Strategic Management (LCMB7003)

Strategic Analysis of APPLE Inc.

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Introduction

All mobile phones used for mobile telephony are included in the mobile phone market. Smartphones and feature phones are the two market segments. Smartphones are referred to as advanced cell phones that operate on a cutting-edge mobile operating system and are both mobile handsets and computing devices. The Apple iPhone line (which uses the iOS operating system), the Samsung Galaxy S6 (which uses the Android operating system), and devices from Blackberry and Windows Phone are notable examples of smartphones. (Merketline, 2017)

The headquarters of the American technology company Apple Inc. are in Cupertino, California. In terms of sales and total assets, Apple is the world's largest technological company and the second-largest manufacturer of mobile phones, trailing only Samsung. One of the most recognisable technological businesses in the world, Apple, is firmly entrenched in its status as one of the Big Four in the sector. Since Apple was established by the renowned Steve Jobs and is still managed in his spirit, its products have become a staple in practically every home. The organisation only selects the best individuals for employment, and they are required to push the limits of what is feasible with personal technology.

APPLE Background

When Apple introduced the Macintosh in 1984, personal technology was forever changed. Apple presently dominates innovation with products including the iPhone, iPad, Mac, Apple Watch, and Apple TV. The revolutionary services that customers may utilise because of Apple's five software platforms—iOS, iPadOS, macOS, watchOS, and tvOS—include the App Store, Apple Music, Apple Pay, and iCloud. These platforms provide unified user interfaces for all Apple devices. More than 100,000 people are employed by Apple, and they are dedicated to producing the best products and leaving the world in a better condition than when they arrived.

According to Apple CEO Tim Cook, the company's performance this quarter demonstrates its commitment to its consumers, innovation, and leaving the world a better place than we found it. With our most impressive roster ever, we are entering the Christmas season by making decisions and acting in accordance with our convictions. Apple has a strong commitment to protecting the environment, upholding user privacy, improving accessibility, and creating products and services that can unleash the creative potential of everyone. (Apple Inc., 2023)

Fig 01: The first Apple computer

Source : (Steven, 2023)

The financial information covers the fourth quarter of Apple's fiscal year 2022, which concluded on September 24, 2022. Record quarterly revenues of $90.1 billion, up 8% year over year, were reported by the company for the September quarter. Quarterly diluted earnings per share, at $1.29, were also recorded, up 4% from the same period last year. While annual revenue increased by 8% to $394.3 billion, earnings per diluted share improved by 9% to $6.11. (Apple Inc., 2023)

APPLE Mission and Objectives

The core purpose of Apple is to offer customers the best user experience through the use of innovative hardware, software, and services. This mission statement emphasises Apple's dedication to provide the greatest goods and services to satisfy the individual requirements of each and every client. It facilitates the company's progress towards its long-term objectives, which has aided in its success. Apple's guiding principles serve as a framework for the company's and its employees' actions and relationships both internally and outside.

Accessibility : Apple makes the hardware, software, services, and technologies that consumers and organisations require available so they can fulfil their needs and objectives. Developers use the ecosystem of the Apple App Store to build applications. In 2020, Apple will reduce its small business App Store commission to 15%. The lower commission rates of the programme have given small developers access to the App Store and more financial resources to reinvest in and grow their businesses. (Apple Inc., 2020)

Supplier responsibility : Apple's suppliers must adhere to the highest labour, human rights, health and safety, and environmental standards. To do this, the company has a rigorous mechanism in place for assessing the performance of its suppliers. In 2019, Apple finished 291 inspections at smelting and refining plants, 50 evaluations in the services supply chain, and 80 evaluations at manufacturing facilities. (Apple Inc., 2023)

Macro-Environment Analysis

PESTLE Analysis

Political aspects : A number of American technology corporations have amassed a sizable amount of cash, including Apple. Apple is primarily reliant on China's more affordable manufacturing. The social and political upheaval there may make manufacturing more difficult or expensive. (PESTLE Analysis, 2015) If China were to be seen as a danger, Apple's tight ties to China might become a contentious political issue in nations like the United States and Japan.

Economic variables : Because of rising exchange rates brought on by a strong dollar, Apple would have to pay more to do business in significant markets like China and Europe. If middle-class salaries stagnate in various industrialised countries, including the United States, the potential market for higher-end consumer goods like those provided by Apple may shrink. Some Apple products may lose their cost edge due to rising labour expenses in China.

Social and cultural aspects : Major recording artists have openly questioned Apple's music marketing strategy, inciting hostility and harming the company's reputation. Younger customers do not feel the same emotional ties to Apple products that older customers do in those nations or in developed Apple markets like the United States. The fastest growth in consumer spending will occur in places like Africa where there is a lack of familiarity with Apple products.

Technology-related elements : The number of apps that iPhone users can utilise may be restricted by Apple's exclusive operating system. Apple's reputation for strict security and safety standards is one of its biggest competitive advantages, but as cybercriminals' skills develop, Apple's systems are getting less secure. It has been demonstrated that rivals like Google and Samsung are quite skilled at copying Apple's products and services.

Environmental elements : Human-caused climate change may have an effect on Apple's worldwide supply chain and transportation system. Increased regulation and costs may result

from worries about data centres' energy use and other negative effects. Due to its reliance on data centres and other Internet infrastructure, Apple is particularly susceptible to spikes in electricity prices. (PESTLE Analysis, 2015) The main environmental problem for Apple relates to the disposal of broken or old electronics. Disposal of devices, particularly those with lithium batteries, can be costly.

Legal aspects : Apple Pay marks the company's recent entry into the highly regulated financial services sector. It might therefore be susceptible to further regulation and governmental control. Apple reportedly wants to enter the heavily regulated auto sector. If Apple enters the auto sector, its costs for regulation, insurance, and legal defence may rise. (PESTLE Analysis, 2015)

Micro-Environment Analysis :

Industry Life Cycle

All goods and services have a shelf life, which is determined by the sales history of the item from the time it is introduced to the market until it is discontinued. The development of effective marketing strategies requires a thorough understanding of the different characteristics of the various stages of the product life cycle. After a product is introduced, there will be times when sales rise, others when they stay basically the same, and still other times when sales fall. This is particularly valid if a new product replaces an older one and better serves customer requirements.

The image below illustrates the four major stages of the product life cycle. More information on the traits of the different product life cycle stages is provided, along with their implications for choosing the best marketing strategy.

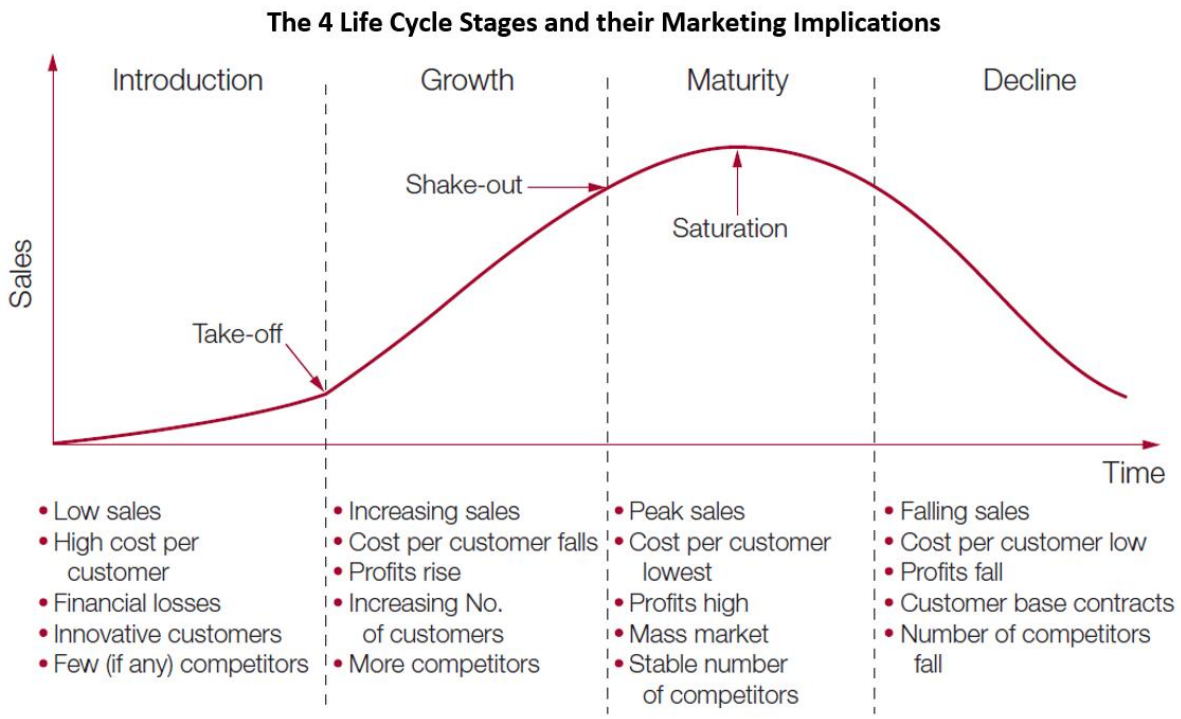

Fig. 02 : The 4 life cycle stages and their marketing implications

Source : (Max, 2017)

Around the world, companies of all stripes are reinventing themselves through mobility. Apple devices and software are used by sectors like aviation, law enforcement, and healthcare to complete crucial business operations. As the importance of mobility in the workplace increases, businesses must make sure they're investing in safe platforms and setting up protocols to keep those platforms up to date. To maintain this level of dependability, businesses are using a proactive, adaptable, and permanent plan for testing and updating software. The benefits of timely and regular software updates enable the enterprise environment to retain the highest level of platform integrity and keep ahead of emerging security threats. (Apple Inc., 2020)

Introduction : When a product is first introduced to the market, its sales will start to increase gradually, and any profits will be relatively tiny. This is explained by the advance time needed for marketing activities to be effective. Because the product is new and untested at this point, potential customers might be hesitant or unwilling to buy it. (Max, 2017) To maintain ownership exclusivity, the price is kept high throughout the Apple iPhone's product life cycle's launch phase. Because iPhone users don't want everyone to purchase an iPhone, the price has been fixed to only appeal to a particular segment of the market. During the debut phase, advertising, sales, and marketing costs are usually high. When coupled with low prices, this results in a time of negative profitability or loss for the business.

Growth : If the product meets the market's present demands or spurs the emergence of previously unmet wants, it will advance to the growth stage. This is when sales typically start to go up. The voyage starts at the departure point. To generate profits, sales must increase more quickly than costs. Nevertheless, the rivals will have had time to evaluate the product, foresee its effects on the market, and perhaps retaliate with a similar or improved offering. The new competitors can increase their sales by luring new clients rather than by undercutting one another on price because the market as a whole tends to expand. This frequently happens at the same time as more distribution points opening up. In order to avoid disappointing the audience, significant attention is made to ensuring product quality during this time. Businesses are starting to invest more in marketing in an effort to reach a wider audience and establish their brand as the preferred option among their primary target market. (Darpan, 2018) Because of the product, its reviews, and marketing initiatives, it is projected that sales will rise dramatically throughout the growth period.

Maturity : The weaker rivals are forced off the market when the level of competition rises. The shake-out point marks the end of the action. Businesses frequently engage in price wars and ramp up their promotional efforts at this time in an effort to steal clients from rival brands. When a product's sales growth begins to slow down, it has reached its mature stage. (Max, 2017) Only the most powerful players are left to control the more secure market as a result. The mature stage generally lasts longer than the other stages, but it also poses the hardest marketing challenges because the business must prevent sales from falling while maintaining profitability.

Decline : The audience has already moved on to other worthwhile undertakings by this point. They are no longer interested in your product because it doesn't provide anything innovative in compared to other products that are currently in the introduction or growth phase. A product that is losing market share is no longer technologically relevant. (Darpan, 2018) The most common product life cycle management techniques used by businesses to increase the value of their product during decline include lowering prices, reducing after-sales support to reduce marketing and staff costs, or discontinuing the product.

Porter’s Industry Five Forces Analysis

Threat of new entrants : Apple's competitors are not very risky. It is challenging for new competitors to gain market share given that Apple is the largest IT company in the world and targets a niche market, primarily high-income consumers, especially given that simply the iPhone requires a $100 million investment. New competitors have the ability to substantially undermine established rivals' competitive advantages in a particular market. When demand is stagnant or dropping, an increase in supply of goods or services will lead to decreased profit margins for market participants. By reducing unnecessary costs and expenses, Apple's contract manufacturing process also enables them to be the most profitable and well-capitalized firm in the world. Other justifications for the weak danger include copyrights, patents, and high switching costs. (Khan, et al., 2015)

Bargaining power of suppliers : Suppliers' bargaining leverage is constrained by their capacity to produce products solely for Apple. Apple has a fairly well-diversified supply base, meaning they don't create everything from a single region or source. Due to their massive purchases, Apple has greater purchasing power.

Bargaining power of buyers : Apple's bold reputation as an innovator, defender of quality, and significant investor in R&D helps it maintain its current customers. Apple has a long history of successfully luring customers away from rivals in addition to retaining existing ones.

Threat of substitutes : High to moderate pressure from rival products is present for Apple. Every Apple product can be replaced, practically. Apple's operating system, on the other hand, continues to stand out as a strength of the business that cannot be replaced. Additional benefits include iTunes, the profitability of the industry diminishes when there is fierce competition among existing rivals. In response, businesses may lower prices, introduce new items, run commercials, and improve services. (Bruijl, 2018) Because Apple Inc. sells both hardware and software, it is challenging for Apple to compete globally. The company's range of tech-based products is well-diversified. In comparison to its competitors, Apple has the advantage of a smaller, simpler, and more user-friendly product assortment, which enables them to generate sales without overwhelming clients. Products made by Apple stood out greatly from those of its competitors. (Khan, et al., 2015) In addition, Apple has a very effective distribution network that comprises direct stores and Amazon and supports the company's strategic product positioning. It should enhance its investment in software, computers, and mobile devices in light of the fierce competition.

Internal Analysis

APPLE Strategic Resources and Capabilities

Traditional market-oriented approaches to innovation have shown to be too slow and receptive for brands that choose market shaping over market responsive strategies to protect and profit from distinctive brand positionings as markets become increasingly chaotic as a result of processes like globalisation, technological advancements, increased competition, and rapidly changing consumer needs and wants. For many businesses, incremental product improvements are the major emphasis of innovation goals to keep up with changing consumer preferences and market trends. (Nedergaard & Gyrd Jones, 2013)

Apple constantly strive to set higher standards for both our suppliers and us. When our criteria aren't fulfilled, we make sure our suppliers have the resources they need to boost their output and avoid problems from recurring. Every year, we make investments in capability-building initiatives that aid supplier teams in implementing long-lasting internal reforms. Apple experts work with supplier teams to strengthen their capabilities to help them manage their operations better. To help 143 supplier sites increase their performance in 2022, experts provided them with specialised support. (Apple Inc., 2023)

Additionally, we keep broadening the scope of our capability-building initiatives. For instance, we launched a brand-new clean air capability-building programme in 2022 to assist suppliers in better managing their air emissions and contributing to the improvement of air quality in the areas where they operate. With the help of Apple specialists, 23 high-priority sites developed reduction objectives and action plans that resulted in a decrease of 20.1 tonnes of air pollutants in the program's first year.

To promote our supply chain standards throughout Apple's entire business, the Apple Environment and Supply Chain Innovation team works. Involving teams from across Apple, ESCI, a unit of the Worldwide Operations organisation, concentrates assistance and capability-building resources on the suppliers and developing business sectors that require the most attention. (Apple Inc., 2023) These collaborations entail close coordination with the teams that support the procurement, product design, production design, legal, financial, and compliance departments.

Apple constantly searching for methods to set higher standards for both us and our suppliers while also fostering their growth to reach those standards. We achieve this by broadening the scope of our due diligence to recognise new risks, encouraging early involvement with new suppliers, facilities, and Supplier performance and development processes, and utilising data to focus our resources and support more effectively. We can pinpoint the suppliers who need extra support and supervision by using predictive analytics, years' worth of thorough assessment data, external reports, feedback from third-party hotlines, and interviews with supplier workers.

Value Chain Analysis

Primary Activities :

Inbound Logistics : The metals category has two subcategories: base metals and precious metals. Gold and palladium are the main metals in the first segment. Gold is a particularly excellent conductor of low voltages and currents, which increases the reliability of the devices that use it. Apple's electrical products work at these low voltages and currents.

Operations : Apple effectively reaches its clients through both direct and indirect distribution methods. Through its retail, internet, and direct sales teams, the corporation sells its own goods directly to customers and small- and medium-sized enterprises in the majority of its key regions. (Marketline, 2021) Owning and running its own stores, as well as putting them in well-known, busy places, puts the company in a better position to ensure an improved customer shopping experience and attract new customers.

Outbound Logistics : Storage and delivery of iPhones, iPads, Mac computers, and other firm items are part of Apple's outbound logistics. When Apple's products are finished being assembled, they are sent immediately to its main warehouse in California before being sent all over the world.

Marketing and Sales : Apple's marketing also emphasises a product's unmatched utility that can truly benefit consumers whose lifestyles are becoming more and more centred around the internet, digital media, and social networks. (Marketline, 2021) The cause of this is Apple's ability to raise consumer price points while maintaining and even expanding its market share through aspirational lifestyle marketing.

Service : Apple has always complemented its hardware strategy with its software and services since it is a hardware firm. Services, however, are now regarded as an essential and perhaps equal component of Apple's economic plan. (Marketline, 2021)

Secondary Activities

Procurement : A key step in transforming the supply chain to one that uses more sustainable practises is redesigning and redesigning the products and operations of an organisation. A corporation should always develop its products with the complete supply chain in mind. All the participants in the integrated supply chain must be involved in the design phase. Suppliers,

distributors, and customers must all agree on procedures, features, and materials in order to guarantee the best results.

Apple regularly goes beyond the standards for the ENERGY STAR label and develops its products with energy efficiency in mind. Design of the packaging, for instance, the fourth-generation iPod Nano's box is 32% lighter and 54% smaller in volume than the original. From the first to the current generation of iMacs, hardware efficiency increased, resulting in a 93% reduction in energy usage. (Apple Inc., 2023)

Technology Development : Even when businesses are aware of the prospects for environmental improvement and value creation in planning or redesigning their processes and products, their influence on the sustainability of their suppliers is often quite minimal. However, a company can use its purchasing power to compel its suppliers to comply with its green supply chain criteria if it has a selection of vendors from which to choose. Early stages of product design, development, and procurement incorporate our criteria. This includes active participation before production starts and has an impact on the choice of our suppliers, materials, manufacturing techniques, and equipment employ to manufacture our products.

Human Resource Management : Every year, all Apple employees must go through mandatory Business Conduct training based on our Business Conduct Policy. During this training, they learn about important workplace conduct issues like conflicts of interest, gifts, confidentiality, anti-corruption, competition, privacy, and Apple's Human Rights Policy. Employees receive this annual training as well as additional online training on upholding the highest standards based on where they work and the duties of their position. As part of the Business Conduct Policy and training, Apple workers get annual information on the Apple Supplier Code of Conduct, Apple Supplier Responsibility Standards, and Apple's reporting procedure for supply chain issues. We provide extra tools for employees to resolve issues, such as the Business Conduct Helpline and the Business Conduct website, which let both internal and external parties anonymously report issues. (Apple Inc., 2023)

Infrastructure : Each supplier contributes their top-notch knowledge and services to the construction of Apple goods, which are designed in California and assembled with the help of a vast global network of suppliers. To hold their suppliers accountable to our high standards and to promote capability-building, when necessary, they frequently evaluate their suppliers' performance. Apple carried out impartial, external evaluations in more than 50 nations and regions in 2022.

Overall, by examining the primary and auxiliary tasks that make up its value chain, Apple can boost productivity, reduce expenses, and increase customer value.

VRIO Analysis of Distinctive Resources and Capabilities

Strong focus on R&D : Apple has made enormous investments in R&D to preserve its position as the market leader in technology, consumer goods, software, and online services. In reality, a significant aspect of a company's capacity to compete in the market is how well it can regularly and on time deliver innovative products, services, and items. Apple has kept its R&D spending constant. Apple spent $11.6 billion in R&D in 2018 (5.1% of sales). This amounts to an increase of 15.3 percent over R&D expenditures in 2017. (Doan & Phan, 2022) To meet the demands of its enormous client base, Apple's growing services industry has required significant capital investments in R&D.

Apple invests on research and development, which benefits services like iCloud, Siri, and Maps. Many of Apple's most crucial technologies were created in-house. Its most famous characteristic is the A-series of processors, and it is quite expensive to develop processors. Thanks to this decision, Apple is no longer dependent on its suppliers to determine the direction of its products. For instance, Apple's Mac OS X continues to depend largely on whatever Intel has in store for the future.

Apple is currently concentrating its efforts on initiatives that do not directly affect the company's bottom line. Costs, on the other hand, have significant ramifications and could determine a company's future. Research and development money are being committed to augmented reality (AR) systems, which combine virtual components with the actual world. Apple is hard at work developing its own brand of AR glasses. It is the Apple automobile that has been the subject of much discussion. Despite claims that Apple is focusing more on self-driving software than an entire electric vehicle, hundreds of employees are still employed on the project. Something medically oriented, like an entirely new way to consult with doctors or improved health features on the Apple Watch.

Valuable : The expectation for a better customer experience has increased as a result of significant investments in the R&D of cutting-edge technologies. Apple's R&D projects have the ability to greatly improve the user experience because of its sizable user base. Apple has established the foundation for a secure network as part of its commitment to research and development. One notable example of biometric security, which employs a user's bodily

characteristics rather than a password, is Apple's Face ID system for the new iPhones. This incredibly helpful enhancement will make consumer iPhones safer. The new iPhone X can identify its user by gazing at their face in less than a second.

Fig 03 : Progress on Recycled Materials

Source : (Apple Inc., 2023)

Rare : Since performing extensive R&D entails large financial and human resource expenses, only a select few businesses can compete with Apple. Apple ranked seventh with $11.6 billion in R&D spending among the top 20 global R&D spenders in 2018. (Doan & Phan, 2022)

Imitate : Apple has more than 75,000 patent applications pending to safeguard its intellectual property. Apple received 2,160 patents in the US in 2018. It is challenging for rival businesses to compete with Apple due to its extensive patent portfolio, which includes several ground-breaking ideas. It costs a lot of money to try to replicate Apple's R&D investment and methods. Due to intellectual property protection and path dependence, Apple can profit from the isolation mechanism. The core premise is that, despite management's ability to compress R&D into a shorter timeframe, the push will not be effective if a company spreads out its effort and investments in R&D across a longer period. Even with higher investments, trying to accomplish the same thing faster than necessary typically results in worse results due to temporal compression diseconomies.

Organized to Capture Value : The outstanding R&D infrastructure of Apple enables the company to produce its exceptional products. While working on a new device, a design team is isolated from the rest of the Apple Company. The team has now disassociated itself from Apple's conventional hierarchical structure as well. They come up with their own techniques for reporting and give the executive team access to their direct reports. The Apple New Product Process (ANPP) must be explained to a team of product developers before they can go to work. (Doan & Phan, 2022) Every step of the design process is thoroughly described. This document's goal is to outline the procedures that will be followed to develop the product, who will be in responsibility of seeing that it reaches the market, where and when each member of the development team will be stationed, and other details.

Apple has a variety of distinctive resources and abilities that provide the company a competitive edge in the technology industry. By assessing the value, originality, inimitable nature, and organisation of these resources, Apple may continue to focus on expanding and leveraging its strengths to maintain its position as an industry leader in innovation.

SWOT Analysis

Strength : According to studies on firm strengths, Apple is supported by a strong brand and enjoys worldwide recognition because of the founder's proactive commitment towards creation and creativity. According to Forbes, Apple is the most valuable brand, with a value of $416.62 billion. The business has experienced exceptional sales growth and has successfully managed its cash flow since extending beyond personal PCs. A creative atmosphere led to increased R&D spending, which reached $4.5 billion in 2013, $3.4 billion in 2012, and $2.4 billion in 2011. Additionally, it achieved higher sales due to experienced and knowledgeable sales personnel. (Khan, et al., 2015) It had positioned its direct sales shops in crowded regions, which aided in raising business profits. Another advantage is the extraordinary brand credibility of Apple. Customers must endure a chilly night in order to be among the first to get a new iPhone. The company's use of usability as its driving philosophy is advantageous. Each item they produced is easy to use and understand.

Weakness : According to its internal analysis, Apple had a great plan for expanding direct sales channels, but regrettably, these channels are still underperforming. There are extra obligations when your company is the biggest in the world for information technology. Similar to other companies, Apple is having issues in a few of its departments. Apple's excessive reliance on the iPhone and iPod, whose share of total sales is disproportionate, is one of its flaws. Compared to competitors' devices, which are Android-compatible and don't have the same problems because they are only compatible with iOS, its hardware is challenging to operate. The company's items are luxury goods, according to research, because they are

expensive. Since Steve Jobs was a well-known manager of Apple, his passing represents a significant loss for the corporation. More significantly, Cooks and Jobs have different philosophies towards the iPhone. The slowing sales growth and resulting decline in market share are yet another flaw in Apple.

Apple Inc.

CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)
(In millions, except number of shares which are reflected in thousands and par value)

	September 24, 2022	September 25, 2021
ASSETS:		
Current assets:		
Cash and cash equivalents	$ 23,646	$ 34,940
Marketable securities	24,658	27,699
Accounts receivable, net	28,184	26,278
Inventories	4,946	6,580
Vendor non-trade receivables	32,748	25,228
Other current assets	21,223	14,111
Total current assets	135,405	134,836
Non-current assets:		
Marketable securities	120,805	127,877
Property, plant and equipment, net	42,117	39,440
Other non-current assets	54,428	48,849
Total non-current assets	217,350	216,166
Total assets	$ 352,755	$ 351,002
LIABILITIES AND SHAREHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable	$ 64,115	$ 54,763
Other current liabilities	60,845	47,493
Deferred revenue	7,912	7,612
Commercial paper	9,982	6,000
Term debt	11,128	9,613
Total current liabilities	153,982	125,481
Non-current liabilities:		
Term debt	98,959	109,106
Other non-current liabilities	49,142	53,325
Total non-current liabilities	148,101	162,431
Total liabilities	302,083	287,912
Commitments and contingencies		
Shareholders' equity:		
Common stock and additional paid-in capital, $0.00001 par value: 50,400,000 shares authorized; 15,943,425 and 16,426,786 shares issued and outstanding, respectively	64,849	57,365
Retained earnings/(Accumulated deficit)	(3,068)	5,562
Accumulated other comprehensive income/(loss)	(11,109)	163
Total shareholders' equity	50,672	63,090
Total liabilities and shareholders' equity	$ 352,755	$ 351,002

Fig 04 : Consolidated Balance Sheet of Apple Inc.

Source : (Apple Inc., 2022)

Opportunities : Apple's iPhone has accomplished a great lot since it was first released, and new evidence suggests that it is still Hercules. The launch of the iPhone 6 will change the landscape of Apple's market. Apple's $1577 million goodwill is largely the result of its talented workforce; nonetheless, Apple cannot afford to lose these individuals due to competitors' attractive offers. (Khan, et al., 2015) Apple might have a shot if management kept talented staff

members who would connect the company to creativity and innovation. Additional agreements reached with China Mobile last year have and will continue to generate extraordinary potential in the growing industry. If accurate, Apple's wearable would be constructed of a unique material and would be the most potent Samsung competitor. If it were released in the first quarter of 2015, that would be excellent for the company.

Threats : One of the elements causing the severe competition between rivals is the fact that Apple's rivals don't have their own software in order to be cost-effective. The fact that Apple Inc. competes in a highly competitive market presents a number of potential dangers. Given their wealth of resources, many competitors run the risk of adopting low profit margins, break even prices, or even negative pricing. Furthermore, the majority of Apple's suppliers are from Asian countries. Any political or economic problem could result in a shortage of supplies or a rise in the price of production. If Apple was unable to innovate or, even better, lower their prices, they would be losing market share.

Strategies to Sustain Competitive Advantage

Cost leadership : This focuses on either the manufacture of common products at a low cost per unit or consumers who are price sensitive. Cost leadership strategies fall into two major groups. One is a low-cost approach that offers products or services to a wide range of customers for the most affordable price possible. Another is the best value strategy, which offers products and services at the best price-value imaginable on the market to a wide spectrum of clients. This strategy aims to provide customers with a wide selection of goods and services at the most reasonable price feasible when compared to a competitor's items with comparable attributes. The goal of low cost and greatest value strategies is to reach a large market.

Differentiation : Marketing strategy used to offer products and services that are seen as unique in the market and are aimed at clients who are primarily indifferent with pricing. Since competitors are constantly seeking to replicate or benchmark, duplicate other products and services to outperform them, the best differentiation focuses on goods and services that are difficult or expensive for competitors to imitate.

Focus : Focus involves developing products and services to meet the needs of clients in specific niches within the target market. Two further focus strategy kinds are low-cost focus strategies that offer products or services to a particular clientele, also known as a niche clientele, for the most affordable price possible on the market. A best-value focus strategy offers products or services at the most affordable cost to a small number of customers. Likewise called focused differentiation. It seeks to offer products or services that more closely match customer tastes than those offered by rivals. (Barasa Kabeyi, 2018)

Overall, by utilising Porter's general strategy and other strategic research, Apple may develop a comprehensive plan that builds on its strengths, addresses its shortcomings, and seizes opportunities to preserve its competitive edge in the technology sector.

Growth Strategies - Quantum Strategy at Apple Inc.

Achieving Exceptional Innovation : For five years running, Apple has topped Fortune's ranking of the most admired corporations in the world, and for seven years running, Business Week has named Apple the most creative firm in the world. Apple is renowned for its design skills, ability to seamlessly combine hardware and software, and capability to attract the best talent. Put your attention on fostering an innovative culture within your company by hiring the greatest employees and pushing them to the limit. (Heracleous, 2013) By developing constellations rather than stand-alone items, you can control the customer experience, put obstacles in the way of competitors and customers, and charge premium rates with almost no repercussions.

Achieving Rock-Bottom Cost : When Steve Jobs hired Tim Cook as Apple's chief operating officer in 1998 from Compaq, efficiency was one of his top priorities. He did this specifically to outperform Dell, the industry standard for cost leadership. Cook played a significant part in boosting productivity by streamlining Apple's production, distribution, and supply chain processes. Cook said of the finished goods warehouses shortly after joining Apple, "If you have closets, you'll fill them up." In addition, he asked them to locate close to Apple's facilities so that parts could be provided just-in-time and manufacturing timelines could be cut. He also decreased the number of essential suppliers from 100 to 24, providing Apple more negotiation power with them. What is less commonly recognised, though, is that Apple's efficiency can be attributed just as much to its supply chain optimisation as it can to its strategic simplicity and focus. (Heracleous, 2013) Target market, product line, product design, even organisational structure are all areas where Apple places a lot of effort.

Target market, product line, product design, even organisational structure are all areas where Apple places a lot of effort. Apple concentrates more of its efforts on the consumer market than the B2B industry, allowing the company to streamline its investments and operations and concentrate on its core competencies. Consumer market proposals may place more focus on coolness, want, and pleasure than on the dependability, specifications, and value that are significant to corporate clients who are in charge of making information technology investments. The limited depth and breadth of the product line, in addition to facilitating marketing, also gives management more negotiation leverage with suppliers. Given the poor margins and minimal potential for cult following, Apple decided against making printers and scanners, for instance. (Heracleous, 2013) As Nokia does for its own product lines, Apple offers a single main model of the iPhone that is updated frequently rather than numerous variants with a variety of various functionalities.

Apple may create a complete growth plan that builds on its strengths, fixes its limitations, and seizes chances to promote growth and innovation in the automobile sector by applying strategic assessments of Quantum Strategy.

Green Strategy and CSR

There are several manufacturing processes that call for chemicals. Apple proactively protect health and safety by using safer, more ecologically friendly materials, and goods are easier to recycle when used in circular supply chains. Beyond their supply chain, the communities where suppliers operate, and the Earth also benefit from these health and safety improvements. The first step in achieving this is defining safe materials for suppliers, which entails establishing and sustaining stringent material safety standards as described in Code and Standards and Regulated Substances Specification. To protect the environment, these rules are derived from, but frequently go above and beyond, international laws or directives, regulatory organisations, eco-label requirements, and environmental standards.

Apple collaborating with all our supply chain partners as part of this endeavour to expand on the efforts we have already made to eliminate all PFAS from our goods and production methods. By creating and supporting the launch of the IPC-1402, Standard for Greener Cleaners Used in Electronics Manufacturing, in 2022, we extended our partnership with IPC, the world's leading organisation for defining electronics standards. (Apple Inc., 2023)

The Green Cleaners in Manufacturing task group, which Apple chaired for the past two years, worked with more than 20 industry partners to develop this standard. This new guideline will assist providers in the electronics sector in choosing cleansers that are less hazardous to the environment and workers. In honour of our work on this project and our contributions to the industry, Apple earned the Stan Plzak Corporate honour Award from IPC last year.

Increased shareholder-management disputes, corporate scandals, and outside investors' ownership stakes in the company all served to draw attention to the growing importance of literature over corporate rules and procedures over its ownership structure. Corporate governance's goal is to undermine internal organisational competition. Apple Inc. had a respectable number of corporate governance rules in place, including the majority of ICGN rules. Despite a profusion of literature, Apple's current implementation of ideas is inadequate.

Corporate social responsibility (CSR) is a business' obligation to positively impact society and mitigate any unfavourable impacts. Despite publicly expressing a strong commitment to these

values and demanding that suppliers provide modern, secure working environments free of child labour and with just compensation. Because of a series of problems, such as the Foxconn factory explosions, the Foxconn suicides, the Foxconn long working hours, and the Foxconn underage workers, Apple is still a hot topic. A SOMO 2007 poll revealed that some of Apple's suppliers, including PIMES, Hitachi Global Storage, Volex Cable, and CKL Delta Electronics, prefer to work more than 60 hours each week. It was necessary to work overtime. Overtime pay issues, occupational illnesses, workplace safety, and EICC industrial hygiene rules. (Khan, et al., 2015)

Conclusion

Apple has demonstrated its dedication to these same ideals through its green strategy and CSR initiatives. The company has become more distinctive from its rivals and reinforced its brand and image in the market by concentrating on lowering its carbon footprint, developing sustainable products and technology, and promoting social responsibility.

Apple can continue to lead the industry in innovation and growth by building on its unique strengths, such as its dedication to safety technologies and brand reputation, and by applying growth tactics.

The corporation may be able to expand on its achievements and overcome its shortcomings and challenges by putting a strong emphasis on ongoing development, forming strategic alliances, and educating stakeholders and customers about Apple's sustainability and CSR initiatives. By adopting these steps, Apple will progress the IT sector and contribute to the creation of a future that is both sustainable and equitable.

Recommendation

We suggest the following steps for the company to adopt in light of our research on Volvo's external environment, industry life cycle, Porter's Five Forces, value chain, VRIO analysis, SWOT analysis, growth plans, and green strategy/CSR initiatives :

Apple sought for niche markets by delaying the release of the entire product and focusing on profit margins. It must cope with these difficulties in addition to corporate social responsibility, potential workforce turnover, and criticism of its governance. They had the best degree of customer satisfaction and successfully marketed their products. Large clients are priced out of the market by Apple's higher prices, the company only has paperwork for supplier codes, it only has indirect access to many markets, and the app store is dependent on outside contractors.

By raising investments its current level of a billion dollars annually is insufficient Apple can minimise the threat it poses in the future. Businesses ought to put more of an emphasis on developing markets with well-established rivals like China and India. Apple's board of

directors needs to be more diverse if it wants to improve corporate governance. In addition, they must act on their commitment to social responsibility rather than merely say they do.

Additionally, Apple needs to improve investor relations because the companies of management and investors don't communicate well and don't appreciate similar firms. Businesses ought to concentrate more on developing nations that have well-established rivals like China and India. Apple needs a more diverse board of directors if it wants to improve corporate governance. Additionally, rather than merely talking about it, they must act on their commitment to social responsibility.

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