

International Marketing SBMA7108

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Assignment 1

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Executive Summary

This report comprises of comparison between India and United Kingdom international market of one of the famous high involvement brand known as Apple Inc. There will be an external and internal analysis of Apple in India and United Kingdom, India is among fastest growing economy and United Kingdom is among leading economy. This report will reveal differences and similarities between the marketing strategies of both countries as this brand is based in United States. Mainly this report will have background information about Apple, macro environment analysis, porter 5 forces model, SWOT analysis, Segmentation, targeting and positioning. Limitations and advantages and reason to use these models will be discussed at the end of explanation of each model. Moreover marketing mix elements, directional development strategy, Ansoff matrix, conclusion, and recommendation will be the part of this report.

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1.0 INTRODUCTION

Apple becomes a \$1 trillion company and reached its milestone in 2018. On 1st April 1976(Nicas, 2018), Apple was cofounded by Steve Jobs and Steve Wozniak in California. Their main vision was to change the way people see computers, they wanted to make computer small enough to be taken anywhere in homes or offices, and want to make them

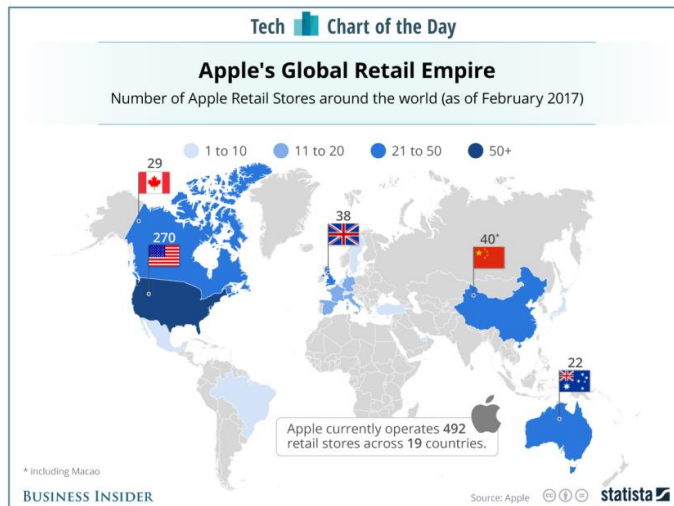


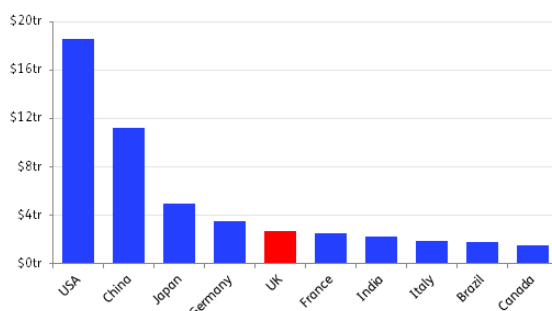
Figure 1 Apple's Global Retail Empire

user friendly as well. With the introduction of colour graphics Apple transformed the computer industry and from 1978 to 1980 sales jumped from \$7.8 million to \$117 million, this was year when Apple went public and gain lots of attention from technophiles. After recognition Apple goes through lots of ups and downs in technology business but when Steve Jobs officially over take CEO position in 2000, Jobs refurbished the computers and introduced a personal laptop the 'iBook'. Right after that production of iPod and which can only be supported by iTunes software took the business to the next level, iPod and iTunes boomed the profits and released iPhone a cellular phone and Apple TV (Richardson & Terrel 2008). Apple do not only innovate the technology but also the influence activities of 588 million people around the globe by using its computers, tablets, phones or smart watches (Leswing, 2016). A statistics from a report (Figure 1) in February 2017 reveals that Apple operates across 19 countries with 492 stores around the world, United States take a lead with 270 stores as it is Apple Inc's home country (Dunn, 2017).

As shown in the Figure I there are 38 official Apple stores in United Kingdom, whereas in India Apple is popular and increased its sales from 1.1 million units to 1.7 million units from 2014 to 2015, with no official retail store (Dormehl, 2015). The number rose to 3.2 million

The world's 10 biggest economies (1)

Gross Domestic Product 2016, in trillions of US dollars, current prices at market exchange rates



Source: International Monetary Fund, World Economic Outlook, April 2017

Figure 2 The world's 10 biggest economies

units in 2017 and the growing popularity is pushing the official apple to open its official store by 2020. India's majority of the population is price sensitive because of its economic condition and Apple is set at the top pricing in Indian cellular market (Dua, 2018). India is one of the leading economies in the world and has seventh position according to IMF 2017 forecast. According to the IMF forecast in April 2017 (Figure 2)

United Kingdom acquired fifth position in top seven economies with 2016 Gross Domestic Product of 2.565 trillion US dollars whereas India is at seventh position and with 2016 Gross Domestic Product of 2.4 trillion US dollars. Furthermore India's GDP per capita is \$1,940 US in 2017 and GDP per capita of United Kingdom's is \$39,622 US (Countryeconomy, 2018). The above statistic shows that United Kingdom has strong economy in comparison with India. Furthermore the comparison and external analysis of both countries is done.

2.0 MACRO ENVIRONMENT ANALYSIS

2.1 PESTLE ANALYSIS

A PESTLE analysis delivers the six key macro factor analyses which affect a decision made in any business (Grant, 2008). It is used in identifying how the upcoming trends in politics, economy, social, technology; environment and legal atmosphere impacts organizations with in the industry. Following is the detail information about how these factor impacts Apple business market in the UK and India

POLITICAL FACTORS

There is a wide range of political factors that impact various businesses in multiple ways. Brexit is one of the political moves that impact numerous businesses including Apple Inc. After majority's strong decision to leave European Union the value of pound weakens against US dollar that results in increase of inflation, and if Britain doesn't leave European Union by 2020 the situation can go worse for the UK (Davies 2017; Mintel 2016). This political instability after Brexit raised the price of Apple UK App Store by 25% after the pound depreciate right after majority votes to leave European Union (Hern, 2017). Apple has already changed its prices after the pound losses its value by 18.5% against US dollar, and the prices of all the units rose overnight. Brexit effect escalate price of old and new desktop computers for British consumers (Hern, 2016). Whereas India as one of the largest democratic country is politically stable after Modi's government (Zeenews, 2016).

Indian political environment comprises of government policies, politician interests, and ideologies of several political parties. So the business environment in India is influenced by multiple political factors. India has third largest smartphone market in the world and Apple find a big opportunity to jump into Indian market and become the part of the arena (PESTLEanalysis, 2014). Indian government and bureaucracy confront premium brand like apple entry into their country. Instead of importing Apple products India is more incline to set up production units. Apple will overcome these hurdles soon and have planned to open its first retail store in 2020 (Dormehl, 2015)and will make a great success in Indian market too.

Political factors of both countries reveal that in the UK Brexit as a big political moment turns out to be unfavourable for Apple Inc whereas India's political environment is favourable for Apple Inc as it is a leading economy has lots of opportunity set up production units and grow its business in world's third largest smartphone market. Not only political but economic factors of a country also helps in analysing the macro environment.

ECONOMY

It is observed that fluctuation within the economic environment have capability to influence the company to greater level, especially for those companies who are cost leader and have premier based differentiation strategy (Johnson et al, 2008). In 31 years the pound sterling jumped to its bottommost against US dollar after majority of the UK population voted in favour of Brexit. This constant devaluation of sterling since June 2016 surely led to inflationary stresses (Toplensky et al 2016). This on-going economic stress in the UK can put great impact on Apple's sales and revenue.

Whereas India (figure 3) is on electrifying pace to be on a lead of fastest growing economy and surpassing China, Gross Domestic Product is up from 2017-2018 growth forecasts of 6.5% to 7.5% of 2018-2019 forecasts. India is growing it's GDP by every passing year and competing big economies like China. India loses its position in 2017 but again touch the peak in 2018, and it is speculated that GDP will escalate in 2019 and

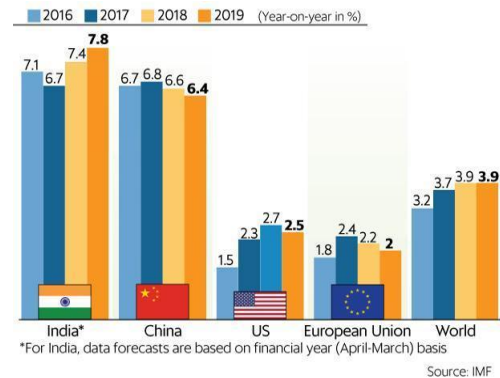


Figure 3 GDP forecast by IMF 2016-2019

will remain on lead as emerging big economy (DW, 2018). The economic environment of India was more favourable in comparison with the UK, Apple has started manufacturing in India and striving to reach its goal by the end of 2018. CEO Tim Cook has indicated that Apple is going to move aggressively in the country and growing middle class in India will be the prominent buyers of Apple products (Liptak, 2018). Whereas devaluation of GBP is squeezing the opportunity to maximize their unit sales, but buying of British customer is still higher than India's customer. Apart from economic factors, changing lifestyle give wider impact to the macro environment. Furthermore social factors will be the part of report.

SOCIAL FACTORS

The behaviour of customer shifted with the passage of time according to Mintel (2016), the tablets is losing its unique selling point in competition with smartphones. It is seen that phablets are more famous for their quality of both phone and tablet with five inches plus size among technophiles now a days. It shows that phablets clients are more incline to perform more time consuming and complex tasks, such socializing online, online shopping, gaming or watching videos. This is the reason why phablets are taking over place of tablet activity, and leads to decrease the sales of Ipad since last two years in UK market.

In order to gain a broader view about culture of a country Geert Hofstede provides a research based analysis that how values on workplace are influenced by culture. With the help of six cultural dimension independent preferences of countries on national level has been revealed below. Following is the research based results of comparison between United Kingdom and India

POWER DISTANCE

Power distance dimension express that how society handles inequalities among people on national level. This dimension shows lower score of 35 that indicated that society is in favour of minimizing inequalities among people in United Kingdom. In this dimension score of India is 77 and it's higher than the UK, it shows an appreciation for top down structure and hierarchy in majority of the organizations and society, and inequalities are higher (Hofstede, 2018).

INDIVIDUALISM

In this dimension society's preferences about their self and people in surrounding has been evaluated. At a score of 89, UK is among the leader in individualistic score. They are highly individualistic and private people believing in individual's uniqueness. Whereas with the score of 48 India shows intermediate position. It indicated both individualistic and collectivistic traits. India low score in individualism and show both individual and collective culture in workplace (Hofstede, 2018).

MASCULINITY

This dimension shows the preference for achievement and material rewards for success in societies. Britain is a Masculine society with a high score at 66. This high score means that society is driven by competition and achievement in the end success, which is defined as winner. Whereas India score 56 on masculinity and taken as masculine society where visual display of success and power and achievement is mainstream. The scores are similar but the context to show masculinity is taken differently in both countries (Hofstede, 2018).

UNCERTAINTY AVOIDANCE

This is the degree to which individuals of society feel uncomfortable with some ambiguous and uncertain situation. Britain shows 35 score in uncertainty avoidance which mean British are comfortable in uncertain situations and do not have too many rules in society. Whereas India shows the score at 40 which is just 5 points more than the UK, in this dimension indicates medium low preference for avoiding doubts (Hofstede, 2018).

LONG TERM ORIENTATION

This dimension indicates how the society maintains some links with the future and present by linking its past. In this dimension Britain shows score of 51 and this is intermediate. Prominent choices of British cannot be determined easily. India also has same score of 51 in long term orientation index and shows intermediate preferences (Hofstede, 2018).

INDULGENCE

This dimension is the degree to determine that how children are socialized and to what extend people control their desires. Cultural of the UK is considered as indulgent with high score of 69, which reveals that most of the people have optimistic approach towards life and less control of social norms. Whereas; India score 26 in indulgence index and comes up as a restrain society, in which people are generally controlled by social norms (Hofstede, 2018).

The Hofstede analysis results that social environment is unfavourable for Apple in India, the country is going through numerous barriers that consists of value and belief system and this has been part of its root since too long, and is still coping with many challenges to adapt the international business values. Whereas, The United Kingdom as a developed nation is much familiar with the values of international market and is favourable for Apple, as their societal values and culture are relaxed for globally recognized organization to work in. With the help of Hofstede country comparison it was easier to get familiar with the culture dynamics of both countries but to get more into detail PESTLE analysis will be done of both countries to have a wider overview of India and United Kingdom.

TECHNOLOGY

The rapid changing smartphone technology in the UK introduces virtual reality headsets, 360 degree videos, wireless charging and many other features to increase and sustain the revenue of smartphones business. One of the biggest rivals of Apple is Samsung with all the features of virtual reality and wireless charging in it and hoping to differentiate themselves in the international market. These new features, adaptability and versatility is putting lots of pressure on Apple to adapt new trend of technology to maximize its sales and satisfy the customer in UK (Kush, 2018). In India technology significantly effects product development and fresh cost cutting processes. India generally has 3G and 4G technology which has helped many of their technological projects. India has the strongest IT sector, encourage endless IT development, software upgrades and much other technological expansion. Samsung is among the best seller in India due to its wide range of price, people are not more technology conscious and majority not indulge in online shopping but still many people are seen while using social media in high frequency in India (Banshiwal, 2015). With no significant data on mainstream smartphone features in India it's evident that Apple can higher the business pace in Indian market. Both countries' technological environment is favourable for Apple because in the UK people are familiar with the features inside the smartphones whereas in India people are prone to learn and use the features and technology of smartphones. This can give an edge to Apple Inc to expand their business.

Legal

Apple follow all the legal aspects of the UK, for instance under product and consumer's law customers are permitted to a free of charge repair or replacement, discount and refund by the vender, hardware warranties, privacy policy, piracy prevention and many other aspects are strictly followed by Apple Inc (Kush, 2018). Deeply rooted corruption is one of the greatest challenge for Tim Cook (Apple's CEO) to set up their business in India. India ranks 79 in Transparency International's 2016 Corruption Perception Index whereas UK ranks 10 and shows that most of the legal aspects have been followed in order to maintain international business environment. Delicate demands for commercial donations, obtaining business licence and approval delays are significant challenges for Apple in India (Barhat, 2017). United Kingdom with low score of corruption and high score in transparency in comparison with India indicates that legal conditions of the UK are favourable for Apple Inc.

ENVIRONMENTAL FACTORS

In April 2012, Apple made a commitment to shift to 100% renewable energy by ending its use of coal by following a Greenpeace protest (McMillan, 2013). In order to power their data centres, Apple started using 100% renewable energy by 2013. In result of that 75% of overall power came from clean renewable resources (Burrows, 2014). This Greenpeace protest has been followed by number of countries in developed and developing countries. Apple in UK has been the part Greenpeace protest since then, but India is just new to Apple business and is facing challenges to follow Greenpeace protest. Because India is in the race of rapid economic growth but in this contest their environment has suffered a lot, and more people are exposed to serious water and air pollution (WorldBank, 2014). Hence the environmental conditions of the UK are more favourable for Apple Inc to run their business.

STRENGTH AND LIMITATION OF PESTLE

PESTLE analysis enables the organization to identify and utilize the new opportunities; it enables companies to do businesses internationally by accessing the implication of it, it also helps the development of strategic thinking within the organization. Whereas there are some limitations of this framework that there is number of over simplified information taken out by applying this model that is used for making big decisions for the company, plus subjectivity in this framework has been found on many stages which effects the ultimate decision of organizations, moreover all of these factors keep on changing with the passage of time (Tiduko, 2018). PESTLE analysis technique can also be used in combination with other tools like SWOT which identifies inner and outer factors affecting the organization. For gaining more information about outer factors affecting the industry Porter's five forces model will be applied in the next section.

3.0 PORTER FIVE FORCES

Porter five forces model is a strategy tool introduced by Porter (2010), which aims to investigate the direct competitive environment of individual industries. It considers specific forces that determine competition, and it is a classic strategic business tool organized at industry competition analysis, to identify and access the capabilities and environment that influence the organization directly. Following is the comparison of United Kingdom and India's industry with the help of porter 5 forces analysis

3.1 INDUSTRY RIVALRY

Industry rivalry of Apple Inc in United Kingdom is moderate; it was high in the past but after death of Steve Jobs (previous CEO of Apple) Apple's position as an visionary, bold and exciting brand was affected negatively (BBCNews, 2013). It is still a very strong brand but now it's competitors are large and taking a big share of market and have influenced the market, Google, Amazon and Facebook are among strong competitors of Apple Inc (Marketline, 2012). Whereas in India; Apple as an introductory brand faces very high industry rivalry and fierce competition with number of low price and easily available smart

phones. Apple's growth rate is fast, price is high, have strong brand identity, large industry size, and have high diversity of rivals with low product differentiation in India's smart phone industry (Banshiwal, 2015). Hence, India's technology industry will be more favourable for Apple to grow and compete with brands in India's mainstream market.

3.2 THREAT OF ENTRANCE

Threat of entrance is low to moderate in the UK and India (Whale, 2017; Banshiwal, 2015). Apple is a strong brand name with a strong brand loyalty that reduces the threat of new entrance. Any company want to make new entry have to have economies of scale, lower cost per unit, innovative and technologically advance, which Apple already has. Apple technology is patented meaning no one else can legally use or produce Apple's product, this also reduces the threat of new entrance in both India and the UK (Whale, 2017; Banshiwal, 2015). For instance in the past Apple patented curved phone battery which was the part of its line of product, it means that no other company can produce a phone with curved battery technology. Hence Apple has low to moderate threat of new entrance in both countries.

3.3 THREAT OF SUBSTITUTE

It is basically a threat of a product that does the similar or is the similar as a business's product that already exist in the market. In context of UK market the economic condition of the people allow them to bear the switching cost of the product so threat of substitute is high in the UK's market. Many of the competitors are constantly coming out and competing Apple products, and to deal with this the company keeps on introducing new items every new year (Whale, 2017). Whereas; in India's there is low buyer inclination to substitute, because the switching cost is high, and majority of the population cannot bear the switching cost of product due to challenging economic condition generally (Banshiwal, 2015). Therefore India's technology market is more favourable to do the business for Apple as there less threat of substitute.

3.4 BARGAINING POWER OF SUPPLIERS

The next aspect of model is bargaining power of supplier; the suppliers have power to control the business by setting the end price of the product. Suppliers are more powerful when demand increase; especially when they are selling something unique this is the stage where most of the suppliers mostly adapt vertically integration strategy. Apple's supplier power is moderate in the UK market, because their products manufacturer are much larger than there supplier because they have their own operating system, so element of supplier power is reduced (Whale, 2017). Whereas in India supplier power is also moderate but number of opportunity is open for supplier to substitute their product, competition is high among suppliers so this volume is more critical to Indian supplier (Banshiwal, 2015). Hence both have same intensity of bargaining power of supplier, but in my opinion brand loyalty and less threat of substitute of product in the UK market is more favourable for Apple Inc.

3.5 BARGAINING POWER OF BUYERS

The next element is power of buyers in which not only customers are included but wholesalers and retailers are buyers too (Whale, 2017). As the product Apple offer is tend to

be expensive with the high profit margins set by the company, so the bargaining power of buyer is low to moderate in the UK, because Apple sells few products directly to the customers and buyers do not prefer to buy in bulk (Hill & Jones, 2009). They also give bargain power to their customer to make loyal customers. Whereas in India bargaining power of customer is high because there are lots of distributors in the market and most of the population is price sensitive (Whale, 2017). Moreover increasing buyer volume and low product differentiation in India's market also increases the buying power of customers (Banshiwal, 2015). Hence the UK market is more favourable for Apple because there is moderate power of buyers and firstly Apple has their own retail stores plus people can see the differentiation of the product in comparison with rest of the technology and entertainment market.

Porter five forces analysis is part of this report because enables us to analyse competitive forces in macro environment the stronger these five forces are identified the clearer strategic picture of the industry is revealed, and it is most beneficial to start any business across the border, . One of the limitations is that it encompasses all the information about macro environment and it keeps on changing by the passage of time (Whale, 2017). Moving on to the comparison of opportunity and threats of the UK and India, the strength and weakness of Apple Inc as an international brand will be discussed.

4.0 SWOT ANALYSIS

It is the strategic analysis which is based on accessing company's strength, weakness, opportunity and threat before or even after starting any business. This strategy is mainly used for understanding strength, coping with weakness, identify opportunity and threats company can face or facing. This framework not only helps in identifying the problems within the company, but also gives insight about the competitors that what they are up to and how you can exploit the opportunity before your competitor use it. Swot is basically a systematic framework of internal and external determinants of organization which directs managers to develop their business strategy (Johnson et al., 2008); following is SWOT detail of Apple Inc.

4.1 STRENGTH

Apple is generating strong revenue for past few years by enabling new innovation in technology arena. It is among the largest and top profitable and this strength gives company power to anything they want on massive level. Apple's stores are still on lead to give most presentable look to its customer to make the customer journey more valuable and easy (Kush, 2018). Apple emphasizes in showcasing the products in store and online and also provides an ideal after sales care and advice. It is world's most recognizable brands, because of its vast product ecosystem. One of the biggest competitive advantages Apple Inc has that they have capability to uniquely design patented hardware (iPhone, iPad, Apple watch, Mac,

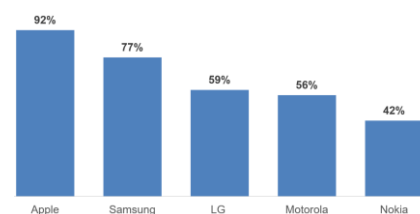


Figure 4 Retention rate in the Smartphone industry

Apple TV), software (iOS, macOS, watchOS, tvOS), application (iLife, iWork, iMovie, Final Cut Pro) and services (iTunes Store, App Store, Apple Music). Without having any specific loyalty program, Apple enjoys a very loyal customer base. Internationally customers believe in Apple's design, use, reliability and status attached with Apple brand. Figure 4 shows Apple has a matchless competitive advantage that it has highest retention rates in the smartphone industry (Jurevicius, 2018). Strength of the brand is internationally known so it is equal in the UK and India, and leads as strong brand in both countries as well. There are not only strengths of world renowned technology brand but there are also some weaknesses company possesses, and further weaknesses of Apple Inc will be explained.

4.2 WEAKNESS

Pricing strategy is one of the core weaknesses Apple possesses in such competitive market. Reliance on iPhone for expanding the business revenue is also among major weaknesses of Apple, also over reliance on iOS will hinder growth of Apple business when majority with 55% uses Android operating system whereas 30% depends on Apple's iOS. Apple slows down its geographical expansion of retail store with 39 stores in the UK and 479 globally (Kush, 2018). There are various opportunities for Apple to expand the business geographically and generate more revenue by entering into new market of growing economies.

4.3 OPPORTUNITIES

Growing economies like India provides best opportunity to grow business and generate targeted revenue in emerging markets (Kush, 2018). There is a rapid rise seen in Indian smartphone market, it has raised 8% from INR 1.1 trillion to INR 1.2 trillion in 2013. The dramatic increase in smartphone subscription shows number of smartphone user reached 40 million in 2013. Apple can reach potential market share smoothly as people under 25 years are majorly smartphone user and they are basically 50% of total population in smartphone market. People of India are keener to learn and adapt changes happening globally, most of smartphone users download apps and added phones in their lifestyle now. One of interesting aspect in emerging market like India is that most of the user is young and to remain updated they prefer to change their devices, this can give a great edge to Apple to generate maximum revenue. A move to bring iPhone to China Mobile network is proving to be lucrative for Apple as it is going to serve the largest network of the world of over 760 million users.

4.4 THREATS

Fierce competition among existing players in the market is one of the threats Apple has been facing for last few years. Brexit is among the biggest threat Apple's business has faced and going to face again after implementation. UK market has also reached its saturation point which allows many rivals to come in and is giving tough time to Apple's business; Xiaomi is among prominent competitor these days (Kush, 2018). In Indian market Apple is going to face competition with Android base devices in which Samsung is at lead whereas LG, Motorola, Windows phone, Redmi and other devices are in competition. Indian market is full

of violators who can go against the legal aspects like intellectual property rights including trademarks, patent and copyrights. Other rivals can also imitate Apple's feature to grow their sales and can collapse with the product differentiation strategy which Apple believes in (Cecil, 2016). thus these legal disputes can be result as a big challenge in emerging market like India.

Anyone who understands business can perform a SWOT analysis; it has little or no cost. It addresses the main complexities of business in short period of time. SWOT analysis can be done without the help of any formal business advisor or external consultant. But Swot analysis also have some limitations, it only cover one stage of business planning process, to do more in depth and two way analysis to make decisions a company may need another tool to do strategic analysis. In this tool we can only identify strength, weakness, opportunity and threat separately, whereas sometimes strength of the company can also be the weakness of the same organization (QLD, 2018). This model also don't provide the issue, but the reason for applying this model is that it pin points main issues company faces while doing international business, it understand, address weaknesses, deter threats and capitalise opportunities by taking advantage of threats. Moreover segmentation, targeting and positioning of Apple in both countries will be discussed.

5.0 SEGMENTATION, TARGETING AND POSITIONING

Any organization goes through these three stages to position them in market effectively. Firstly they identify the variables that allow company to segment the market through research, secondly it evaluates the appealing power of each segment and chose what can be the target segment, thirdly how to position themselves in market to maximise the sales and profit of the company, this is the phase where company communicated with the customer through promotion or any other way (Anand, 2015).

Segmentation

The segments of Apple in international market especially in developed countries like the UK have business professionals, teenagers, gamer, and music enthusiasts, (Interest) innovation is one of the prominent segment apple always cover as apple have majority of its customer from generation Z (demographic). Their behaviour towards innovation is visible and gives Apple a great advantage. To make the global presence the company choose highly urban (geographic) and populated areas as segment to brand their product. Apple is also famous among Generation Y (demographic), usually most of the customer's (psychographic) preferences are free content, tele-communication, wireless and unrestricted services from any smartphone company. Then company look upon segmentation selection criteria and analyse segmentation size, growth of segment, identify current position within the segment, convenient way to enter into market and identify number of competitors (Anand, 2015).

Whereas Apple in India geographically not only target thickly populated area but also targets the small urban areas to target massive number of people. Apple have done demographic segmentation and as a result 18 and 30 years is the right age to gain market competitiveness

in India, because this segment of population is young and fascinated (preferences) by core technical and value added features with an attracted physical appearance of their smartphones, compare to other segments in the market this segment is also less price sensitive (behaviour). They like to use their smart phone in daily tasks, and most of them belong to high income (demographic) group in India as it is a new and premier brand in India. Smartphone is the part of (psychographic) lifestyle of Indian people now which they cannot avoid to spend their day (Cecil, 2016). After the process of segmentation Apple focuses on its target to further position itself into market.

Targeting

At this stage Apple develops the most demanding segment as one of the most attractive variables of segment, based on business capacity Apple targets the behaviour of masses to buy a world renowned brand and fulfil their thirst for innovation on international level. It promises specific qualities, specific benefits and value to create a strong relationship with their customers (Anand, 2015).

Positioning

The value proposal of the product to the target market is defined in positioning statement. For instance their positioning statement to introduce Apple computer was 'the best personal computing experience to students, educators, creative professionals and consumer around the world though it's innovative hardware, software and internet offering....'. The Above statement shows that how Apple targets the segment of student, educators and creative professional, identify product difference by mentioning innovative hardware and software, introduce the product by mentioning the best personal computing. Positioning is executed after having sufficient research on marketing mix elements of the product and service, promotion is done by Apple to position a product or service in the market. (Anand, 2015).

Apple has single segmentation, targeting and positioning strategy globally; as a result it has same segments of age, behaviour, gender and geographic location of its customer in the UK and India. Apple has implemented vertical growth strategy on international level and expands its business geographically. Apple is positioning itself big brand with cheaper prices and older phones with a refresh look in India, the time when people get familiar with Apple's functionality and usage Apple will introduced its globally introduced collection to Indian stores (Elgan, 2014).

There are some limitations of STP, first of all it is very costly process, firm tries to serve various market segments, this result in increase and variation of products and cost of products as well. When separate programs are used for separate market segment not only cost but promotion and distribution expenditure also increases. If the interest of public changes the product or service become useless and can give great loss to business. Whereas there are number of advantages including realistic selling targets and priorities, identifies profitable segment which deserve special attention and ultimately satisfies special the needs of customers. STP's strengths are the reason I have adapted and applied this to my selected company (Chand, 2018).

6.0 MARKET ENTRY STRATEGY AND METHOD OF ENTRY BY APPLE

Apple faces several restrictions to make an entry into India's market. Every year the tariff rules changes according to the government's budget compilation, so it is challenging to determine the rules of tariff but somehow Apple is facing this challenge and doing well with it by using minimal hardware for its product. An FDI policy to take initiative of new business of single brand retails as the policy is 'it is necessary for the company to source 30% of its content from country's micro, small and medium enterprises, if the involving foreign equity excess of 51%'. These restrictions in India have prevented Apple to open its own retail store for a long time. The recent changes FDI policy has given an opportunity to enter into Indian market and touch the customer directly. Neil Shah of Counter Point Research told International Business Times that Apple aims for having full control of the customer presales, during sales and post sales experience, and it welcomes to align the Apple's vertical integration strategy (Cecil, 2016).

Whereas in United Kingdom Apple used differentiation generic strategy to enter into the market. The reasons behind using differentiation strategy are wide acceptance of wide range of expensive product in UK market. Its strong brand name and competitive advantage differentiate its product and services from other brands. Internal competency and skills of Apple's employee make them prominent, last but not the least their product and services cannot be easy imitated because they are strong and patented (Meyer, 2017).

There are several methods of entry into new market, in which licensing is safest, profitable and easiest method that can be adapted. But in case of Apple in India this strategy is not the best option to be adopted because of rapid changing tariff policies. However franchising is the best strategy for Apple Inc to make an entry to India market, through franchising Apple also currently operate stores modelled on its global retail (Cecil, 2016). Whereas; by considering UK's political, social and economic condition Apple adopted licensing as market entry mode (Apple, 2018). United Kingdom as a developed country has different environmental condition which allows many international brands to license including Apple. Licensing is low risk, low regulation and give high return in comparison with other entry methods like joint ventures or strategic alliance etc.

7.0 MARKETING MIX

Marketing mix examine the 7p's in relation to Apple Inc. the first 4p's of the marketing mix consist of product, price, place and promotion while rest of 3p's are people, process and physical evidence (Rahman, 2017)

Product

Product includes the branding packaging and quality of the product and range of products (Farrall and Lindsley, 2008). Apple has wide range of products in the UK market because people are more familiar with the technology company has been using or evolving over a period of time (Kovach, 2017). Whereas, India as a new business market for Apple has

limited range of products, mainly they are focusing on making the smartphone widely available for customers (Elgan, 2014).

Price

Pricing policy for India sets high at introductory stage by Apple, but these high prices are lower than other countries. Apple has adapted premium pricing strategy, it is considered as a luxury brand because of its high prices and brand image (Cecil, 2016). Whereas in the UK Apple is using skimming strategy, first they have introduced their products on high price, when their purchases boomed after sometimes they lower the prices of their products (Dunsby, 2017).

Place

It is basically the space from where people can access the product and services conveniently it can be in store or online. (Farrall and Lindsley, 2008). In both countries retail stores are been given in expensive places and in high socio economic status locality as it is expensive and luxury brand.

Promotion

Promotion is basically the activities that communicate the merits of the product (Kotler and Armstrong, 2011). Company's own iTune store enables them to promote themselves effectively with the help of influential personality's music. It is not just about advertising directly, it also includes personal selling effort of company's employee and public relationing. Apple had an advertising operating budget of \$1.2 billion, in which \$48 million is used just to spread the word about iPhone 6 and iPhone 6 s plus back in 2014 (Cecil, 2016).

People, Process and Physical evidence

People in Apple business are the employees and as well as consumers of their product, business must consider how different consumer will respond and how employees can effect marketing effort people and customers of both countries are different so apple adopt different strategies to make the business profitable in both countries, Apple adapt Adaptation Strategy in India (Cecil,2016). Process to do the business and physical spaces as physical evidence also have different layouts to make the business work in both countries.

8.0 DIRECTIONAL STRATEGY RELATED TO ANSOFF MATRIX

It is basically a game plan that company implement to grow business, increase profits and accomplish goals and objectives of the firm. Big companies like Apple chose to follow a parenting directional strategy to increase the profits. Directional strategy enables companies focused in the most strategic way possible while continue growing products, revenue, services offered to customers it also allows company to expand geographically and enter.

To apply directional development strategy Ansoff Matrix is used to portray alternative growth strategies (Dubey, 2017). This model has been divided into four possible combinations of market detailed below.

8.1 MARKET PENETRATION

Giving more products to the existing customer of that product is market penetration. Apple as one of the leading brand internationally retains its customers by releasing updated version of

iphone after a year. This gives chance to customer ample choice to choose from. In rivalry with Samsung Apple do heavy promotions and convince the customer to buy the product (Dubey, 2017).

8.2 PRODUCT DEVELOPMENT

It is a medium risk directional strategy which is defined as developing products for the consumer that are already loyal to your brand. In this an additional feature is given to improvise the product. Apple has been adding features to its devices for so long. It always add size of a phone and name it iPhone plus, it add additional feature of software and add an 'S' as sensational model, in the past apple introduces iPod shuffle for Its existing consumers as a portable device (Dubey, 2017).

8.3 MARKET DEVELOPMENT

Market development is the introduction of existing product or service to the whole new market, in this strategy segmenting targeting and positioning is totally restructured. Apple's retail store will be introducing new and updated product in an entirely new market. Apple India is on market development stage that enables the customer to have entirely new experience of the company's product and service (Dubey, 2017).

8.4 DIVERSIFICATION

Launching a new product in completely new market is diversification. This strategy is one of the most risky strategies; it involves lots of cost and uncertainty, but if this strategy works this strategy is worth it. When Apple jumps from computer and phone production industry to music industry with introduction of iTunes everybody was ambiguous about the outcome of this idea music industry (Dubey, 2017).

9.0 CONCLUSION AND RECOMMENDATIONS

Apple as one of the most influential companies is expanding geographically and expanding its revenue by entering into emerging world economies like India, analysis of Apple Inc in United Kingdom and India gives us a wider view that what marketing strategies companies adapt to be successful in different market. The main difference between United Kingdom and India was of their socioeconomic and environmental conditions. The models we have uncovered a compact and detailed internal and external market analysis of India and the UK, which influence Apple, and later the strategies to deal with two different environment were also been studied. Thus Apple still has to make a lot of effort to stay in India's market following are the recommendation

1. Apple has to use Adaptation strategy in India instead of standardize strategy to respect consumer perception, need and preference
2. Apple has to adopt geographical pricing strategy in India so that most of the smartphone user can switch to their product

3. Apple should apply diversification strategy instead of concentration strategy for Indian smartphone market through this company can take control over the distribution channels and production
4. Apple in India should not only have cheap products but must have all new updated complete range of products and services for potential customers.
5. Apple should adapt product development strategy or diversification strategy to expand their profits. Product development strategy can attract their existing loyal customers for the new product and it is less expensive and can give more profit, whereas diversification is more expensive and risky but if the business work with the help of R&D it will be more beneficial for Apple to expand geographically and financially.
6. Apple's future plan to jump into production of automobiles should be promoted effectively to spread the word to its loyal and new customers. This future plan also covers a big segment of technology industry.

LIMITATION

Limitation of information and word count doesn't allow me to cover all the aspects of given models in this report.

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