Mini Project

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**Introduction**

The company that I identified for this mini project is Apple. Inc. Apple is an American technology company based in California that markets, designs, and develops consumer electronics and computer software for the market (O'Grady, 2016). It is one of the main tech companies in the world today and a market leader in regards to innovation and invention. Apple Inc. is faced by numerous strengths, opportunities, threats, and weaknesses in the market.

**Strengths**

Some of the main strengths that can be observed at Apple and the industry include an effective and rapid innovation process, a strong brand image, high profit margins, it is a global icon, and sustainability in its operations. Since its inception, Apple Inc. has insisted on its ability to come up with innovations that are quickly included in its devices. Doing this is aimed at creating the best devices for the market. Consumers love innovative devices and this explains the high demand for its products once a new device has been rolled out.

Apple Inc. also has very high profit margins. The high profit margins are associated with its string brand image and innovative products which compel people in the market to purchase consumer electronics at higher prices than some of the competitors who provide consumer electronics that are closely related. The high profit margins also allow the company to invest in research and development. Doing this ensures that Apple Inc. is able to provide the latest technological aspects in the products that are delivered into the market from time to time. These strengths can be used to explain the dominance of the company in the tech industry in the last decade or so.

**Weaknesses**

Despite the huge strengths that Apple Inc. possesses, there are also several weaknesses that tend to impede the success and growth of the company in the market. One of the main weaknesses is the high selling points or prices for Apple Inc. conducting a comparison between Apple and one of the main companies in the industry such as Samsung reveals that Apple Inc. charges exorbitant prices especially for mobile devices yet the gadgets provide the same functionality to their users. The high selling prices reduce the revenue streams of the company since some consumers purchase products from other players in the market.

Another main weakness is dependence on sales from market segments that are considered to be high-end in nature. If it would not have been for these market segments would already have been pushed out of the market a long time ago. Such dependence also means that Apple Inc. and its products are not popular among some of the low-end or low-income markets since many people cannot afford the computer software and electronics that it delivers into the market. Addressing these weaknesses could be a great step towards improving the sustainability and profitability of Apple Inc. in the market.

**Opportunities**

Several opportunities for growth can be assessed from the internal and external environment of Apple Inc. some of the opportunities include accessing the emerging markets, expanding the distribution network of the company, development of new products, investing in wearable technologies, utilizing artificial intelligence, Apple cars, Apple TV, investing in green technology, and diversification of the products and brands. Apple has in the recent past been criticized for not offering a wider range of products. An example is the fact that they only offer the iPhone when it comes to mobile devices.

Apple Inc. needs to expand the current products to include gadgets that can be purchased by low-income households in society. Competitors such as Samsung have already invested in these market segments and this explains the manner in which its revenues have been increasing in the last decade. Apple could also invest in the Apple car. The company being a tech leader in the market can also come up with greener technologies which can over time slow down climate change and improve the sustainability of the company in the coming decades.

**Threats**

Achieving the mentioned opportunities or exploiting them can be hindered by several threats that face Apple Inc. some of the main threats include increased rivalry in the industry, lack of market penetration, lawsuits, imitation of its products, rising labor costs, rising cost of materials, inability to access emerging markets, increasing consumer power, political interference, managerial upheavals, and lack of diversity in the company’s board (Vogelstein, 2013). The board of the company is predominantly white and this has led to calls that the company is not inclusive in regards to race and ethnicities.

Intense competition tends to affect the market share of the company and this needs to be addressed through reducing the prices of some of its brands or coming up with new products in the market that are innovative and that can reach the low-end consumer markets. The rising cost of labor is also a huge issue facing Apple. Rising cost of labor could mean that its devices will only get more expensive. Political interference has been evident through suggestions by the Trump Administration that it should relocate all its operations to America. These threats if not properly addressed have the potential to affect the success of Apple Inc.

**Conclusion**

The SWOT analysis of Apple Inc. can be used to create sustainability. It can also be used by management at the company to make shrewd decisions in the future.

References

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