

Entrepreneurship Curricula

EXERCICE 4.1 CASE STUDY (1)

APPLE INC. - MARKETING SUCCESS STORY

Started from a garage in California's Menlo Park in 1976, Apple Inc. has grown into the largest company in the world by market capitalization. With over 100,000 employees worldwide and \$233 billion in revenue in 2015 if Apple was a country its market capitalization would make it the 20th largest country in the world by GDP.

In addition to developing the Apple I and Apple II lines of personal computers starting in 1976, Apple co-founder Steve Jobs went on to develop a number of unique and innovative technology products, including the Mac computer, the iPod, iPhone, iPad, Apple TV and the Apple Watch.

While Steve Jobs is remembered as a technical genius, he was also a brilliant marketer. In fact, Apple co-founder Steve Wozniak once said that marketing was Jobs' greatest skill. His keynote introduction of the iPhone on the Macworld stage in 2007 with his trademark "One More Thing..." joke is still regarded as one of the finest marketing performances ever.

Apple's 1984 Super Bowl ad for the launch of the Macintosh is widely considered to be the best Super Bowl commercial ever. The decision to proceed with the ad was highly controversial within Apple - the board of directors was not in favor of the ad, viewing it as costly and a slap in the face to competitor IBM. However, Jobs loved the ad and offered to pay for the air time. The rest is history - within the first 100 days of releasing the ad Apple recorded \$150 million in sales of the Macintosh.

Jobs had a passion for making innovative, beautifully designed products for the mass market. "I love it when you can bring really great design and simple capability to something that doesn't cost much," he once stated. "It was the original vision for

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Apple. That's what we tried to do with the first Mac. That's what we did with the iPod" (Smithsonian.com).

Beauty and simplicity became core brand values of Apple, but while many Apple products were very good at marketing themselves, Jobs recognized early on that he needed to integrate form, function, and great marketing to become really successful, and by doing so he propelled Apple into one of the world's most recognized consumer brands.

Even when Apple was not first out of the gate with a revolutionary new product, it was often the company that took an existing product, re-engineered it in a unique fashion, developed a brilliant marketing campaign, and make it into an enormous commercial success.

The iPhone is such as example, which when released destroyed competitors such as Nokia and Blackberry within a few years.

Apple's marketing success revolves around building and sustaining brand loyalty. Apple customers tend to be extremely loyal to the brand and many devoted Apple fans will purchase every new release of an Apple product - it is not uncommon for consumers to line up for hours or days for a new iPhone or other Apple product release. According to a 2014 Morgan Stanley Research study, Apple's iPhone has a 90 percent brand retention rate over Samsung, LG, etc.

Apple is a consistent winner of awards for marketing excellence, including:

Apple Inc. "Get a Mac" Named the Most Successful Marketing Campaign of 2007 at the Annual Effie Awards (The "Get a Mac" ad campaign was hugely successful for Apple, and they experienced 42% market share growth in its first year.



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The series portrayed a young, hip Mac owner versus a bumbling, nerdy-looking, decidedly uncool PC owner.) In 2010, [ADWEEK](#) declared "Get a Mac" to be the best advertising campaign of the decade.

The CMO Survey Award for Marketing Excellence overall winner in 2012 and 2016.

"Brand of the Year" in 2013 in the categories of smartphones, tablets, and computers by marketing research firm Harris Interactive.

