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### Apple: The New Leader in Technology

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## **Mac: The New Leader in Technology**

### **Intro**

In May 2010, Apple officially became the most dominant technology company in the world (Tweney, 2010). What started off as once a small company has slowly become one of the most influential companies in not only the United States but the world as well. It recently became the leader in computers, MP3 players, smart phones and music. With a company worth of \$241.5 billion dollars, its annual revenue stacked up to be somewhere near \$42.9 billion in 2009 (Tweney, 2010). Due to their abilities to connect with and draw in consumers, Apple is on the pinnacle of their success. They have found the key to marketing and making their products the most up-to-date and hottest items available. Apple is looking to grow and only become more innovated in the future.

### **In the Beginning...**

Apple, also referred to as Macintosh, was once forgotten and known as a “has been.” The first apple product, the Apple I, was brought into the market in 1976 followed by the Apple II in 1976 (Pietromonaco, 2002, p 14-15). The Apple II was the first computer with color. In 1984, the Macintosh 128k started off the Mac era for Apple (Pietromonaco, 2002, p 14-15). They introduced the first IBM personal computer, most commonly known as the PC, in 1981 (Knight, 2008). With many advancements and easy configurations, Mac became a top-notch company. The 1990s were Mac’s hard times. Sales were mostly in the single digits for most of the decade (Knight, 2008). Since then with Mac’s newest technology, their sales have consistently grown. The iMac, iPhone, iPod, Macbook Pro, iTunes, and iPad have all resulted in Apple becoming the most valuable technology company in the world.

## How Apple is So Successful

Ten years ago, Apple did not have a value anywhere near where they stand now. There are tons of theories on how Apple has grown to become the world's largest technology company and the second largest valued company (Chazin, 2010). How were they able to make this transformation? People base it off of a lot of variables and no one will ever truly understand how Steve Jobs, co-founder and CEO of Apple, was able to change the world-wide perception of Apple.

Marketing is answer. Don Reisiger (2007) of Cnet news described Apple as "ahead of its time." Apple has hit the market by storm and they have done so in some of the most unique and ingenious ways. Most companies try to make a whole bunch of brands and products, while Apple focuses on just a few (Schumacher, 2009). This gives Apple the advantage of making one product the best rather than making numerous products mediocre. One of Apple's goals is to put simplicity in their products (Schumacher, 2009). These one of a kind products allow Apple to invent high quality merchandise. Apple's products are making headlines too. Apple is responsible for 12 percent of all technology news stories (Chazin, 2010). When you are able to make headlines, your recognition usually goes up. Since Apple is being talked about more and more, their popularity is only rising.

Work reflects off its maker. Apple's Steve Jobs is running the show and he's a major reason why his company is having its current success. According to TechNewsWorld's Rob Enderle (2010), Steve Jobs provides Apple with "education, intelligence, and power." His education, unlike any other CEO, allows him to see from a market perception. He is the type of CEO that is able to convince people to buy what he is selling (Enderle, 2010). The second aspect is power. Job's power allows him to create

products that are designed to sell (Enderle, 2010). Putting all of the other tools together, like a budget and ad campaign, makes their products successful. The last is intelligence. Apple analyzes the market and looks at its competitors' strengths and weaknesses (Enderle 2010). When they found weaknesses in other companies, they attacked it. For example, the Apple and PC commercials that went on for a while where Mac claimed PC was "uncool" (Enderle, 2010). Knowledge is power and right now, Apple is looking smart.

Apple is showing their intelligence by aiming towards a certain buyer: Everyone. Apple products are for anyone at any age, especially the product that made the company famous, the iPod. Their commercials with the black outlined people dancing shows that anyone of any age or ethnicity can be part of the trend. Their biggest buyers are teens and young adults. According the Anastasia Goodstein (2007) of Bloomberg Businessweek, this is one of the big reasons why Apple is so successful. "Teens and young adults are all about trends and they made Apple one of them" said Goodstein (2007). Teens and young adults, including myself, love music and Apple made music easier to access. The feature of buying one song for 99 cents made the iPod more of a hit (Goodstein, 2007). Close to 82 percent of high school students that do own a MP3 player have an iPod (Goodstein, 2007). What is the best part for Apple? People made the iPod its own trend, which only helped Apple and gave them less work.

### **How Much A Brand Matters**

People love the Apple Brand, which is another part of what has made Apple so profitable. Apple's idea to make your home an "Apple home" is part of what makes Apple so well liked, according

to Dan Reisinger (2007). Everything that Apple is connected to relates back to their brand. Marketing Minds (2008) believes there is no brand better at connecting to people than Apple, saying:

“Apple has a branding strategy that focuses on the emotions. The Apple brand personality is about lifestyle; imagination; liberty regained; innovation; passion; hopes, dreams and aspirations; and power-to-the-people through technology. The Apple brand personality is also about simplicity and the removal of complexity from people's lives; people-driven product design; and about being a really humanistic company with a heartfelt connection with its customers.” (Para 3)

The Apple brand has all the ramifications it needs in order to be a successful business, including their brand name. When someone wants to buy a product from a company, they want to be able to show off the name. If a company has a bad brand, they will be unsuccessful. Apple grew because not only did people fall in love with their products, but also their brand as well.

### **The Products That Make Apple**

In October 2001, Apple released a product that would change history: the iPod. This was a product that allowed individuals to listen to any type of music in any type of order in any way that they please. Apple has been able to keep the iPod up-to-date over the years and until recently; their revenues were sky high (Brooks, 2009). The iPod has since been transformed into the classic, nano, touch, and shuffle. Nine years later, it has changed the way people listen to music throughout the world. Sales have gone up year by year and in September 2009; Phil Schaffer announced Apple has sold over 220 million iPods (Brooks, 2009). In order to get those songs onto your iPod, you need iTunes. iTunes, which goes hand in hand with the iPod, is another key product of Apple's. The program sells anything

from songs to applications to movies. iTunes is by far the biggest music seller in the world (Brooks, 2009). With 100 million active accounts, iTunes has sold an amazing 8.5 billion songs worldwide (Brooks, 2009). Other eye opening products that has made Apple famous is the iPhone and iPad. Together they have taken the world by storm. The iPhone brings in as such as \$5.4 billion or 40% of Apple's revenue (Frommer, 2010). Meanwhile, talks about the iPad are changing how we look at technology. With sales rising, experts say the iPad might go as far as replacing books.

## **Conclusion**

Apple has gone a long way to get where they are today. Through marketing, their brand name, and their products, Apple has made itself the company young entrepreneurs aspire to own one day. Their ability of design and connecting with consumers is unlike any other. Their products are one of a kind. All of these factors contribute to Apple being the second most valued company in the entire world. That is why Apple is now the new leader in technology.

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