International Marketing Management: Apple Inc.

Executive Summary

The report aims to analyze the marketing processes and strategies used by Apple inc. it has been identified from the overall analysis that the company is the leader in innovation and marketing. Internal and external examination was carried out to discover more about the company's strengths, weaknesses, opportunities, and threats. With those investigations, we had an apparent outlook on how the market is and how the corporation is situated within the market. Due to elevated competition in the technology business, a thorough study of the marketing approach will assist the business in preserve its place by stay on top of its clientele, go along with the alteration, to achieve a competitive benefit, to progress on its future products/services. At the end of the study different suggestions have been raised to cope with the external threats.

Introduction

Apple Inc. is an American international company, one of the supreme in the world that design and produce consumer electronics. The corporation is best-recognized hardware products like Macintosh computers, iPods, iPhone, software, and many more. The business functions in more than 250 retail stores in sixteen countries and an online store. Apple has shaped a brand persona and traditions that are cool, fun, and welcoming the opposite of some of its opponents. Apple's marketing strategies include making patrons want to belong to that community.

Literature review

Competition in the technology segment has been increasing. The research work by Bruijl (2018) revealed that “Apple is in straight rivalry with corporations including Google, HP, Samsung, and Amazon'. Just like Apple, these players spend an enormous amount of wealth on Research and expansion as well as promotion. Bruijl (2018) also highlighted that individual thing that makes the business so extremely aggressive is the comparatively little switching price”. Switch from one product to another does not need major outlay. Also, patrons are not monetarily limited to a product in the market.

Apple is dedicated to bringing the finest customer experience to its consumer through its pioneering hardware, software, and services (Apple, 2018). The business promotion approach is centered on making the finest product for clients in the marketplace. These approaches assist to discriminate the business from rivals in the market. Giachetti (2018) revealed that Apple is “paying attention to ease in everything they do”. Giachetti (2018) also revealed that ease is the most significant fraction of the Apple selling approach and it is the business driving force.

Another research work by Bradshaw (2017), revealed that “Apple plans to increase the dimension of its services trade within the upcoming years, rotating profits from the App Store, iCloud and its Music and video services into a practically $50bn-a-year business by 2021”. Earnings from Apple services demonstrate an extremely optimistic tendency, making the business monetarily stronger to be capable to devote to novel products and expertise

(Bradshaw, 2017).

Apple had achieved brand gratitude and elevated client faithfulness through its connected diversification plan. According to Khan et al. (2015), difficulty with Apple is that main customer is not capable to purchase due to superior cost, Apple's do not have additional document work for dealer codes, indirect reachability to utmost markets, the app store is based on third party supplier. The author also revealed that method of wait and to bring complete package for targeting niche customers while giving focus to revenue borders. The paper also highlighted that company has been victorious in selling its goods and had uppermost customer pleasure ratio. It is confronted with probable human resource turnover, condemnation on its power, and matter such as not communally accountable business. The author also suggested that the business must focus on cost minimization.

Marketing Management, Processes, and Strategies

Apple's marketing approach is based on creator Steve Jobs's idea that consumers do not constantly recognize what they desire (Kotler et al. 2018). The company attains optimistic reviews due to elevated quality and superior features and conditions of its products and services. For instance, Apple typically sends novel iPhones to choose technology and typical media outlets to permit them to circulate review before the cell phone went on trade. Instead, the marketing approach of Apple relies mostly on two pillar – product placement and the buzz shaped by constructive reviews in the media.

Analyses of the Marketing Mix

Product

The product constituent of the marketing mix for Apple is manifest with effortlessness in design and expediency in usage. Apple products are also identified for their stability and superior quality in common and the business improves its products in a periodical mode. Apple products typically incorporate inventive features and potential. Furthermore, the international technology corporation frequently advances its products and services (Hollensen 2019). On the unenthusiastic face, Apple's exclusive hardware and system can merely be used with corporation personal products.

Place

Apple has its special provisions from where it sells its product. The international technology corporation also utilizes direct sales force in some marketplace to endorse and sell definite products. For instance, Apple relied on direct sales assistance for its promotion business, iPod in 2016. Throughout 2018, the business net sales through its direct and indirect allotment channel account for 29% and 71%, correspondingly, of whole net sales.

Price

Apple Inc.'s marketing strategy should comprise cost consideration. The pricing includes costs, competition, markups, discounts, and geographical areas. Even if all the other facet is ideal, with the incorrect value, the client will not purchase the product. For instance, in general,

iPhones are more costly than Samsung smartphones. Premium pricing upsurges profit margins.

Promotion

Apple has been most hostile in terms of endorsement on their creation. Promotion, as the name involve, is the fourth of the Marketing mix and not essentially more significant than any of the marketing mix (Haider et al. 2017). It is concerned with telling the target marketplace or others in the channel of allocation about the “accurate” product.

SWOT analysis

Strengths

- Exclusive capacity to design and build up proprietary hardware, software, application and services
- Powerful brand sustain by strong promotion and marketing ability
- One of the most trustworthy client base in each main product market where the business function

Weaknesses

- While the elevated cost is a fraction of Apple’s brand, it restricts its purchaser to just the middle to high category.
- The lower classes are the bulk of purchasers on an international scale; however, Apple's products do not cater to this demographic. This could be a drawback in their trade model (Gürel and Tat 2017).

Opportunity

- Extensive delivery system: Apple Inc. has the chance to enlarge its allotment system. At present, the allocation system that Apple has is very restricted and leaves room for the last enlargement.
- Consistent purchaser Growth: Apple has been controlling the technology segment for years now.
- Competent Professionals: Apple’s examiner, developers, and product expert are a team of extremely capable expert that have years of knowledge in branding customer products. With the growth of its team, Apple can incessantly construct new opportunities.

Threats

- Rising Competition: Though Apple as a product has solidified itself, it still faces threats from a rival. With the development of expertise, a product like Samsung, Google, and Dell are giving Apple harsh competition.
- Market Penetration: There has been an important alteration in market infiltration by other products in the smartphone market. Businesses such as Samsung, HTC, and Lenovo are using Android software to make novel Smartphones.

BCG matrix

Cash cows

The products/ businesses under this group have a great sufficient market share that brings in elevated sales for the business. Apple has invested an enormous considerable amount of wealth to initiate novel product features that would help the brand fight against its competitor and eventually attain a large market share (Peng 2018).

For instance, with each novel launch, Apple attempt to do something innovative with its MacBook that makes it interesting for the target marketplace. Based on these aspects, Apple Laptops can be recognized as a cash cow for the business.

Stars

iPhones are the stars of this company as these goods have an elevated market share in a very elevated enlargement market. Apple iPhone 11 or iPhone 11 Pro is the novel launch of Apple in the iPhone category that is most like by the clientele.

Question marks

For Apple, it is the Apple TV and Apple Airpods which can be measured as the Question Mark.

rigid competition from large brands as well as other smaller companies has added a lot more stress on the corporation to achieve market share.

Dogs

Declining market order and elevated modernism in the music-sharing business have made Apple iPods in the Dogs segment of the BCG matrix. Therefore, Apple iPods can simply be placed in the Dog section of this Matrix

Conclusion

It has been concluded from the overall analysis that the company must preserve strong sales and developing novel markets and also adding the worth of the brand with more features. Though with a lot of technological limits the corporation has experienced superior sales with the assist of strategic associates and concentrated advertising. The company is spending a lot of wealth on all the channels of the promotional mix; though the corporation should provide more stress on website advertising to decrease the costs. The variety of approaches has added much to the fast and victorious expansion. So, the corporation cannot ignore the influencing factors of the strategies such as the culture. But it is complicated for the corporation to uphold the leader place in the computer industry; therefore, it should take the right and appropriate strategy and make complete use of them. Consequently, Apple Inc. can keep pace with market growth, and attain steady and long-term growth.

Recommendations

The company must recognize the social forces and use it to target the clientele. Increasing prices, diminish income, world monetary crisis influences the buyer's buy power. Furthermore, the company must utilize aggressive and fast modernism concerned in developing the company's products. Such modernization reduces the unfavorable consequence of imitation on revenues. Another recommendation is to create an affiliation with more distributors to progress the overall market reach of the company's allocation network.

Case Study

The three rudiments of consumer analyses are consumer effect and cognition, consumer behaviour and consumer environments

Consumer Affect and Cognition

Consumer effect and cognition are the two categories of psychological response customers have to stimuli and actions in their surroundings (Codron et al. 2016). Affect refers to their approach to stimuli and actions such as their attitude about the a specific product. The affective reaction can be positive or adverse and differ in power. For example, affect comprise comparatively strong feelings such as annoyance, less strong emotional states such as contentment or irritation, tempers such as dullness or leisure, and milder general approach. Cognition refers to the psychological arrangement and procedures concerned in philosophy understanding and understand stimuli and actions. It contains the information and attitude that customers have developed from their familiarity and have stored in their memories. Affect and cognition can assist you to choose which kind of clientele you desire to target and what should they be feeling and thinking about your product. This is serious for the finest brands where the brand is the USP.

Consumer Behaviour

Consumer behaviour engages understanding the physical events of a client, irrespective of his environment, and thought procedure. This consumer behaviour is influenced separately to augment sales and progress turnover. Consumer behaviour can assist you to choose how to adjust your store design or your trade so that the purchaser can easily take judgment and you can also push him to buy more. This is typically used in retail markets.

Consumer Environment

The consumer atmosphere has a chief role in the thought procedure, and then on consumer behaviour as well as on customer affect and cognition. Consumers are influenced by the surroundings they are present in. Consumer surroundings matters as the setting of the purchaser, his demography, and his topography play the main role in his decision-making. Most local players will always consider customer surroundings.

The brand association will impact the purchaser trade pattern and performance. These relations will influence your choice absolutely if the brand representation is constructive; from this means the clients acquires the product again and again and replicate its purchase. Activities within brand management allow building devoted clientele through positive relations and descriptions or a strong consciousness of the brand. The brand picture is the main driver

of brand equity, which refers to customer universal awareness and emotion about a product and has an influence on consumer actions. A tough and prominent brand picture can assist to construct individuality in the market and helps attain revenues and earnings and their margins support transitional help and augment a probability that can lead to the development and of brand extension. Customers encounter a diverse and assorted choice of brands and their goods to make their choice. The positioning of the brand image correctly is the most significant approach that is being used by Marketers.

In addition, the business gives information about the creation and makes relations that influence the mentality of the consumer in the buying process. Without the emotional connection would be an invention or a service indistinguishable from each other (Lindahl 2016). Activities within brand supervision allow building devoted clientele through optimistic relations and images or a strong consciousness of the brand. Brand image is the major driver of brand equity, which refers to customer universal insight and emotion about a product and has pressure on consumer performance. For marketers, whatever their corporate marketing policy is, the major reason of their marketing actions is to manipulate buyer insight and approach toward a product, set up the brand representation in consumers' mentality and motivate shopper real purchasing performance of the brand, then rising sales, exploit the market share and increasing brand equity.

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