

MODULE TITLE: MARKETING FUNDAMENTALS

**ASSIGNMENT TITLE: MARKETING FUNDAMENTALS -
ASSESSMENT 1**

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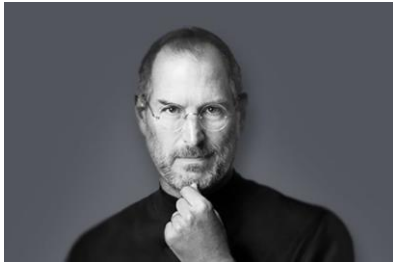
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BACKGROUND OF APPLE (SVETLANA GROZEVA)



Steve Jobs (Google Images)

Apple is a global American technology corporation planning, producing, and distributing consumer electronics, computer programming, and internet services.



Headquarter of Apple and Jobs parent home (Google Images)

1 Apple Park Way Cupertino, California, United States is headquartered. It employs more than 137 000 people in 2019 and has over 500 stores worldwide.

This story started in April 1976. Apple was first founded in Los Altos, California, by Steve Jobs, Steve Wozniak, and Ronald Wayne, 44 years ago, to sell and develop Wozniak's Apple I personal computer.



Apple I and Apple II (Google Images)

It was incorporated in January 1977 as Apple Computer, Inc. And sales increased rapidly, including the Apple II. Apple was released in 1980 for immediate financial success. In the next two years, Apple shipped new computers, such as the original 1984 Macintosh, with innovative graphical user interfaces. Product marketing ads have received widespread critical applause. Wozniak quit Apple-friendly in 1985 and remained an honorary employee, though Jobs and others resigned to found NeXT.

As the personal computer industry grew and progressed through the 1990s, Apple lost industry share to Microsoft Windows' reduced quality duopoly of Intel PC clones. The Board hired CEO Gil Amelio to rehabilitate the financially distressed company at a charge of five hundred days – reshaping it by outsourcing, corporate succession, and quality development. In 1997 he led Apple to purchase NeXT to

address the badly unsuccessful operating system plan and to restore jobs. Jobs became CEO in 2000 again.

In 1998 Apple is launching the iMac and in 2001 opening the retail chain of Apple Stores.

In January 2007 Jobs renamed the company Apple Inc. and launched the first iPhone with financial success.

Jobs resigned as CEO in August 2011 because of health problems and Tim Cook became new CEO. Two months after Jobs died marking the end of an era. Apple started iPhone 4S and iPhone 5 from 2011 to 2012, with improved cameras, a smart software assistant named Siri, and cloud-synced data with iCloud. This is Apple's largest iPhone launch in three days after the introduction of iPad Mini and iPad fourth-generation, with over 2 million pre-order and sales of 3 million iPads. The rising share price of Apple raised the company's market capitalization to \$624 billion world record in August 2012. For seven years, from 2013 to 2019, Apple was at the top of Interbrand's annual Best Global Brands report with an assessment of \$234,241 million.



Apple Logos (Google Images)

The first logo of the company is designed by Ron Wayne in 1976 and it stay for a very short time. In 1977 was replaced by Rob Janoff's "rainbow bite Apple" and Jobs It really likes, and he has rumoured to use a colourful logo to 'humanise' the company. It might also be because Apple II, the first PC with colour display worldwide, was launched right before Apple's latest computer. The black Apple logo used from 1998 to 2003. And the current logo since 2003 is glass-themed version.

Apple mission statement is "to bringing the best user experience to its customers through its innovative hardware, software, and services".

PRODUCT (LYUDMILA NIKOLOVA)

Our company is famed, because of the impressive design of the products conducted by Johny Ive. When the company was created first the devices used to be big and boxy and they were taking too much space. Nowadays our products are with silky design. Every single product that we created has been always successful. We have a different variety of products and services. Here we will show just a few of them.

iPhone

We will represent you the last models of iPhone.

iPhone X was represented together with iPhone 8 and iPhone 8 plus. iPhone X is the twelfth-generation flagships and it is with a better quality of the camera, new design and the biggest improve which is making it different from others is that it doesn't have a home button. Although this was a step forward for more utility and protection. This is called Face ID. It is a facial recognition system allowing you to un clock your iPhone with your face, make payments and accessing sensitive data. We create another model alongside with iPhone X which is iPhone XS (upgraded version) and iPhone XR (lower-end version).



iPhone X (Google Images)

iPhone 11 Pro, iPhone 11 Pro Max and lower-end edition iPhone 11

iPhone 11 Pro is a direct substitution of iPhone XS with OLED screen, 3D sensitive touch and mobile HDR (high dynamic range) affinity. It means that the display can produce a wider range of colours. The biggest improvement here is in the camera. iPhone 11 Pro have triple-rear wide-angle, ultra-wide-angle and telephoto lens.

iPhone 11 Pro Max has everything that iPhone 11 Pro offers but in a bigger design.

iPhone 11 is on affordable price for those once who want to be with the newest models of iPhone in hand. (Emmanuel Mosses,2019)



iPhone 11 Pro , iPhone 11 , iPhone 11 Max (Google Images)

Accessories

We have developed a range of accessories to ensure the best possible experience. These are the most practical ones.

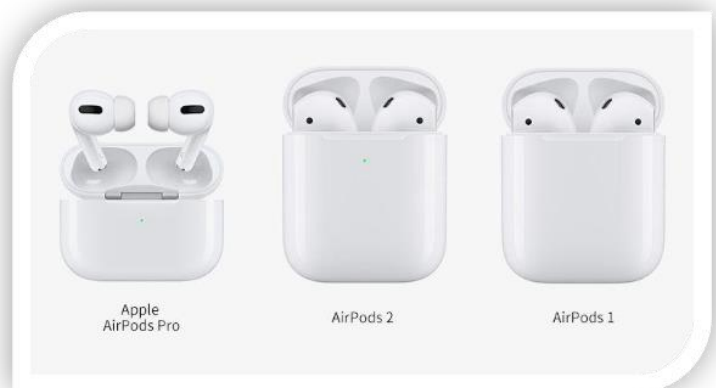


Apple Accessories (Google Images)

Air Pods

AirPods have been our best product in years. Their smart, intuitive user interface has gained fans all over the world.

AirPods have within Apple-designed hardware including a special Networking chip, the W1 or H1, an accelerometer for the signals, dual optical sensors, dual Siri beamforming microphones, and a second speech recognition accelerometer.



AirPods, AirPods 2, AirPods Pro (Google Images)



Air Pods Pro (Google Images)

Apple Watch

Apple Watch is our line of smartwatches. It includes exercise monitoring and health-oriented integration capabilities for iOS and other Apple products and services. We have 5 series and now we will briefly represent you the last one.



Apple Watches (Google Images)

The Apple Watch Series 5 is another step in Apple's relentless acceleration at the smartwatch pack's hands. The latest model takes all the products of the Apple Watch Series 4 with a few additional features and replaces the previous model with this superior.



Apple Watch Series 5 (Google Images)

PRICE (DANIEL BORISOV)

Pricing Strategy of Apple

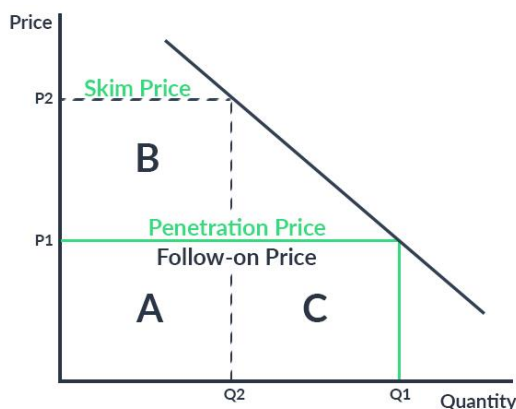
Economic	Penetration Pricing
Skimming Pricing	Premium Pricing

When it comes to price, Apple uses it as one of the most effective means of marketing. Products offered by Apple are of world class standard. With respect to the quality of the products that Apple offers to customers, it sets prices accordingly. Organisations use several pricing strategies however their plans depend upon the nature of business and its products. The pricing strategies that businesses use is of various kinds like

penetration, value or economy, skimming, and premium.

Do you know the pricing strategy of Apple?

Apple follows the strategy of price skimming. Price skimming method indicates the method in which price charged by an organisation against its products are high. In case of price skimming strategy, firms charge high price against their products initially that is then followed by decreasing the price steadily. The firms in this case lower prices of their products so that they can be successful in attracting customers who are price sensitive. In several cases price skimming method is viewed to be travelling down the demand curve. The method is often referred as temporal version of yield management or price discrimination.



Picture 1

Why does Apple use the strategy?

The purpose of Apple pertaining to the use of price skimming strategy is gaining profit. The strategy of price skimming is very common in technological markets as firms like Apple in this case charge high price in the first phase of the product life cycle. People willing to buy the products at the highest price are scanned first. Apple gains much profit by using the strategy of price skimming.

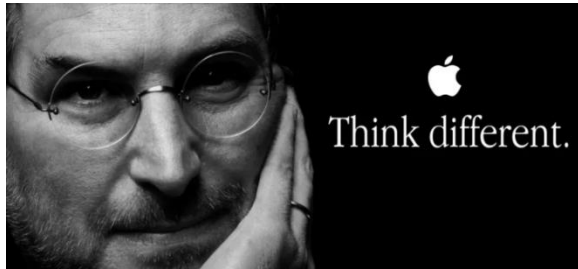


Picture 4

Strategy of price skimming aids Apple to target customers who are willing to pay high to buy its products as Apple is a symbol of status and class in the society. Thus, the strategy of price skimming has been selected by Apple.

Non-price competition of Apple

Non-price competition is a sort of marketing strategy that is used by organisations so that consumers perceive its products to be different in the market. In case of non-price competition, firms compete over the features of their products rather than price. The factors that the firms focus in case of non-price competition are customer service, delivery, or packaging. The strategy of non-price competition is used by the companies so that they can have increased demand of their products in the market. A few forces affect the non-pricing strategy of the organisations like after-sales service, superior location, unique selling point, and product quality.



Picture 2

Why is Apple at the top with respect to non-price competition?

Apple has been successful in terms of winning the top spot in the context of non-price competition. The firm has always used the best marketing tactics for promoting its products through location, service, and style without emphasising on lower price. Products offered by Apple are always costly as compared with any other electronic company in the market. However, Apple has still emerged as the most sought-after brand in the electronic market because of physical characteristics sold in popular places and its fast as well as reliable services.



Picture 3

Essential perspective of Apple with respect to non-price competition you must know!

Images as well as advertisements serve to be the most essential force that has resulted in Apple to lead the competition with respect to non-price strategy. The firm uses pop art images for showcasing its products further it hires celebrities to promote its products.



Apple has emerged as the king of electronics industry on account of various aspects that it uses perfectly. The logo of Apple signifies class and brand thus making it win the non-price competition. The firm's success can hugely be attributed to its advertising strategies, location, service, and style.

PROMOTION (ZOYA DANAILOVA)

I am proud to be part of the Apple team - the most valuable brand appreciated by Forbes for nine consecutive years. Our creator Steve Jobs was not a marketing expert, but through his skills and knowledge he turned Apple into a leading software company.

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We promote our products through our speeches introduced by him. This is not part of Apple's promotion, but they are part of our brand, vision, and image.

We promote our products through advertising, personal sales, public relations, or digital marketing. Apple ads, whether they are web based or print ads, are always stylish, accurate and



Initially the advertising used the slogan of our company – 'Think different', but then replaced with the silhouette logo of Apple. The first TV ad on the



simple, and always focused on one key feature of the product. Style is a white background to contrast the stylish black or a black background stands out white logo with white lettering.

We know how to make a lot of noise about promoting our latest products in our annual speeches. And then people are very eager and form long queues in front of our stores to own our latest product.



phone in 2007 featured celebrities from notable films and current phone-matching TV shows ending with the words – “Hello. Coming in June.” Bloggers are interested and there is a lot of buzz about advertising. In this way, with one paid ad, Apple has a constant presence in the most famous media.

Another way we advertise our products is through print media, like the most popular being Time magazine. These adverts are more focused on brand image than on specific products.

Not only our offer and promotion the most innovative products but they also give the customers feel that they enter a different world. Apple uses various methods and sensory techniques to deliver that special sense.

The client is so immersed in the brand and he must have their latest products. We are aware on the qualities of our products and we want to reward them with that luxury item.



What Apple does with our customers is amazing and we manage create a mystery around each of our new products. We put our customers in the position of fans who are looking forward to our every innovation. And when it is already on the market, they do not even think about whether they need it but just want to have it. In this case when our company refuses information, we create excitement about our every new product.

When we promote our products, we strive to show emotions of happiness to smiling people when they use them. Therefore, visual content attracts and shares with other people and forms as a wave. As I mentioned before, everything is simple and simple



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in Apple. As in the logo and in the advertisements, we strive with very little words and more visualization to influence. This is what we achieve - content without words and visualization that affects a deeply emotional level.

Apple relies on our first class brand image and the quality of our products. But in the marketing mix of promotion our company also uses the digital network of Google and various technology websites.

We also make personal sales as employees of our stores to convince our customers to provide them with specific information about the products. And our stores are a unique place to promote huge video walls.

Another way is sales promotion in Apple stores for example, old phone models with other newer and more expensive ones. Finally, our company uses public relations to maintain its positive reputation.

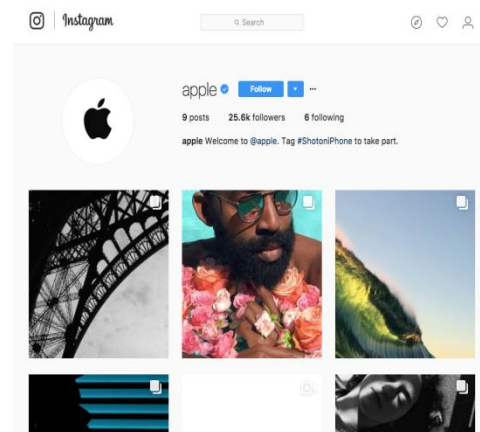


<https://www.apple.com/iphone/>

Turn the smartphone you have into a new iPhone 11.

We have many followers on Facebook, but we use the holiday advertising campaign to encourage our customers with our products for a gift. We use Twitter to advertise our upcoming events. Also, Instagram is different because we do not say- buy our new iPhones just we show photos that were taken with it.

When we promote, we focus on how we are different from other competitors, because we know how to do it and do it!



PLACE (VLADISLAVA MARKOVA)

Our multi-national technology company makes our product available to our customers using a combination of direct and indirect channels of distribution.

Direct channel of distribution:

Apple owns many highly successful flagship stores over the globe. As a result, this assures direct relationship with our customers, where people pick up our products right from the stores shelves. Our unique flagship stores feature glass staircases, glass bridges and genius bars. Our award-winning architecture and landmark designs Apple Stores are known for their focus on education and creativity. All stores are in high profile locations and provide products customers crave. Every Apple store accomplished by us around the world is constantly redesigned, renovated and upgraded throughout time.



China, Shanghai, Pudong Century Ave,
8 号上海国金中心 IFC 商场 LG2-27 号
邮政编码: 200120



99 Rue de Rivoli, 75001 Paris, France

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Many of our apple stores are located in shopping malls/centers which also make our product available for easier access.



Upper Mall, London DA9 9ST



中環金融街 8 號 國際金融中心商場,
Hong Kong



Mall of Emirates, E11 Sheikh Zayed Road –
United Arab Emirates



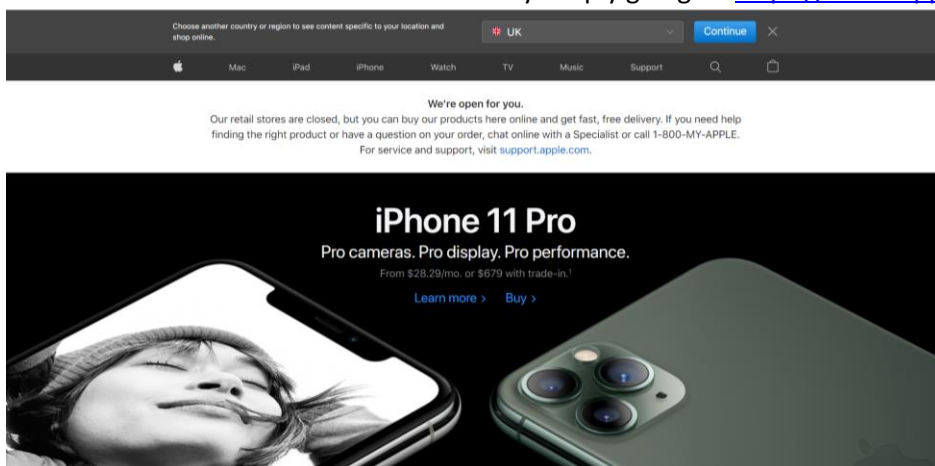
8687 North Central Expressway
Dallas, TX 75225

Company website is another marketing channel that we use to make products available for our customers. The website is a modern way to purchase our products online, free delivery is always available, online specialists provide support and services for our valid customers.

You can access our website by simply going on <https://www.apple.com/>. You can also find us on the

apple app which offers personalized shopping recommendations based on the product you already own, and allows you to scan and purchase accessories in-store without waiting for a team member.

The company website also offers a face time feature our apple expert team built in to provide a higher level



of support to make our customers more comfortable.

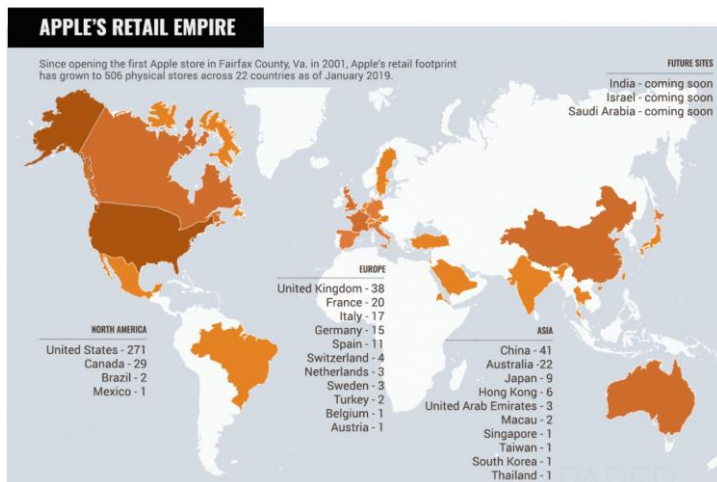
Indirect channels of distribution:

Our products are not only accessible to our customers directly but also indirectly by **Apple Authorized Resellers (AAR)** - our business partners which are authorized to sell our product in their large retail firms like:



Apple specifically approved the sale of its products on different online stores, customers can buy all its products at various websites and at other retailers like Target, Radio Shack, and Dixons, Amazon, eBay, Compu b, KRCS and many others. Moreover, the company has agreements with various telecommunications companies, such as Verizon, AT&T, and Sprint. As a result we can control its sales better on the online marketplace.

The countries that make our product available:



Our world's most valuable company operates in **506 stores**. Including 272 in the U.S. and 234 combined in Australia, Austria, Belgium, Brazil, Canada, China, France, Hong Kong, Germany, Italy, Japan, Macao, Mexico, the Netherlands, Singapore, South Korea, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, the United Arab Emirates, and the United Kingdom. In 2020 there are new opened stores in India, Saudi Arabia and Israel.

What makes our marketing strategy so successful:

Our Apple stores focus on improving and enhancing the value and quality of people's lives- designed as playrooms, where our clients are welcomed to handle the product in their hands, giving it a test drive. This marketing strategy based on the powerful sense of touch which attracts the costumers to our product. Amazing customer service is a key strategy we use in apple to interest and retain our clients we

strive to create lasting impressions for life. In order for our customers to purchase our product we provide them with the best technology experts to help with regards to understanding the product well.

CONCLUSION

In conclusion, we can say that from the analysis made above we found that marketing is a whole science that must be studied and properly applied in the management of the company. To be successful. The goal is always one - customer satisfaction! And our practical Apple example shows us how Steve Jobs turns this into art.

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