Reverse Logistics in Theory

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It is apparent that all the manufacturing Companies must adopt sound distribution processes to ensure that their products get to the end-users who are the customers. At times, some products that get to the customers are returned to the suppliers either for reusing, recycling, or for disposals. This process of flowing the products back to the suppliers is known as reverse logistics. In the forward logistics, the raw materials go through some various processes for them to be turned into finished goods. Value is added to the raw materials to get final products that are on demand in the market. As such, the process of distribution is very crucial in all profit making-Organizations. This paper seeks to discuss the process of distribution used by Apple, Inc.

**Forward and Reverse Distribution Processes at Apple, Inc.**

The goal of having a distribution channel in any Company is to help bridge the gap between the end-users of the products and the producers. Apple, Inc. has one of the best forwarding in the world. Ideally, the forward distribution process involves the steps that products go through until they get to the end-users who are the customers. The Company transports its products through shipping, which is done in bulk. This is less expensive and efficient as compared to the traditional methods of distribution (Agrawal, Singh & Murtaza, 2015).

On the reverse distribution processes, Apple, Inc. provides an opportunity for its customers to return the products for recycling, reusing, repairing, remanufacturing, or resale. This help to create a healthy relationship with their customers. Also, return management in Apple, Inc. help to improve the quality of the products produced by the Company. As such, reliable return management enhances the efficiency and effectiveness of the supply chain in the Company (Huff & Rogers, 2015, January).

**Changes in Forward &Reverse Distribution Over Last 20 Years**

In the last twenty years, there have been changes in forward and reverse distribution processes triggered by numerous changes in the technology. Initially, Apple, Inc. transported their products from their headquarters to different parts of the world through air freights. The air freights used to be so expensive, which affected the profitability of the Company. This called for changes in distribution. From 2001, Apple, Inc. started using sea transport where they ship the products from one location to the other. This is cheaper as compared to the use of freights. Unlike there before, when the customers were required to take back their products with receipts in reverse cases, the Company has agents who do door to door collection.

**Apple, Inc. Overview**

Apple, Inc. was started and incorporated in 1977 as a multinational corporation. Apple, Inc. is the leading world manufacturer of mobile communication and other media devices in the world. The Company also runs a series of applications software such as iWork, iLife among others. All the distributions in Apple are done overseas, unlike there before when they used to transport their products to different parts of the world through the use of the freights.

**Apple Inc. Summary of Financials**

Apple, Inc. is known to be one of the most successful companies in the world. Since, the Corporation was incorporated, sound and health financial statements have been recorded. These include the statement of the Comprehensive income, the balance sheet, the statement of cash flow, and the financial ratios. In 2018, the Corporation registered a net income of about fifty-nine million dollars as compared to 2017, when the Company registered a net income of around forty-eight million dollars. However, the total assets reduced from $375,319 in 2017 to $365,725 in 2018.

On January 2019, the Company released the financial results for the first quarter of 2019, which ended on December 29, 2018. The quarterly revenue was around $84.3 billion, which is a decline as compared to the year-ago first quarter (Agrawal, Singh & Murtaza, 2015).

**Financials Relating to Distribution Costs in Apple, Inc**.

Apple, Inc. has different sources. These sources are located in the United States of America, China, Europe, and other Asian Countries. Their start point for distribution starts at these sources. All the products are later assembled in China for further shipping. The Company is estimated to spend around $ 14 billion every year on returns. Also, it is clear that 65% of the operating costs in the Company are from distribution processes. In 2018, the operating expenses were around $70,898 as compared to $61,344 for 2017.

**Opinion on the Overall Health of Apple, Inc**

In 2019, first Quarter, the Company has registered a significant decrease in revenue as compared to 2018. Despite this, the Company performance is still healthy and promising. The Company manufactures products of high quality, which attracts numerous customers. This means that they have to keep on purchasing these products now and then. These products are a bit expensive compared to other products produced by their competitors.

**Opportunities in the Supply Chain**

Apple, Inc. has various opportunities in the supply chain. The Company has an opportunity to expand their distribution networks to different parts of the world. The main source of the distribution in the Company in China. Expanding the distribution networks will allow the Corporation to increase its sales globally. There is an increase in demand for mobile devices in the world pioneered by technological advancement in the world. The Company also has an opportunity to expand their supply chain through the innovation of new devices to enable them to compete favorably with their competitors such as Samsung (Huff & Rogers, 2015, January).

**References**

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