

BUS/ITS 341: Management Information Systems (OA)

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## **Lesson 4 – Hardware and Software**

### **1-Which of Porter's four competitive strategies does Apple engage in? Explain.**

Cost leadership, differentiation, cost focus, and differentiation emphasis are Michael Porter's four competitive strategies. Apple's main marketing tactic is distinctiveness.

The diversification approach entails developing better and distinctive goods and services that provide clients with a distinctive business model. Apple has a reputation for creating superior products that stand out from those of its rivals. For instance, Apple devices like the iPhone, iPad, and MacBook are renowned for their svelte designs, user-friendly interfaces, and potent performance.

As part of its quality reputation and dedication to user experience, Apple has also developed a strong brand recognition. The corporation frequently highlights in its marketing initiatives the distinctive qualities of its products that distinguish them from competing goods on the market, such as the retina screen on the MacBook or Face ID on the iPhone.

The network of supplementary goods and services that Apple has created also improves the overall customer experience. For instance, Apple's physical goods and its software services like the App Store, iCloud, and Apple Music all connect well with one another to give users a smooth user experience.

## **2-What do you think are the three most important factors in Apple's past success?**

### **Justify your answer.**

In my opinion, a number of elements that have aided Apple's expansion and supremacy in the technology sector are to blame for the company's past success. I believe that innovation, which is Apple's capacity to constantly develop and introduce new goods and services to market, is one of the three most significant aspects in the company's historical success. Apple has revolutionized various sectors and changed how people use technology with products like the iPod and iPhone. Apple's focus on design and user experience has distinguished its devices from those of its rivals and developed a devoted following of customers.

Secondly, marketing, since Apple's marketing initiatives have been outstanding. Customers now develop an emotional bond with the Apple brand because to the company's strong reputation and regular advertising. Apple's marketing initiatives have been successful in generating excitement and interest in new items. For instance, whenever I watch a commercial for a new product that Apple is going to sell, I find myself wanting to purchase it.

Lastly, I believe that what distinguishes Apple from its rivals is the quality of its products. The firm has produced goods that are not only aesthetically pleasing but also extremely useful and dependable because to its emphasis on style, creativity, and meticulous attention to detail. High-quality components and cutting-edge manufacturing techniques are used to construct Apple products to exact specifications. As well, Apple offers help and assistance to its clients when they run into issues with its goods, which is an example of outstanding customer service. I can only speak for myself, but I can say that whenever I've had issues, I've always had excellent service. They even replaced my phone with a new one even after the warranty had run out.

**3-Steve Jobs passed away in October 2011. Until his death, he had been the heart and soul of Apple's innovation. Today, 80,000 Apple employees continue onward in his absence. A huge question for many investors is whether the company can be successful without him. What is your opinion? What role did he play? How can Apple respond to his loss? Would you be willing to invest in Apple without his leadership? Why or why not?**

In my opinion, Steve Jobs unquestionably played a huge role in Apple's success, making invaluable discoveries to the company's invention, design, and marketing techniques. His ideas and leadership were crucial in helping Apple develop into one of the most successful and cutting-edge businesses in the world. Even though his passing was a great loss, I think Apple has managed to survive and even grow without him.

Apple has a solid corporate culture that places a significant emphasis on innovation, design, and customer experience. The firm has been releasing cutting-edge goods like the Apple Watch and Air Pods and has grown its services division to include the App Store, Apple Music, and Apple Pay. This demonstrates innovation and the fact that the business is not mired in the past. Despite this, still exist reservations about Apple's potential to maintain its edge over the competition without Jobs at the helm. Yet, I think Apple has the resources and the reputation of its brand to continue to be prosperous.

My choice to invest in Apple without Jobs' leadership would depend on a number of variables, such as the company's financial performance, leading advantage, and expected growth. There are additional criteria that are as significant in assessing the company's future, even if Jobs' leadership would surely be a benefit. In the end, rather than solely because of its leadership, I would think about investing in Apple based on its entire assets and potential for future development.

**4-Microsoft took an early lead in the development of tablet devices (like the iPad), and it had the world's leading operating system and applications for more than 20 years. Provide five reasons why Microsoft was not able to achieve the same success that Apple has. Most industry analysts would agree that the skills and abilities of Microsoft's 128,000 employees are as good, on average, as Apple's.**

Microsoft wasn't really able to compete with Apple in the tablet industry for a number of reasons, including:

**Late Entry:** Microsoft joined the tablet industry rather late, with the introduction of their first tablet, the Surface, in 2012—many years after the iPad's debut in 2010. Apple had already developed a commanding position and had a sizable lead when Microsoft first joined the market.

**Lack of Focus:** Because Microsoft offers a wide range of goods and services, it frequently finds it difficult to concentrate intensely on just one thing. Throughout the years, the corporation has frequently changed its goals and areas of concentration, which has left a void in its model range.

**User Experience:** Apple has often placed a high priority on designing products that are logical, simple to use, and aesthetically pleasing. In contrast, Microsoft has always prioritized functionalities, which has occasionally led to a subpar user experience.

**Ecosystem:** Apple has developed a fluid ecosystem of products that include hardware, software, and services. This ecosystem allows for a smooth and comprehensive user experience. The ecosystem of Microsoft, on the other hand, has historically been more diverse and features products that don't necessarily play well with one another.

**Marketing:** Apple's advertising efforts are renowned for their innovation, potency, and capacity to generate excitement for the introduction of new products. Contrarily,

Microsoft's marketing initiatives have frequently been less effective and less effective at stoking interest in and need for its goods.

**5-Considering your answers to the four preceding questions, if you had a spare \$5,000 in your investment portfolio and wanted to buy an equity stock with it, would you buy Apple (AAPL)? Why or why not?**

The best way to think about investing in a firm is as buying a share that you will own for the next five to ten years. Purchasing businesses that will be resilient and expanding over that duration is crucial for this form of investment. I would see myself investing in Apple since it is crucial to invest money in order to earn a return over inflation.

Many people use their products in daily life; therefore I believe that by making this investment, I may profit.