Shauna Evans WPC 480 Professor Zhu Case Analysis 20 April 2015

Case: Apple (in 2011) After Steve Jobs

Key Challenge:

Apple Inc.'s key to success was driven by their former Founder/CEO Steve Jobs. He was able to create and instill a culture that gave Apple the drive it needed to succeed in the technology industry. The culture he was able to create merged brand power, computing, and industrial design that led the company to make some of their most revolutionary products such as the iPad, the iPod, and the iPhone. However throughout the years Apple has experienced many positive and negatives things. For instance, internally Apple struggled with power which led Steve Jobs without a job through certain time. Then internally, Apple had to defend itself from its competitors such as Microsoft, Dell, and IBM. Yet, this case is specifically set during August 2011, prior to Steve Job's Apple announcement of stepping down as CEO. Thus leading everyone to question whether or not Apple had a succession plan of who would replace such an iconic leader. Overall, raising the question of how would Apple continue their success after the departure of their revolutionary leader.

Internal Analysis:

Apple is one of the leading global smartphone providers as well as a digital asset management company. Their brilliance lies in being able to generate as well as run both hardware and software. This in turn allows consumers to share and buy content using Apple devices and platforms. When conducting a SWOT analysis a few of Apple's strengths is their product differentiation, their control of the sales atmosphere, their brand loyalty, and their ability to lead the hardware/software industry with their new technologies. A few of the weakness lies in their heavy investment in research and design. Yet, there were able to invent new products such as the iPad and iPhone which led them to make increased net sales. Apple then had a lot of opportunities within the software and hardware. Apple ability to be one of the top companies with a large market share allows them to sustain differentiated products which in turn they can enter new industries. The only real threats that Apple has in that they are in a very competitive environment with ever changing technologies which contributes to the uncertainty of their market. When conducting

External Analysis:

When conducting an external analysis there is a clear rivalry among competitors. Specifically within the smartphone as well as the software/computer industry these competitors include Dell, Microsoft, Intel, and Google. In terms of clear substitutions, there is none. Since Apple was able to create products with such differentiation, there are no rivals that could compete. Another key strength was Apple's buyers or in other words consumers. Their

consumers they created became very brand loyal which allowed Apple to enjoy at least an 8% increase high net sales from 2004 - 2011. Suppliers in the industry are very low in power largely due to the fact companies such as Apple having offshored a lot of their companies production. Finally, the threat of new entrants into their industry is very low. The industry in which Apple competes in requires a amount of high capital as well as resources. In addition, the amount of technology and knowledge shared within this industry makes it harder for new entrants to enter and compete.

Conclusion:

Overall, Apple's core competency is their ability to innovate and create new, revolutionary products that differentiates themselves from their competitors. The impact that Steve Jobs had on apple especially from 2004 to 2011 but he started them off on the right track. He was able to create a company culture which his employees were able to relate to. As for the next successor it should be the Timothy Cook, due to his experience and personality it will encourage further growth within the company. He already has the experience of heading the company while Steve Jobs's medical absence as well as the expertise of the industry. Therefore, the question of whether or not Apple can continue their success after the departure of their revolutionary leader it seems possible. The only thing Apple has to do is to keep instilling the company culture into their present and future employees whilst employing Timothy Cook as the next successor.