SWOT Analysis: Apple Inc.

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Apple was founded initially by three people Ronald Wayne, Steve Jobs and Steve Wozniak in 1976. The business then aimed to sell personal computers. Apple is an American based multinational company, whose headquarters are located in Cupertino, California. From selling personal computers, the business has increased its product line and is now serving the products and services like computer software’s, computer electronics, and in addition to selling personal computers now offer online services for their products too. The product line which was the main reason for making it acknowledged in the technology industry are iPod, iPhone and IPad, these products has made Apple more resistant towards the competitors’ products because for the very first time the concept of android phone was introduced by Apple, which was later adopted by many other smart phone manufacturing companies too. Apple begins its working from a small working place and within five years’ time, they were able to generate profits for hiring quality staff and rent a respectable place for its operations (Budnikas, n.d.).

The highlighting factor which was responsible for the success of Apple was ‘innovation.’ Since 1976 the company transformed its image from manufacturing personal computers to offering fully loaded electronic products which were capable of changing the lifestyle and thinking process of people. The total estimated sales of Apple calculated were $13.95 billion a year. This profit has as estimate increased ever since and has made Apple one of the leading electronic services providing company of the world’s market. The factor which has led Apple to be one of the leading electronic brands is its identification of the future consumer needs which could enhance the lifestyle by replacing the older technology with latest technology. Despite of the effective business procedures adopted by Apple, the marketing strategies has also played a vital
role in making this brand acknowledged among the users (Inside Apple: how America's most admired--and secretive--company really works, 2012).

The other mobile and computer manufacturing companies has observed the latest trends catered by Apple and this is the reason that they have been working hard to offer the products and services which not equivalent but is similar to Apple’s products. Such as Samsung and more importantly Google has manufactured remarkable products which have equally gained the market share. Samsung was preferred in early years but now Google phones and computers has taken over the major market share and is giving Apple a tough competition by introducing latest IOS system and features (Kaliannan and Ponnusamy, 2014).

**SWOT Analysis:**

The strategies like SWOT analysis could help the organizations to evaluate internal and external threats and opportunities which could help it adopting new strategies and amending the one’s which are already in use.

**Strength:**

The most important strength of Apple Inc. is its technology adopted in the gadgets which is latest than any other technology used in the market. Also, the management and the employees working in Apple are more prone towards incorporating innovative ideas which leads towards establishing latest features in the phone. iPhone is not only used as a smart phone but has turned out to be a status symbol for many people, almost all around the globe, iPhone is used as the most latest technology which has not been used by anyone else ever since. Moreover, the design adopted by Apple is more unique and user friendly which not only makes it appealing but something interesting, which could become a choice of the user. The products manufactured by
Apple are user friendly and a major effort is invested by the research and development department of the company (McLaughlin and Bridgman, 2013).

**Weaknesses:**

The area which hinders in adopting the affective business strategies is known to be the weaknesses. These disadvantages lower the growth of business and could result in major loss of market share, if not controlled on time. The weaknesses of Apple products observed are to be the short life cycle of its product, which has forced the research department to focus more on increasing its life cycle and by doing so they have to invest more funds. This cost in return is received back by increasing the cost of the products, once the cost is increased and becomes out of the reach of the common people, they will switch towards other services which may offer similar quality but in comparatively reasonable prices. As compared to one of the main rivals like Microsoft and Google, Apple Inc. has invested very less in the marketing field. This is the reason that Apple is unable to grab the major market share from its host country but is catering majority of the market from foreign lands (Wright, 2012).

**Opportunities:**

The present and the future conditions of the business depend on the number of potential opportunities available in hand. The opportunities like developing potential anti-viruses for the computers and phone is an effective opportunity, due to the reason, that the products manufactured by Apple are equally threatened towards the external viruses as like other gadgets and being the name of trust, people would prefer purchasing Apple than any other patent anti-virus. Due to the increasing population and a world-wide globalization, people are more prone towards purchasing the latest and luxurious pricy products like Apple. Also, the marketing style
has been changed, the consumers prefers these days purchasing online then visiting the stores personally. Many other businesses involved in the telecommunication field has been serving online and are giving there 24/7 presence which makes them considerable for the potential consumer market. Apple shall recognize this demand and should make every possible effort for developing online availability which is convenient for both the business and the consumer market.

Thus, the part of the population which is mostly purchasing these gadgets is the adults, there craze and passion for something new pushes them to buy these products, no matter what the price is, therefore, it should be the priority of Apple’s management that they offer something new and exclusive every time for their target market.

**Threats:**

Since the past few years many other technological companies have jumped in this field and have improved their products and services ever then. The threatening situation is that these companies are offering the products with similar features but in reasonable prices. The highly priced products are a threat to their existence, due to increased economic threat; people are not in the position of purchasing these expensive products. In order to, cater this problem, Apple shall manage their prices which may not let them be in the economical range but shall not be much expensive that potential target market may began analyzing that other things are more important than purchasing the iPhone. Thus, the problem of recession should be focused by Apple too, for maintaining its market share.
References


