

LCMB7001: Marketing Management

Assessment 2

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Introduction

The report will highlight the environmental aspects of Apple and the external influencing drivers in the business, as they directly put impact the business operations. These aspects are needed to analyze because in this crowded and competitive marketplace, business tend to face a number of challenges and this directly put impact the business. Apart from that, the role of marketing in Apple will be analyzed as this help the business to increase its brand awareness. Before analyzing this, the marketing strategies undertaken by the company will be highlighted to propose the effectiveness of the marketing strategies of Apple.

Environmental market analysis

In order to analyze the business environmental aspects, 5C's analysis can be used, as this helps marketers to understand the internal and external factors which influence the business directly (refer to lecture 1).

Company

Apple was founded on 1st April 1976, and the business has been established by Steve Jobs and Steve Wozniak. Now the business has become the world's largest and fastest-growing business at the global level (Gallagher, 2023). Although the business also faced major challenges, they understand the demand of the market. In the 2021 report, the company stated that they have increased their percentage by 11%, and this directly defines the progress of the company (Aten, 2021). The company always ensures to provide authentic products and in the conducted research by... it has been found that Apple's success was not automatic, Steve Jobs and the employees of the company put every penny to make the business work (Bajoria, 2020).

Customers

Based on the analysis conducted by Biloš, Turkalj and Budimčić, (2022), it has been found that young and adults majorly prefer the products of the company, as the trendy and effective products are the preferences of the customers. And this has been supported by Ceci, (2023) who stated that the age group between 18 to 24 has higher engagement in Apple stores. When it comes to purchasing power, more than 24% of the population of the age group between 25 to 34 purchase Apple products, while the trend of buying MacBooks is high in the age group of over 65 years. This directly stated that Apple manufactures its products based on the demand of the customers so that they can target every age group.

Competitors

When it comes to the competitor of the company, Samsung, Microsoft, Google, and One Plus are the competitors of the company. Even in this competitive world, Apple is the leading brand at the global level (refer to Figure 1) (Faria, 2023).

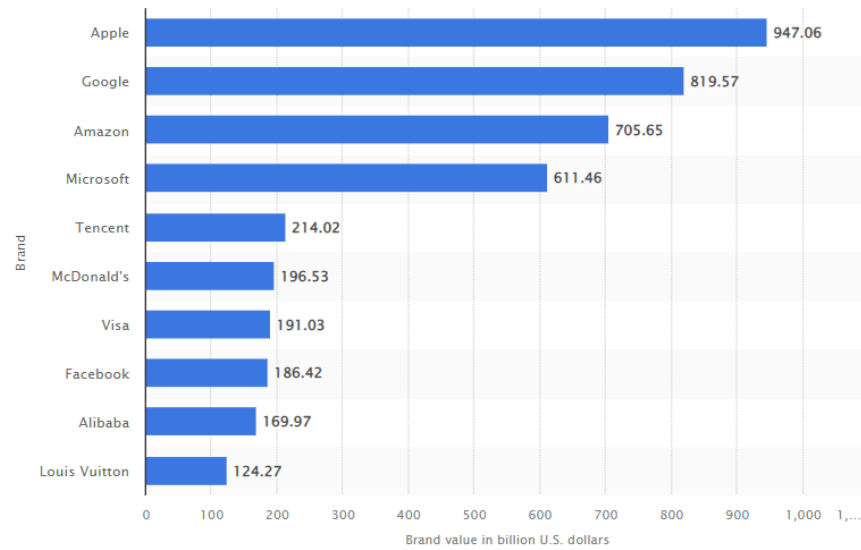


Figure 1: Leading brands at the global level

Source: (Faira, 2023)

For a number of years, Apple and Samsung are in a battle to become the brand in terms of telecom companies. But in this battle, Apple always turns out to be the best, and this is because of their fast processors, which is helping to scale their standard in the market.

Collaborators

The company has collaborated their business with a number of partners including Accenture to transmit the business and unlock the new revenue streams, Deloitte to help businesses in maximizing their power of iOS, and IBM to bring effective digital transformation to the business. The purpose behind these strategic changes is to ensure that, they are creating new and innovative processes to upskill their business level. Apart from that, they also collaborated with Cisco and create the best experience for the customers. They have integrated iOS, iPadOS, and macOS with the Cisco latest technology, and optimized the business process effectively (Apple.com, 2021).

Climate

The company is working at a global level, and out of that, they have huge market growth in the American market with 44.2% (refer to figure 2) (Laricchia, 2023).

Apple quarterly revenue distribution in different regions worldwide 2012-2022

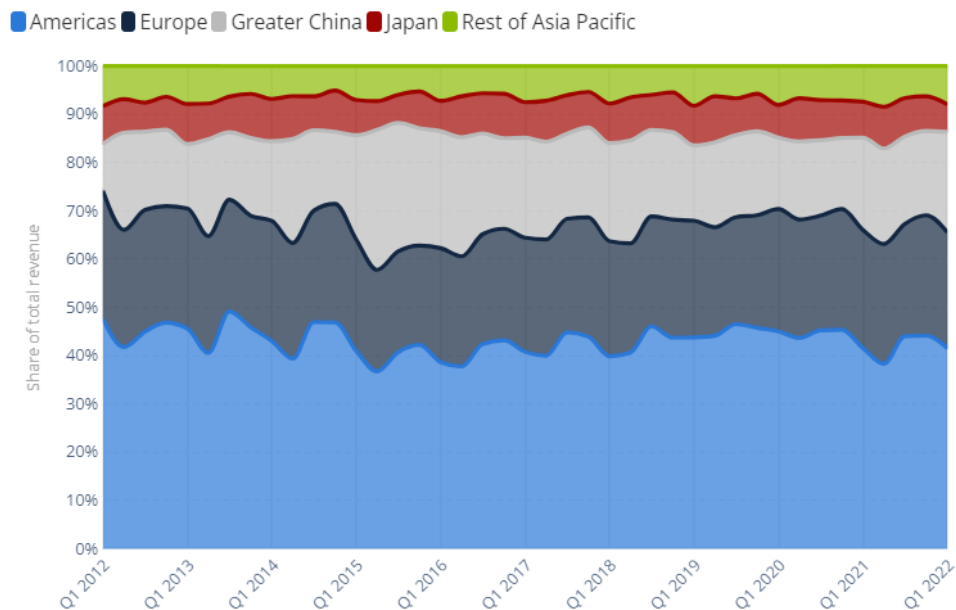


Figure 2: Apple revenue distribution based on region

Source: (Laricchia, 2023)

Since the covid has influenced the market condition, the perception of the customers and their buying habit has changed, which directly put influence the business. They relatively charged high prices as compared to the customers, because they outsource the equipment from third parties (Zilberman et al., 2022). And the innovation in the products has decreased, which is not justifying the price of the products. Apart from that, the analysis conducted by...., stated that the products of Apple have helped them to create an effective image in the mindset of the customers, and due to this, they are continuously increasing their brand awareness. The major aspects considered by the business include quality, effectiveness, etc. On the other side, they are also considered as “Please at the misfortune”, which directly shows the positive mindset of the customers towards the products and services offered by them (Biloš, Turkalj and Budimčić, 2022).

External influencing drivers and analyze the internal environment

Within the business, there are a number of factors which put an impact on the business and its operations, and these include-

Economic condition- based on the analysis conducted by Zhao and Zhang, (2022), it has been found that the stock of the company has dropped by 4% in 2022, and the reason behind this fallen stock is, the disrupted economic condition because of the pandemic crisis. Moreover, the recession and inflation occurred at the global level, which directly reduce the ability of customers to purchase products and ensure their growth rate (Zhao and Zhang, 2022).

Competitive marketplace- in this competitive market, Apple is able to present its business effectively. The reason behind this is that they are majorly focusing on their production process, and this is directly reflected in their products so far. Apart from that, Apple is committed to holding innovation as well as entrepreneurship competition and carrying effective growth (Tian, Wang and Wang, 2022).

Environment- when it comes to environmental aspects of the business, more than 600 employees complain regarding the in effect pay. This directly stated that the business was focusing on gaining the market, rather than managing the employees (BBC.com, 2021).

SWOT analysis

Strength	Weakness
Present at the global level	High priced products
The products portfolio includes the number of products	They have implemented limited marketing strategies
Most valuable brand at the global level	Innovation in the products is highly required
The competitive edge of good	
Opportunities	Threats
Consistent customer growth	The price of the products is the biggest threat to the business, as due to the premium pricing strategy, they are unable to gain effective market growth.
Implementing effective marketing strategies	
Can leverage the strong brand image in the emerging market	

Role of marketing in the business

Marketing is defined as the activities conducted by a business to promote its services or products to the customers and ensure their authenticity in the market. The purpose to conduct

this in the business is to ensure that, the business services and products can effectively increase brand awareness so that the business can enhance its customer base.

Marketing strategies of Apple

When it comes to marketing, Apple tends to use a number of strategies which is helping them to attain effective growth in the business. Such as Hunger Marketing, which is defined as the common strategy used by the company. This is defined as the fact that the suppliers of the goods tend to decrease the output of the orders in order to develop the relationship between the demand and the supply. This directly created a false appearance and help them to maintain the image of the business and its products in the market and help them to ensure their profit margin. Apple uses an effective strategy, as they promote their products prior to the launch so that the curiosity of the customers can be increased. once the products are sold out, they out timer to show the upcoming stock of the products. This clock-ticking waiting increases the eagerness of the customers to purchase the products.

Apart from that, they prefer to conduct launch parties for the products, and the purpose of this creative marketing strategy was to create opportunities in the business. They conduct this strategy through Instagram, WeChat, Twitter, and Facebook, and increase the number of viewers (Lum 2022). Along with that, they analyze the internal as well as external environment of the market, and their business is based on four philosophies including thinking differently, customer-centric services, direct sales, and brand power of the company. These are the one that directly helps the business to gain the attention of the customers and ensure their credibility to market their products (Hiremath and Gupta, 2022).

Effectiveness of the marketing

The marketing strategies in the business directly help to ensure their growth, and in the case of Apple, they are effectively gaining brand recognition at the global level. It is the responsibility of the marketing department to ensure that, they are implementing effective strategies which are building positive outcomes in the business. As defined above, the hunger marketing strategy in the business directly helps them to increase the curiosity level, so that the interest of the customers must be towards their products. This strategy is helping them, and that is why they have become the biggest electronic gadget company in terms of mobile gadgets (Sugiarti, 2022). Apart from that, based on the analysis, it has been found that the success of the iPhone and its effective growth in the market has given them an opportunity,

which directly threatens the monopolistic position of the business. Apart from that, Apple faced challenges in terms of its Safari process, because google chrome effectively established its marketing to increase awareness in the market. this directly defined that, ineffective marketing strategies can put a negative impact on the business as well (Ardon et al., 2022).

Recommendations

Based on the above analysis, it has been found that, the business need to focus on a number of things so that it can make continuous improvement and ensure its growth rate.

- **Maintaining innovation-** within the business, it is highly required for them to conduct continuous improvement and innovation in their products. after the death of Steve Jobs, the innovation in the products decreased, which also influenced the demand for the products. not only this, the business is facing challenges around this aspect as well. To survive in this competitive market, innovation is highly required (Garcia Marrero, 2019).
- **Operational secrecy-** Steve Jobs tried to maintain the utmost secrecy in the business and to manage this bar and standard, it is necessary to meet the demand of the customers. They must inculcate a culture of secrecy, as this will help them to ensure the corporate culture. While launching a product or conducting events, they must ensure that rather than pretending the transparency in the business they need to be protective and competitive.
- **Feedback-** within the business, in order to make continuous improvement, the first step the business can implement is related to taking feedback from customers. This will directly help them to ensure that the perception of the customers has been included in them. Moreover, in order to gain insight into the business, the effectiveness of the marking strategies implemented by them can be reflected through feedback.
- **Pricing strategy-** within the business, the pricing strategy is one of the key aspects, while they are unable to target a maximum number of customers due to the high prices of the products. through the implementation of a skimming pricing strategy then can ensure the current aspects of the business.

Conclusion

Based on the above-conducted report, it has been found that, within the business, marketing plays an important role, as this directly helps to increase brand awareness. In the case of Apple, they need to implement different strategies through which they can increase the awareness related to the products. Moreover, they need to increase innovation in the business., because they are lacking in this aspect. Other than that, the pricing strategy of the business needs to be improved, so that the customer base can be improved. At last, it has been analyzed that, the strategies which business has implemented for marketing purpose has helped them to indorsee the curiosity of the customers.

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