and services they offer and the size of the organization. The contribution of the marketing department to the organization is explained in the following section.

Contribution of the marketing department to the organization

The marketing department of an organization works as a mirror of the company. Organizations promote their products through the marketing department to notify the customers and persuade them to buy products. Marketing is also considered the tool for the organization to monitor the customer and identify their demand. Conducting research on the customers is a good way to know what the customer really wants from a particular product. Marketing department urges the organization to bring change in products and innovate new ways for developing the quality of products. In this section the contribution of the marketing department in an organization is explained and how Apple Inc. makes the difference.

Wide market: Marketing closely inspects the market and analyzes the competitors to measure competition and make proper decisions. There are many opportunities present in the market for the organization to invest. Marketing helps organizations to exploit these opportunities by providing necessary information of the market (Mügge, 2010). However, Apple Inc. has already built a strong brand awareness and brand equity that brought Apple loyal customers and fans. Therefore, Apple Inc. just needs to innovate in strategies to conquer new markets and keep attracting its customers.

Better product offerings: To survive in the competitive market coping with the change of customer trends, technological innovation is essential. Marketing provides organizations the

idea of product development and helps the organization to maintain or improve high quality products.

Adapting the right price: Adapting the right price tag is difficult for business startup organizations. They must consider their production cost and the cost offering by other competitors to select a price tag that will be attractive to the customers. Selecting a high price tag may encourage the customers to choose other brands. However, Apple sells premium products with high price, but their primary target market are customers that can afford it and expect high quality products. The marketing department also implements different pricing strategy such as prices skimming and pricing at premium for suitable target market.

Strengthening brand: Marketing greatly helps organization to strengthening the brand value. The marketing department maintains close relation with the suppliers and the customers. Their negotiation strategy may help the organization to gain better deals. Proper customer service and product quality is a great way of developing brand name.

Building relationship with customers: Customers are the primary target of the marketing department (Oly Ndubisi, 2007). Modern organizations highly value the customers as the overall organizational success depends on them. The marketing manager and executives uses different strategies to establish a long-term relation with the customers. Apple Inc. train their employees to listen and understand their customers, they are focused on building a relationship and the customer loyalty. They do not try to just sell products but make feel customers special. Apple Inc has created its awareness brand due to this type of relationship with its customers within personalized attention.

However, it is not enough to follow the usual marketing strategies and just maintain the level. Apple Inc is an organization that always looks for innovation and conquer the most and the best. That is why the brand keep a great number of fans and new marketing strategies are continuously implemented. In the following section innovative and other marketing strategies by Apple Inc are explained.

Innovative marketing strategies by Apple Ins.

Proper marketing strategies can help the organizations to achieve the overall goal of the business by increasing the brand awareness among the customers. “Think Different” is a very

popular slogan that may sound to everyone when talking about Apple products. Even that it is no longer used by the brand, it is something that reminds from time to time that Apple products always seek the different. The main point of the brand is to make things simple not complex, to innovate constantly and make the difference in markets where Apple can contribute.

Determining marketing objectives is essential to organizations, as well as setting the primary and secondary goals before starting a business. They must define what they need to achieve through the business and formulate different strategy according to them. Apple's primary marketing objective is to convert the non-buying customers to loyal customers by launching different products exceeding the expectations of their customers. The product position and the emotion created after the positive comments shared in social medial also contribute to the catching of customers.

Moreover, Apple Inc is seeking to enhance marketing strategies and products in order to corroborate in the technological market in a bigger range. For example, China is one of the markets where the organization needs to emerge due to the potential number of consumers. Building a global brand through all the markets will expand their profits and more importantly the brand awareness. As a strategic tool SWOT analysis is used to identify the internal strengths and weakness and the external opportunities and threats to determine the current position of an organization (Dyson, 2004). So, executing the SWOT analysis helps organizations to evaluate its core strengths and exploit them to achieve the business goals. Apple also uses SWOT to identify the external opportunities to create brand awareness among the customers.

The steps Apple follows to achieve their goals are starting with the focus on **research and development, as well as innovation**, thus expanding their product lines. One of the strategies is to maintain their products simple but different. Applying the last of technologies and always focusing on the uniqueness of the product. Besides, they continuously produce similar products updating an old release by similar functions and lower prices to increase consumption.

On the other hand, they aim to improve customer's life by creating **new gadgets**, they do not only focus on computers and mobiles. For instance, at the beginning starting the iPad and

iTunes service, offering unique service and products for those who demand music. Lately, the Apple Watch and Apple Pay have become premium products and service in the market.

Moreover, Apple **studies their customers**, they tend to know what customers want and then try to speak their language in order to catch their attention and show them what they want.

Analyzing the market and competitors is part of the marketing strategy that should be created before launching a product (Porter, M. E. 2008). As Apple is an international organization with excellent brand reputation, local small organizations do not affect their business much. Apple's primary competitors are other giant technology product suppliers such as Samsung, Dell or Lenovo. The competition of the market only applicable in specific market segment such as Apple's notebook computers will not face competition against Samsung's smartphones. Apple can use high quality material for improving product quality and provide better customer services to gain more customers. But mainly, Apple do not focus on competitors, they focus on the improvement of the product and the satisfaction of the customers, never in the price of the competitors. Even Apple's price of products is higher, it justifies it by its high quality (Corsi, Morin, 2015)

The selection of marketing methods is also part of the strategy. Organizations can sell their products physically to the wholesalers or directly through retail stores. Having a corporate website for marketing is very effective for any organization to develop market. Apple sells their products with both retail stores and their corporate websites. They provide necessary information about the product and give them the opportunity to buy product online. The organization also provides 24/7 customer service through their corporate website to ensure customer satisfaction (Peng, 2018).

Product packaging with attractive design can be very helpful for creating brand awareness and encouraging the customer to buy the products. Organizations use good packaging system for better preservation of the product so that will be safe in transportation and sales point. The packet used for product marketing should use all the information about the product, how it should be used, preserved, transported and recycled. Organizations can also provide different bonus materials in the packet to entice the customers. Apple uses recyclable material for packaging and they also include key components with the core products, as example they provide headphones and charger with their mobile phones. Although almost all the

competitors follow the same strategy, what makes different Apple is the way they present things to customer (Ren, 2015).

Last but not least, **the customer treatment** and hospitality are essential. That is why the customer experience is one of the most important points in Apple's marketing strategy. They are looking for the maximum of satisfaction and personalized journey, making unique experience for each and every one of the customers. In the following section customer journey across a variety of communication channels is explained.

Customer journey across the communication channels

Customers and shareholders should be primarily focused by any organization to ensure that all the business goals and objectives are achieved. The shareholders buy shares offered by the organization and provides necessary capital for financing the business. The shareholders make their decision to invest in a particular organization after analyzing their current position. On the other hand, the customers are the key to organizational success. Organizations can only fulfill their sales goal if they can sell enough products to the customers so communication with the customers and shareholders should be given priority.

Here are provided different communication channels that organizations can use to ensure optimal customer service and fulfill the expectations of the shareholders. Live Chat and Face to Face are the oldest way of communication and effective ones. Live chats also can be used to provide real time customer service that will help them to solve their problems. The primary way organizations use to sell products is through physical retail points which is an example of face to face communication.

Social media has become one of the most popular way of marketing and communication. The massive development in mobile phone and internet users increased the popularity of social media and it has become the most efficient way of marketing. Organizations can have their own page in social media which will help them to directly sell the products to the customers and provide customer service without any additional cost. With social media they can also reach more customers than they can reach with their corporate websites. They can also publish their yearly financial performance through balance sheet in the social media to attract the shareholders to invest in the organization (Hoffman & Fodor, 2010).

Organizations can develop powered chatbots to provide customer service and answer all their frequently asked questions. The chatbots are a very efficient way of marketing as they do not require any operator to execute, only timely maintenance of the website is required. Popular social media sites also introduced chatbots which are free of cost.

E-Commerce has gained popularity with the increase of internet users. E-Commerce enables the organizations to buy and sell products by using the internet. In the modern age of business, having a corporate website is a must have feature (Kim, H. B., Kim, T. T., & Shin, S. W. 2009).

However, more importantly are the innovative strategies that Apple applies in order to satisfy customer's experience.

Apart from the usual communication channels, Apple has a magic formula to attract customers and this is by the **Apple Store** (Future Stores, 2017). The treatment of the customer is the most important and the soul of Apple. How the organization hire, train and teach its employees to engage customers is the crucial point of the end-to-end journey. What is spelled out by the acronym Apple, is how employees treat clients: Approaching customers with a personalized welcome. Probe and Present a solution for the customer's needs. Listen and resolve concerns and of course, end with farewell and invitation to return. This is how employees are couched to treat each and every one of their customers no matter the product or issue they have problem with (Future Stores, 2017).

May be one of the most important steps is listening to the customers. Employees are trained to listen and understand, they are focused on building a relationship and customer loyalty. They do not only try to sell. Apple Store makes great customer experience because they do not treat customers as "consumers". Employees face them as people and try to make them feeling special and give them a personalized experience.

Another thing very important during the guest's visit in the Apple Store is the usage of an appropriate language. Not only to customers but also how managers speak to its employees it's relevant, because this is how they will provide service to the customers.

There are three steps of service that bring customers a satisfactory experience. It starts with a sincere and warm greeting. Anticipation of the guest's needs and finally ending up with a fond farewell, trying always to use the guest's name

Apple borrows hospitality to its guests by several points taking into account during their experience. For example, customers are allowed to schedule visits on its app so to be always attained by an available employee. During the visit if any wait time is perceived, Apple strategy is to reduce this time by distracting customers with the latest apps or products. More importantly, managers ensure that every employee knows customer's name to always address to them personally (Forbes, 2015).

Conclusions

Marketing is one of the core activities that organizations engages to sell the products or services to the customers. Strong communication of the marketing manager and the salesmen is necessary for the organization to reach its marketing goals. The strategy implemented by Apple Inc is different than the others as they target different segment of customers. Apple Inc has good brand awareness and launches always high-quality products which allow the organization to strengthen the customer's loyalty. Improving the customer experience is the key to success and Apple knows that very well in a way that continuously focuses on innovative strategies to satisfy its customers and to emerge to unconquered markets.

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