Marketing mix

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# **A Brief Profile of Apple Inc.**

Apple is acknowledged as the world’s leading IT Corporation concerning revenue, the world’s prevalent IT Corporation in total assets, and the leading cell phone company with 123,000 workforces. This is due to the company’s exclusivity and innovation in its wide-ranging products. Apple is considered as the most distinguished and familiar brand for electronic devices that crafts, produces, and trades customer electronics, PC software’s, and online facilities. Besides, the company is a title holder of the world's prime cellphone manufacturer in Q4, selling approximately 77 million iPhones (www.apple.com).

Industry: Electronics, computer software's and hardware and online amenities.

Headquarter: California, U.S (Apple Campus, Cupertino)

Revenue: 215.49 Billion USD (2018)

CEO: Timothy Donald Cook

Rivals: Cisco Systems Inc., Google Inc., Hewlett-Packard Company, Samsung Electronics Co. Ltd., Lenovo Group Limited, ASUSTeK Computer Inc. Sony Corporations, Dell Technologies.

Products: Apple TV, iPhone, iPad, iPod, Mac, iOS (software applications system), OS X, Watch OS, apps such as iBook Store, App Store, iTunes Store, and Mac App Store, portable digital music players, iCloud and its accessories, etc. (www.apple.com)

Website: [www.apple.com](http://www.apple.com/)

# **Marketing Mix and Marketing Strategy of iPhone X**

The company has used a combination of numerous marketing networks for the promotion and marketing of its product iPhone X. The first significant feature in the marketing of iPhone X is differentiation. This time the company has used an approach to segregate its product from the whole crowd that includes in all the top premium mobile phones available. This differentiation policy for Apple iPhone X is at the essence of the company’s marketing strategy. That is why the iPhone has continued to be a celebrity (Lassen, Madsen & Vatrapu, 2014, p. 83).

**Marketing Mix of Apple iPhone X**

**Product**

The newest announcement from Apple, the iPhone X has experienced a warm welcome from the customers, and it is revealing higher sales. As per the Apple website, the iPhone X is crafted for offering an immersive experience but not devoid of subliminally reacting to consumers' needs. With iPhone X, Apple has exceeded its standards. It is rich in its features and manufactured to uplift the user's experience to another level and form the maximum user satisfaction. Like all other products of Apple, iPhone X has acknowledged its due attention in mass media and other channels (www.forbes.com).

One fantastic feature of this phone is that it is a total screen means no distractions for the operator and completely immersive experience. It has a display of 5.8 inches with no need of pressing any buttons. Multitasking is also made much more convenient, and the user needs only to swipe up to see all the applications running in the background. A lot of technology in with simplicity, from an ambient light sensor to infrared camera and front camera plus speaker, all are placed at the top consuming very little space (www.apple.com)

**Place**

Apple is a worldwide brand with huge sales and distribution channels. The home country of the product, the Americas comprise both South and North America. Apple is selling its new product iPhone X openly to the customers using its online stores and retail stores as well. The company is also using a number of indirect networks to sell iPhone X. these indirect networks includes in wholesalers, value-added resellers, retailers and third-party cellular network carriers.

**Price**

The iPhone X starts at $999. Most of the smartphone companies use a wide-ranging pricing strategy while Apple for its iPhone X like previous products have used a premium pricing strategy. People with a handsome income can purchase these weighty price tags. These premium prices are allocated because of the products premium image. Regardless of the rising opposition and challenges from other brands, Apple has not altered its pricing approach. Because of the premium quality of Apple products, the consumers do not mind giving the extra price. (www.apple.com)

**Promotion**

In the case of iPhone X that in advance generated a very high level of publicity overall, it appealed promotions and dialogs for its extraordinary features as well. Other than that, Apple used a combination of offline and online networks for the promotion of iPhone X. the company marketed the iPhone X via online advertising and websites such as Amazon.com, along with its website. Numerous webpages and blogs discussions also helped with the promotion of the iPhone X. Videos on YouTube that are uploaded to familiarize the consumers with the phone's features also promoted the product. For example, the ‘meet iPhone X' video received more than 25 million views at the beginning (Morrison, Pitt & Kietzmann, 2015, p. 279).

The company is also using its corporeal retail shops and supply stations for the sales and promotion of its product. Tim Cook, the CEO of the company, has appeared on many occasions where he talked about the product enhanced technology and the most special features of iPhone X. These occasions and attending do not just get mass media reporting but also a very high level of social media attention and exposure. The outcomes of these promotional activities are growing observable in the form of mounting sales and incomes (Apple Annual Report).

# **Apple Segmentation, Targeting, and Positioning**

The targeting, positioning, and segmentation are the core of Apple’s marketing tactics. Segmentation encompasses separating people into various groups concerning specific characteristics while targeting means selecting particular groups as potential customers of the product (Al-Refaie, Bata, 2016, p. 1134).

Appendix – 1

iPhone X segmentation, positioning, and targeting

|  |  |
| --- | --- |
| Type of segmentation | Segmentation criteria |
| Devices: iPhone X |
| Geographic | Region | US |
| Density | Urban |
| Demographic | Age | 20 – 45 |
| Gender | Males & Females |
| Life-cycle stage | Bachelor Stage  Newly Married Couples  Full Nest I  Full Nest II |
| Income | High Earners |
| Occupation | Professionals, managers, and executives |
| Behavioral | Degree of loyalty | ‘Hardcore loyals'  ‘Switchers’ |
| Benefits sought | The sense of achievement and belonging  Self-expression  The speed of service, advanced features, and capabilities |
| Personality | Determined and ambitious |
| User status | Non-users, potential users |
| Psychographic | Social class | Middle and upper classes |
| Lifestyle | Resigned  Aspirer  Succeeder  Explorer |

# **PESTLE Analysis of Apple**

**Political Factors**

Apple relies heavily on the low labor costs, and restrictions imposed on Chinese imports in the U.S to boost manufacturing in America. If Apple tries to look for an alternative, it will cost them more and result in increased rates for its products.

The present-day governmental challenges in the country and intensifying tensions in the ruling alliance and sagging popularity of the government can damage a company's processes and revenues. (www.nytimes.com)

**Economic Factors**

Financial depressions, stagnations and other crises in the country can seriously upset the company’s profits in comparison to other companies due to the premium pricing strategies. Apple like all others have been affected by recessions, and currently, the economy is not doing very well. Europe’s financial concerns can also directly affect Apple resulting in decreased revenues. Increasing labor costs in China may also affect the prices if Apple's products in the home country. (www.forbes.com).

**Social Factors**

Globalization, the augmented use of the simulated world and the present way of life are a few social influences that leave a massive impression on Apple. And its products. Apple is one of the most prominent corporations globally. The exclusivity, revolutionary designs, simple marketing tactics, and high prices, all of these make the iPhone X more looked-for to its customers. It is now a mark of social standing largely because of its exceptionally high prices(Khan et al., 2015, p. 958).

**Technological Factors**

Apple’s iPhones are famous for their striking concept design, but slowly customers are inclining more and more towards larger screens. Moreover, the direct rivals of the company, for instance, Google and Samsung are now making products that were once the mark of Apple. iPhone's rivals have displayed the capability to imitate them. This can threaten the company’s brand as a whole. Also, Apple launches a limited number of customer products each year which can affect its market share.

The mounting risks of cybercrimes make Apple systems susceptible and less protected for customers. It may take away the greatest competitive advantage which is a high repute for safety and protection (www.forbes.com).

**Legal Factors**

Apple is going under domestic legal stress. Imports of some of Apple’s product iPhone parts that were previously banned by the government of the U.S are restored now. The introduction of the financial/pay services by Apple recently will lead the organization to an augmented level of regulations and might face lawsuits for offering financial services (www.forbes.com).

**Environmental Factors**

Numerous environmental aspects like dumping such as waste of iPhone-X etc. can impact the organization’s profits and brands. Apple is already facing an enormous problem of disposing of electronic junk such as lithium batteries. It would charge the corporation some gigantic expenditures that may affect the manufacturing costs. The company is forced to suffer the expenditures for the environmental factors linked to it(Khan et al., 2015, p. 959).

Due to global warming, the company may also counter the problem of transoceanic transportation that is an essential part of its chain supply. Apple is also susceptible to amplified charges of electrical energy since it depends on data centers.

All of the above elements of the external environment have influenced the marketing mix decisions of the company, and so far the results of the decisions are successful.

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