

1. Which of Porter's four competitive strategies does Apple engage in? Explain.
 - a. Apple engages in differentiation strategy according to Porter's four competitive strategies. Differentiation strategy is a strategy in which a company seeks to create a unique and distinctive product or service that is perceived as valuable by customers. Apple has achieved differentiation by creating a unique design, user experience, and marketing message for its products. The company has created a brand identity that is associated with quality, innovation, and exclusivity.
2. What do you think are the three most important factors in Apple's past success? Justify your answer.
 - a. Innovation: Apple has always been known for its innovative products. The company has a strong focus on research and development, and it has consistently introduced new products and features that have changed the market.
 - b. Branding: Apple has created a strong brand identity that is associated with quality, innovation, and exclusivity. The company's marketing campaigns have been successful in creating a loyal customer base that is willing to pay a premium for Apple products.
 - c. Leadership: Steve Jobs was the heart and soul of Apple's innovation, and his leadership was a key factor in the company's success. He was able to inspire his team to create innovative products and to take risks that other companies were not willing to take.
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?
 - a. Steve Jobs played a critical role in Apple's success as a co-founder, CEO, and chief visionary. He was the driving force behind many of the company's

innovative products and successful strategies. Jobs had a unique ability to anticipate consumer needs and to create products that revolutionized entire industries, such as the iPod, iPhone, and iPad. Although Steve Jobs played a critical role in Apple's success, the company has a strong foundation that can continue to innovate and succeed without him. Apple has a strong leadership team and a culture of innovation that will continue to drive the company forward. However, it may be more challenging for Apple to introduce game-changing products without Steve Jobs' visionary leadership. I would still invest in Apple even without Jobs in the picture, because Apple continues to climb in success with its new products and innovation. Although the mind of Jobs is not active in the business, his impact and innovation is still inspiring the industry.

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.

- a. There are several reasons why Microsoft was not able to achieve the same success as Apple in the tablet market:
 - i. Late Entry: Microsoft entered the tablet market late, which gave Apple a significant head start in terms of market share and brand recognition.
 - ii. User Experience: Apple's iPad provided a superior user experience compared to Microsoft's tablets. Apple's focus on design and simplicity made the iPad more appealing to consumers.
 - iii. Ecosystem: Apple has a strong ecosystem that includes the App Store, iTunes, and other services that make it easy for consumers to use their products.
 - iv. Pricing: Apple's pricing strategy has been to charge a premium for its products, which has created a perception of exclusivity and quality.

Microsoft's tablets were priced lower, which may have made them less appealing to consumers.

- v. Branding: Apple's branding is associated with quality, innovation, and exclusivity. Microsoft's branding is more focused on productivity and functionality, which may not have been as appealing to consumers in the tablet market.
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?
- a. Based on the research and reasoning stated above, I would invest in Apple, even without Jobs in the picture. Apple continues to be innovative in the industry with its products and software, and has taken the world by storm. The market is always changing, so it is of course, unknown whether or not my stock would do well, but based on the history of Apple and its success I would be willing to take that risk.

Sources:

<https://startuptalky.com/apple-success-story/>

<https://www.nytimes.com/2015/01/30/business/how-and-why-apple-overtook-microsoft.html>