

The Factors Which Have Contributed to The Success of Apple

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Abstract. Apple has achieved remarkable success in the business sector. The success factors are manifold. From a product perspective, Apple has put innovative design at its core, whether it is a simple and beautiful appearance or a user-friendly interface, such as the touch screen operation of the iPhone and the simple system of the Mac, all of which bring users an excellent experience. Continuous investment in technology research and development ensures that its product performance is leading, and the continuous upgrading of chips and operating systems shows strong scientific and technological strength. In terms of brand building, through unique marketing strategies, we have created a high-end, fashionable and innovative brand image, which has aroused emotional resonance among consumers. In addition, the efficient management of the supply chain ensures product quality and production efficiency, while the strategic vision and leadership skills of leaders such as Steve Jobs have guided Apple to make the right decisions at all stages of development, making it a key player in the global technology market and continuing to lead the industry.

Keywords: Innovative design, Product quality, Product line optimization, R&D investment, Software Ecosystem, Branding, Marketing tools, Supply chain management, leadership.

1. Introduction

Apple, a global technology company focused on innovation and design, was founded by Steve Jobs, Stephen Gary Wozniak and Ronald Gerald Wayne, among others. Founded on 1 April 1976 as Apple Computer Inc. and renamed Apple Inc. on 9 January 2007, the company is headquartered in Cupertino, California. From Macs and iPhones to Apple Watches and iPads, Apple's product portfolio spans a broad range of technology industries and delivers a variety of exciting products and experiences to consumers around the world. Apple computer software, online services and personal computers. Apple's current core business² includes design, research and development, mobile phone and consumer electronics distribution, and its computer brand: Apple's brand approach is "always user-centric" and is designed to provide consumers with the best product experience. Apple firmly believes that innovation is the driving force behind brand development, and that only continuous innovation can win the love and trust of consumers. At the same time, Apple also pays attention to environmental protection and sustainable development, and is committed to promoting the advancement of green technology. Product Categories: Apple's product categories include iPhones, iPads, Mac PCs, iPod music players, Apple Watch smartwatches, Apple TV media players, AirPods wireless headphones and HomePod smart speakers.

2. Theoretic Fundamentals

2.1. The success factors

2.1.1 Definition of the success factor

Success factors⁵ (or success criteria) are those factors that are largely responsible for a company's success. They influence the competitiveness, profitability and growth of a company and are therefore crucial for its long-term development. Success factors can be both internal and external, and cover a variety of aspects such as the organisation, market positioning, product portfolio or strategic direction of a company.

2.1.2 The Different Types of Success Factors

Success factors can be divided into different categories:

Internal success factors

Internal success factors refer to the aspects within a company that are responsible for success. These include, among others: Efficient organization⁶ and processes, Qualified and motivated employees, Innovative strength and technological competence, Quality of products and services, and financial stability and profitability.[1]

2.2. Identification and optimization of success factors

The 7 success factors for companies

According to a study by Philadelphia Management GmbH, there are seven factors that are important for the success of an organization. We'll tell you what they are.

1. The right strategy

The basic prerequisite for a successful business model is a clear strategy and positioning. These should be derived from the needs and expectations of your own customers, after all, your services or goods must also find buyers.

2. The management

The Leadership is the heart of your company, so to speak, because it must credibly represent the company's policy internally and externally. The management must also be perceptible, credible and exemplary. In addition, all managers should pull together.

3. The Values

This success factor focuses on your employees, because a pleasant atmosphere in the company should not be underestimated. Successful companies therefore invest in employee motivation. Respect is given and was a top priority in dealing with each other. In addition, fairness in promotions and rewards should be ensured. Employees are also closely involved in the company's success.

4. The structure

The responsibilities and responsibilities in the company should be clearly defined so that the cooperation of interdependent teams and departments works smoothly. Nowadays, however, these no longer have to be classic hierarchies. Thanks to digital transformation and New Work, completely new working models are now possible in many companies.

5. Innovation

What actually makes startups so successful? Exactly, the ability to adapt quickly to changes in the business environment, to react agilely to changing customer requirements and to actively request employee suggestions for the improvement of the company. This is a success factor that even established companies are happy to copy.

6. The Cooperation

Other success factors include cooperation within the company. Management should actively encourage collaboration, including by creating the right working environment. For example, open workspaces and communal areas can encourage more interaction. The premise is also that teamwork is more important than competition. At the same time, each employee should strive to perform at the highest level.

7. The work equipment

In order to be able to adapt to the regular changes in our working world, employees should be trained and instructed from the very beginning. They should also be provided with the necessary equipment and materials. Occupational safety and accident prevention should also be taken into account.

In order to identify and optimize the success factors of a company, various steps are necessary:

1. Inventory: First, a comprehensive analysis of the current situation of the company should be carried out. Both internal and external factors are examined and their impact on success is evaluated.

2. Prioritization: Subsequently, the identified success factors should be prioritized according to their relevance to the company. Particular attention should be paid to the factors that have the greatest

leverage effect for success.

3. Optimization and implementation: In this step, targeted measures should be developed and implemented to optimize the success factors. These measures should be geared to both the short-term and long-term development of the company.

4. Monitoring and adaptation: Finally, the success of the implemented measures should be regularly reviewed and adjusted if necessary. It is also important to react to changes¹⁰ in the market environment or in the internal structures of the company and to update the success factors accordingly.^[2]

3. State of research

3.1. SWOT Analysis

3.1.1 Definition of SWOT Analysis

SWOT analysis is a technique used to identify the strengths, weaknesses, opportunities and threats of your business or a specific project. Although it is most commonly used by small businesses and non-profit organisations as well as large corporations, SWOT analysis can also be used for personal and professional purposes. Although it is very simple, the SWOT analysis is an effective tool for identifying opportunities for improvement. ^[3]It allows you to work on improving your team and your business, while staying ahead of market trends.

3.1.2 Task of the SWOT analysis

Applying SWOT analysis can help improve processes, plan for growth, and drive prioritization of the most important operations. While it is similar to competitive analysis, it differs in that it assesses both internal and external factors. Analyzing the key areas around these opportunities and threats¹² gives you the insights you need to help your team succeed and make strategic decisions with confidence.

3.1.3 Objectives of the SWOT analysis

Simply put, the acronym SWOT stands for Strengths, Weaknesses, Opportunities and Threats. In the process of business development planning or business analysis, each of these should be factors. And that's where SWOT analysis comes in. When analyzed together, the individual components of SWOT provide an overview of where you stand and how you can take the next step. Let's dig into each of these parts in a little more detail and find out how they help to find opportunities for improvement.

3.2. PEST Analysis

A PESTEL analysis is a strategic tool¹³ used to assess a company's business and macroeconomic environment. This comprehensive environmental analysis is particularly useful when starting a new business or entering a foreign market. It is often used in conjunction with other analytical tools such as SWOT analysis or Porter's 5 Forces. Not so long ago this tool was called PEST analysis, an acronym for "Political, Economic, Social and Technological". In recent years, PESTEL has been extended to include environmental and legal analysis. Other common names are STEP analysis or PESTLE analysis.

The PEST analysis is a tool that allows you to examine the environment of a company. The PESTEL analysis looks at six different external factors: political, economic, social, technological, ecological, legal.^[4]

3.2.1 Task of PEST analysis

The PESTEL analysis provides a structured description¹⁴ of the market, which allows you to identify risks, opportunities and challenges in the business environment and then adjust your company's economic strategies.

Areas of Pestel Analysis

In the PESTEL analysis, you look at many different factors that can influence the company. To ensure that your analysis is consistent, you should list each influencer only once and assign it to only one area. Take people's buying behavior as an example: Here you can decide on economic or social factors, but you have to commit to one factor.[5]

Political influencing factors

Political factors refer to decisions and actions taken by the government or other political institutions that can have a direct impact on companies. The following political factors may be relevant:

1. Legislation: When analyzing politics, you should keep an eye on changes in laws and regulations. They can affect various aspects of a business, such as taxes, labor laws, or environmental regulations.

2. Handelspolitik: When it comes to trade policy, keep an eye on government decisions regarding trade agreements, tariffs, or trade restrictions¹⁶. They can influence a company's global business activities and market access.

Other political factors include: Foreign Policy· Subsidies, Stability of the political system.

3.2.2 Objectives of the PEST analysis

The PESTEL analysis includes all external factors influencing a company. PESTEL stands for Political, Economic, Social, Technological, Environmental and Legal factors.

3.3. SWOT and PEST in the field of technology companies

3.3.1 SWOT in the field of technology companies

S: Apple has strong technological support.

W: Apple is heavily dependent on raw materials and geography.

O: Apple may have different connections in different areas of the new market.

T: There is a lot of competitive pressure on Apple.

3.3.2 PEST in the field of technology companies

P: In different countries, in different places, the political inclinations are different.

E: Local economic development is different in different countries. S: In different countries, different local societies have 17 different levels of acceptance.

T: Technological development is different in different countries and places.

We have analyzed the corresponding fields with SWOT and PEST, so in the next chapter we will first introduce some basic information about Apple and analyze it accordingly to find out what Apple's success factors are.

4. Analysis of the example

4.1. Introducing Apple

Apple, co-founded in 1976 by Steve Jobs, Wozniak and Wayne. It is one of the world's largest companies by revenue, market capitalisation and profit, and one of the world's most valuable brands! Apple owns a wide range of companies that design, develop, communicate and sell consumer electronics, computer software, online services and more. Independently researching and developing operating systems and innovative products such as iPhone, iPad, Mac, AirPods, Apple Watch, etc. to deliver digital content and services across the platform. The brand is positioned as "Think Different" and reflects the spirit of innovation and personalisation. The image is simple, elegant, stylish and high quality, and the logo is the bite of a colourful apple, symbolising knowledge, creativity and diversity. Participate in impactful and innovative projects and campaigns, such as the Think Different campaign, the Get a Mac campaign and the Shot on iPhone campaign, to showcase the brand's identity and values. Record performance in 2020, revenue of \$274.5 billion, net income of \$57.4 billion! Record growth was achieved across all product categories and regional markets. Apple has the world's highest market capitalisation! Apple's amazing innovation, brand power and business success have

changed the way we live. Through this case study, we can gain insight into Apple's success and explore the power of innovation and how to build a strong brand and a strong business!

4.2. Analysis of Apple's success factors using SWOT and PEST analysis

Next, in this section, I will use SWOT and PEST to analyse Apple's success factors. Apple should develop its own strengths, avoid its own weaknesses and increase its own opportunities according to the local political, economic and social conditions. 1. Market research and competitive analysis Before launching the first-generation iPhone, Apple learned about consumer demand and market competition through in-depth market research and competitive analysis, which laid the foundation for formulating subsequent market operation strategies. 2. Strengthening brand marketing Apple has vigorously promoted the iPhone through various channels such as TV commercials, magazine advertisements and outdoor advertising, which has increased brand awareness and recognition. At the same time, it is demonstrating the high-end image and value of the Apple brand through unique product design and advertising. 3. Optimise channel management Apple sells iPhones through multiple channels such as Apple Stores, telecom operators and retailers, covering a wide range of user groups and improving product availability and convenience. 4. Innovative product design with innovative features such as a full touch screen design, multi-touch technology and an intelligent voice assistant, iPhone leads the smartphone trend and continues to meet and create user needs. 5. Professional Market Operations Team Apple has a professional market operations team responsible for market research, brand marketing, channel management, etc., which works closely with product, engineering, design and other departments to ensure effective implementation and continuous optimisation of market operations strategies.

SWOT analysis from Apple:

5. Advantages

Strong supply chain management capabilities: Apple has established an efficient supply chain system to ensure on-time delivery of products and reduce costs.

6. Disadvantages:

1. High product prices: Apple's products are more expensive, which limits the willingness of some consumers to buy.

2. Rely on a small number of suppliers: To ensure the high quality of product manufacturing, Apple is highly dependent on a small number of suppliers, and once there is a problem in the supply chain, it negatively impacts the company's production capacity and market supply.

3. The product line is too dependent on the iPhone: The iPhone is Apple's most important product, but relying on a single product line for a long time carries the risk of market saturation and increased competition.

7. Odds:

1. Market expansion: Apple can continue to expand into international markets, especially in emerging markets such as China and India, and use brand influence and innovative products to attract more consumers.

2. Application of Cloud Computing and Artificial Intelligence: Apple can use cloud computing and artificial intelligence technology to develop smarter products and services to meet consumer demand for new technologies. 3. Improvement of the ecosystem: Apple can offer more integrated products and services by expanding its own ecosystem and increasing cooperation with other manufacturers.

8. Risks

1. Increasingly fierce market competition: Apple faces strong competitive pressure from competitors in various markets, such as the products and services of Samsung, Huawei, and other companies that are more similar to Apple.

2. Changes in laws and policies: Changes in state policies and laws can negatively impact Apple's business strategy and market share.

3. Rapid technological change: Rapid changes in the technology industry can cause Apple's products and services to quickly become obsolete, requiring continued investment in research and development and innovation to maintain a competitive advantage.

9. PEST analysis from Apple

Policy: Apple is a global company and must comply with local regulations²⁰ and standards before entering countries. China levies higher taxes on Apple, so Apple's local prices are higher than in other countries. Apple has a global reputation and a high market share, so you have to be careful with antitrust laws.

Economy: After the epidemic, the economies of various countries are facing high inflation rates, causing people to lose their wallets, and Apple's sales could decline. Rising raw material and labor costs will eat into Apple's profits.

Social: Apple fans may be more impatient with the minor changes made by each generation of mobile phones and expect Apple to launch cross-generational products. The increasing popularity of mobile phone use and the shrinking age group of users could be an opportunity for Apple to enter new markets.

Technology: New technologies such as artificial intelligence, blockchain, and unmanned vehicles can contribute to Apple's development.

10. Conclusion

10.1. Conclusion

Through the above analysis, we can see that the success of the Apple brand is mainly due to the following points:

1. Innovation and Design Apple is known for its innovation and design excellence. They strive to combine technology with aesthetics to provide consumers with products that are attractive and easy to use. From the iPod to the iPhone, iPad and Mac, Apple continues to lead the way in meeting users' needs for high-quality products.

2. User experience Apple values user experience and puts it at the heart of product design. They pay attention to detail and strive to provide a clean, intuitive, and seamless user interface. By providing smooth operation, optimized performance, and stable software, Apple strives to provide users with an unparalleled user experience.

3. Vertical integration Apple is vertically integrated and controls the development and production of hardware, software and services. This integration allows Apple to have more control over the quality, integration, and compatibility of its products, resulting in a better user experience.

4. Ecosystem Apple has built a huge ecosystem that includes hardware devices (such as iPhones, iPads, and Macs), operating systems (such as iOS and macOS), app stores (App Store), cloud services (such as iCloud), and other ancillary services (such as Apple Music and Apple Pay). The synergy of this ecosystem provides Apple with a continuous revenue stream and increases user loyalty.

5. Brand value and marketing Apple has strong brand equity and loyalty. They have managed to form a brand identity associated with innovation, high quality and personalization by creating attractive and exciting product launch campaigns, well-planned advertising campaigns and maintaining the brand image.

6. Efficient supply chain management Apple excels at supply chain management. They have established close working relationships with suppliers to ensure stability of supply and quality control of products. Apple's efficient operations in production, logistics, and inventory.

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