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**MGNT3580 Global Enterprise Management**  
**Group Project Report**

***Course code and title:*** MGNT3580 Global Enterprise Management

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***Topic:*** Getting ready for an international assignment - Apple in Japan

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## **Topic briefing**

The paper includes three parts. Part I is an assessment of Japan's economic, political, and cultural environments. Part II presents an analysis of Apple and its subsidiaries in Japan following the “strategy -> organization -> people” framework. Part III discusses the potential organizational and managerial problems in the subsidiary given the characteristics of Japan and Apple/subsidiary and offers recommendations of how to counter these problems.

### **PART I (Economic, Political, Cultural Environment of Japan)**

#### **Economic:**

Japan is the third largest economy in the world in terms of nominal GDP, the fourth largest in terms of purchasing power parity (PPP), and the second largest developed economy in the world. Japan follows a statist market economy model. This means that in Japan, there is an unbreakable connection between companies and the government. Also, employees have high professional ethics. Furthermore, collective interests and equality are emphasized in society. From the perspective of real GDP growth rate, Japan's growth rate has been declining year by year in recent years, and even has a negative growth in 2020. Although a large part of the economic contraction in 2020 is due to the impact of COVID-19, some other economic indicators in Japan also predict that the Japanese economy is difficult to develop at a high speed.

Japan's population has shown negative growth for a long time, and the low birth rate, aging, and shrinking population pose major long-term challenges to the economy. This situation has led to many jobs where young people cannot be recruited and older people aged 65-70 can only be found to work. In the face of the decreasing young population, declining labor productivity rates and weakening consumption power, Japan has a long-term deflationary problem. Japan's domestic effective demand is insufficient and the consumer market is saturated, so the country's overall consumption level cannot be raised.

At the same time, Japan's FDI inflows are relatively low. In the high-end industrial competition, Japan is unable to enter the high-profit market in Europe and the United States, while the areas where it once had an advantage are divided up by China, making its investment market narrow. In addition, Japan lacks natural resources and some energy and materials need to be imported from abroad, this is a problem for economic development and the progress of science and technology. Besides, Japan has been one of the major sources of global FDI outflows, mainly in the financial, communication and information communication sectors. Japan has been actively encouraging foreign investment by domestic enterprises to increase exports and develop overseas markets. Through

overseas investments, mergers and acquisitions, Japan has reaped large profits globally, making it the world's largest creditor country.

Moreover, the Economic Freedom Index for Japan shows that Japan's composite score is higher than the regional and world averages, and has also improved in recent years thanks to improvements in fiscal health. The main indicator preventing the country from achieving greater economic freedom is government spending.

We can also see through the Global Competitiveness Index that Japan's Global Competitiveness Index ranked 6th in 2019, with a score of 82.3. From this index, we can see that Japan is an innovative country with a well-developed infrastructure, stable macroeconomic development, high technology content, a deep and stable financial background and a large market. However, there are still shortcomings, such as unsaturated labour markets. Compared to before, the ranking and total score have dropped a bit, but there is no significant change in the presentation of the 12 pillars. Among them, the strongest pillar is health and the weakest pillars are labor market and institutions.

Last but not the least, some leading industries and companies will be put forward as examples in Japan's economic environment. There are many industries in which Japan is a world leader, and some of them are even in a monopoly position. For example, display, machine tools, high-end materials for semiconductors, carbon fiber, cameras, high-end resistors, capacitors, inductors and other industries. Japan is also one of the world's largest and most technologically advanced producers of automobiles, electronic equipment, machine tools, steel and non-ferrous metals, ships, chemicals, textiles, and processed foods. And Japan's leading companies include: Toyota Motor, Mitsubishi UFJ Financial, Nippon Telegraph & Tel, Sony, Nissan Motor, Softbank and so on. In general, Japan has long been a global economic powerhouse.

### **Political :**

Japan follows the parliamentary democratic political ideology, namely a constitutional monarchy; a system of government based on the separation of powers. Political affairs is wholly pronounced by the National Diet as the legislative head, who appoints the head of the executive branch as Prime Minister, while the chief of state is the Emperor, only performing ceremonial duties. The people of Japan have every right to vote the members of the National Diet, and the process is free and fair.

After Japan's turbulent history in World War 2, Shinzo Abe, Japan's previous Prime Minister who stepped down in 2020, places world peace, prosperity, and freedom at the forefront of the

country's beliefs. As such, the country enjoys and places heavy emphasis on transnational goodwill, namely the United States, it's largest economic partner accounting more than 31.5% of its exports and supplying 22.3% of its imports. Located in the Asia-Pacific region, it also maintains close political and economic relations with its neighbours, of which China, South Korea, Taiwan to as far as Australia to name a few. The aforementioned are especially important for a country with as severe a reputation as Japan due to WWII and a meager base of natural resources.

Naturally, Japan values political stability as it contributes to its goal of freedom and world peace. It is one of the most politically stable country in the world, scoring a combined score of 96 based on the Freedom House, with 40 in political rights and 56 in civil liberties. It is also among the top 25 most stable nation in 2019 (score 1.04) and the 5th most stable in Asia, well above the average of -0.4.

According to the 2021 Index of Economic Freedom, Japan is 23rd most free country with an overall score of 74.1. Its main strengths are that the judiciary law is independent and fair, and provides protection for real and intellectual property, and government regulations regarding businesses are highly efficient and substantial. For instance, in 2019 government agriculture subsidies reached almost \$48 million. Corruption levels are the 19th lowest in the world based on CPI(Corruption Perceptions Index).

However, tax burden leaves some to be improved (score of 67.8). The highest individual income tax rate can reach 40.8 percent and corporate 23.9, which can still increase. For the past three years, government spending has accumulated 37.5 percent of GDP and public debt is equivalent to 237.4 percent of GDP.

### **Cultural Environments:**

Japanese culture is a mixture of eastern culture and western culture. Japan continues to absorb and accept foreign cultures but also remains its unique culture. It creates a diverse cultural environment that affects society's fundamental values, concepts, preferences, and behaviors. The atmosphere has shaped local beliefs, values, and worldviews (Encyclopædia Britannica, Inc 2021).

Japan is an island country. From a historical point of view, Japan was influenced by East Asian culture in the ancient and Middle Ages, by Portuguese or Dutch culture in modern times, and strongly influenced by European and American cultures after modern times (Encyclopædia Britannica, Inc 2021).

Based on Hofstede explaining his framework: high masculinity, uncertainty avoidance, long-term orientation, and Restraint is evident in Japan. Japan is one of the most Masculine societies in the world. It is common that see severe competition between groups. As a unique location, Japan always faces earthquakes, typhoons, and other natural disasters. Japanese learned to prepare for any uncertain situation. Apart from uncertainty avoidance, Japan scores 88 in long-term orientation which

means Japanese focus on future aspects. When Japan is dealing with the challenges of the present and the future, it maintains a certain connection with its own past, and societies prioritize those two existential goals separately. Besides, Japan has a culture of restraint. They are used to controlling their desires (Hofstede Insights 2021).

In Japan, there is less power distance. Japan is a borderline hierarchical society that gets an intermediate score of 54. Everyone is born equally in the Japanese education system. Also, it is a low individualism country. Japanese people indicate a characteristic of collectivism. They feel shame when their opinions break the harmony of the group (Hofstede Insights 2021). To sum up, the cultural environment is determined by the Japanese people's character and cultural nature.

## **PART II (Strategy, Organization and Culture of MNCs and their subsidiary)**

### **Strategy:**

We will briefly analyze the strategy of Apple from five aspects which are: industry, products, markets, strategic positioning and core competencies.

First of all, we will analyse the industry through the Arthur D Little (ADL) matrix. This matrix can help to get the industry maturity and competitive position of Apple. Apple is committed to improving in the three industries - hardware, software and services. And competition in these areas is very fierce. But judging from the slowdown of its industries' total sales and its stable customer base, Apple is already a mature company. On the other hand, the competitive position of Apple is strong. Because Apple is the market leader, has a strong and stable market share of the industry, and has a lot of freedom in strategic choices. In general, Apple's strategy at this stage (mature and strong) is to consolidate its market position and expand its market share.

Secondly, we will use the BCG growth share matrix to analyse the product of Apple in Japan. iTunes, MacBook and IMAC are cash cows in Apple's products. They have a high market share and a solid customer base, which can bring the company's sales more than investment. Apple's iPhone is the undoubted star of the brand. Because the iPhone occupies a high market share in the fast-growing market. In addition, Apple has invested more in the R&D and upgrade of the iPhone to stand out from Japan, which is a major country in mobile phone R&D, and have a stronger competitiveness. At the same time, iPad and Apple watch are also Apple's stars, but unlike the iPhone, these two products are slowly moving closer to the cash cow. Apple TV and Apple Airpods can be summed up as question marks, because their market share is low, but they have higher growth. These two have development potential, but at the same time there are investment risks, because their prospects cannot be guaranteed. Apple iPods are grouped into the pet quadrant. Although this product also has

development potential, because of its low growth and low market share, it may waste the company's investment and cause losses, so it is classified as a pet. Through this strategy, Apple's product lines can be classified and different plans can be made.

Thirdly, the blue ocean strategy will be used to analyse the markets. Apple's Blue Ocean strategy is not only reflected in technological innovation, but also in value innovation in Japan. In implementing this strategy, Apple has discovered new uncompetitive market spaces ahead of other companies. Apple's typical representative in this strategy is iTunes. iTunes isn't just a software product, it's more important that it's Apple's innovation hub. Before iTunes, Apple focused on building products. Despite the excellent products, Apples are only substitutes for other, better products in the red sea, which means the market for Apples will become relatively narrow. iTunes allows customers to download music widely and legally, and Apple can profit from it. At the same time, by launching the relevant hardware products iPod, from the hardware can also be profitable. This can be seen from the very high sales of iPods in Japan. Then, following the launch of the iPhone, a new App Store was introduced, following the previous operating system, and seamlessly connected to iTunes, leading the new mobile phone revolution. Thus, Apple uses the blue ocean strategy to eliminate competition and create new markets for new products.

Second to last, Apple follows a global strategy, which has low local responsiveness and high global integration. Because Apple's products are universally available to people everywhere, and technology and services are common, they do not need to be customized to different regions. Such strategies can be used to reduce costs, simplify supply chains, and increase efficiency. In general, Apple has been dominating the global layout at its core. And, to some extent, Apple's innovation ability is more about the integration of the whole industry chain rather than the creation of a new one. At the same time, Apple is trying to change the rules of the industry in the global layout to create a leading position and become a model company in the industry.

Last but not least, we will analyze the core competencies by using Michael Porter's "competitive advantage: creating and sustaining superior performance" strategy. Apple follows a differentiation strategy that is to create uniquely desirable products. This differentiation can be reflected in Apple's product design, pricing strategy, retail approach, and customer loyalty. Apple is committed to product innovation to gain new markets; it maintains a pricing strategy that is proportional to its quality to maintain high margins; it offers a limited number of products to third-party retailers to concentrate its retail business in its Apple Store retail stores; and finally, Apple has built a high level of brand loyalty, which has allowed it to have stable sales.

We can further analyze core competencies of Apple through the four dimensions of Porters Diamond model. Firstly, in terms of the dimension of factor conditions, Apple's strengths lie in

financial resources, infrastructure, and technological innovation. Apple has access to resources from internal equity as well as external debt; a complete set of physical and technological networks that have allowed Apple to successfully conduct business in Japan; and technological innovations that enable operations at scale. Secondly, from the dimension of demand conditions, Apple can predict patterns of consumer behavior in other similar countries based on Japan's consumer characteristics, which are important for expansion and development in other countries. Thirdly, from the perspective of the related and supporting industries, Apple has a strong global network of suppliers to expand its consumer market, and it distributes its products to different regions and makes them easily accessible to consumers. Finally, in terms of firm strategy, structure and rivalry, Japan's fierce competition for homegrown electronics helps power Apple's technological innovation, and through global competition, Apple's ability to understand Japan's business practices and culture helps it develop more complex products and services tailored to Japan.

### **Organization :**

After losing money for the last dozen years and seemingly about to hit bankruptcy, Steve Jobs was called back in early 1997 to save what the media was deeming "The Fall of an American Icon." Utilizing what analysts call the 80/20 principle and the radical, autocratic leadership he is best known for, Steve saved the company from an almost unrecoverable fall. He significantly narrowed down Apple's products to a fraction of its previous amount, cut down distributors, manufacturing and inventory by 80%, and by 2019 the company had some 137 000 employees making \$260 billion in revenue versus only 8000 and \$7 billion in 1997. However, much less well known is the organizational structure Steve employed before anything else that allowed him to make such massive changes to the company into a global leader in technological innovation.

General managers oversee each division before Steve went back. Since 1997 and more than 20 years later, Apple has been using a functional structure after expanding nearly 40 times its size in terms of revenue. This structure revolves around expertise and not products: for instance, marketing, design, software are all under different managers, now called senior vice presidents or just vice presidents. Besides the CEO, no one oversees or controls an entire process from development to sales. In the lower to middle tiers of management, product divisions are instead utilized.

The functional structure has proven to be very beneficial for a company such as Apple, where the market is continuously changing with new technological developments. In order to remain competitive, not only does Apple need to introduce new products from scratch but also continuously innovate within them. To do this, functional expertise is needed - the company believes that the judgement and intuition of people with profound knowledge in these subjects are crucial.

Furthermore, Apple's mission to bring about the best possible products is disrupted were short-term gains such as profit, cost, and time targets the main goal, which is usually the case for general managers in control. Instead, company-wide control is held by one person - the CEO - assisted by each top executive in their respective divisions. Balance between value added to costs is also easier to achieve if expertise is involved instead of solely meet-targets general managers. Additionally, when divisions are clearly divided into different channels of expertise, allocating resources becomes much less ambiguous and more efficient. This way, economies of scale can also be realized. In essence, the company believes that training an expert to be a manager is easier than the opposite. Steve Jobs' words seem to convey these two missions : "People don't know what they want until you show it to them. Our task is to read things that are not yet on the page."

Strong corporate control is also a feature in a functional structure. Decisions are made from experts of each division, and each division all enjoy enough autonomy to perform well and yield market-leading products. Each employee are carrying out tasks they are most skilled at. The expert-to-expert principle also means that individuals can learn from one another and communication is more fluid and efficient, which contributes to the level of detail found in Apple's products.

In the Steve Jobs era, where the company is still growing, there are not that many layers of management and the company has a relatively flat structure. Although there were many changes made, the structure now seems to be very hierarchical to compromise the massive number of employees. Although it has its fair share of disadvantages discussed later, the layers of management allow tight control, clear lines of command and also serve as motivation for employees to perform well for opportunities of promotion. This is especially the case for a company in Japan, where the general population is highly masculine. Sense of achievement, success and competition are one of the main motivators.

Apple uses a centralized, top-down decision making model, both in US where the company is from and its subsidiary in Japan. This is in line with how the general business in each country operates according to their respective leadership culture. The CEO is the final decision maker, however the decision making process is usually achieved through collaborative teams using a matrix structure: the collaborative interactions between various groups in the business. In Apple, the top management determines project direction while the project leader has limited authority and control. When a stalemate is reached, higher-level managers act as the tie-breaker, at times including the CEO or the vice presidents. Collaboration between different parts of the business is indispensable to develop products that can define the market such as Apple's camera, one of the iPhone's defining features that was the product of collaborative debate between dozens of teams. Using a centralized decision-making model while not ignoring employees into the process, Apple's products are faster to market and coordinate within its subsidiaries such as in Japan.

## **People:**

The human capital of the organization:

At present, Apple has become one of the Big Five American information technology companies and the fourth-largest smartphone manufacturer (Counterpoint Technology Market Research 2021). Undoubtedly, the company culture is indispensable for its worldwide success. Apple's company culture consists of 5 points, namely, go for perfect, and tap the expert. The manager of Apple trains staff to always try their best and aim for nothing less than perfection. Additionally, Apple prefers to hire people who perform the best in their respective roles in the labor market. Traditional rules show the leaders of Apple would fire employees who did not meet his expectations. Apple also would provide extra rewards and bonuses for these excellent staff. Secondly, creativity. Apple requires staff who are responsible for designing products and continuously explore creative, new ideas that may define their new products. This characteristic of the business culture makes the enterprise energetic and always looking to break the status quo. Hence, innovation being the fourth point is closely tied to this. Lastly, secrecy. This business culture would further give an edge beyond other competitors. At the same time, it is an approach to protect intellectual property (Panmore Institute 2021).

In addition to this, the top management team of Apple contributes greatly to its present success. The top management team of Apple consists of Tim Cook, CEO, and 22 others. Due to Steve Jobs, the top management team follows the traditional philosophy which pays more attention to products and unmatched detail, near perfection. At times, they like to let staff work under high pressure. The main purpose of the team is to help the Apple company continuously get better than the previous day. (Apple Inc. 2021).

As an international company, Apple has many overseas markets including Japan. Then Apple organizations implement different approaches to adapt overseas markets. Firstly, zoning management according to local conditions. As Apple has a huge market, it is more convenient for the headquarters to adapt to local conditions and make different management plans for different regions. Secondly, Only the CFO holds the 'income statement'. Thirdly, Employees could connect management apartments; management staff could directly talk to the CEO. This organization structure could be a structure that allows rapid flow of information and quick action. Finally, Apple set 'Directly Responsible Individual (DRI)'. This means that each position has its own responsibilities and authority, so the chain of command is clear and there is no ambiguity in whom to report to.

Apple has an international mentality (Geocentric - world orientation). As the leader of Apple Inc., they not only know the importance to use different strategies on the international market but also, they realized “their greatest success is the combining of what is already known from home markets with what is being learned about success in the new foreign market” (Moran, Abramson & Moran, 2014). When facing this phenomenon, Apple makes different management plans for Japan. The latest news indicates over half of the staff from Japan work at Apple. Apple hires local people to manage the market and communicate with local phone operators. On the one hand, it would help Japan increase its employment rate and attract local people. On another hand, it would make Apple products closer and more suitable to Japanese customers. As a country manager, he would use economic policies to keep the country economically active. As country managers in Japan, they could work under pressure and use an innovative approach to lead teams to success.

### **General Assessment:**

We surmise Apple's strategy from five aspects: industry, product, market, strategic positioning and core competitiveness, and utilized the ADL matrix to analyze the maturity and competitive position of the industry. Apple's present strategy at this stage should be to consolidate its market position and expand its market share. Secondly, using the BCG growth share matrix to analyze Apple's products in Japan, to classify product lines and make different plans. Thirdly, in examining the market, we find that Apple uses the blue ocean strategy to eliminate competition and create new markets for new products.

Finally, Porter's competition theory is used to analyze the core competitiveness of enterprises, and it is found that Apple's advantages lie in capital, infrastructure and technological innovation, and it can predict consumer behavior patterns in other countries. Meanwhile, the existence of local electronic products with fierce competition in Japan helps to promote Apple's technological innovation. The current structure is described as hierarchical, which is better for Japanese companies to motivate employees, especially in a country with a highly masculine culture. The top management determines the direction of the company, the project leader controls the progress, the different groups work together, and the CEO is the final decision maker. The organizational structure is one in which information flows and acts quickly.

As such, using the global integration to local responsiveness framework, Apple operates in the global enterprise strategy. Every product is developed and produced in the headquarters in Cupertino, USA, before being outsourced to its many distribution channels. By integrating globally, they are able to centralize their operations and quickly respond to any changes in the market. As an

enterprise centered on high-end products, great company control is crucial, and tailoring to local needs seems to disrupt the company motto for quality and innovation. The subsidiaries may not have enough expertise and manpower to do so. Any new product is first passed through the headquarters.

### **PART III (Challenge and Recommendation)**

Based on the above analysis, we will make a detailed analysis of the challenges faced by Apple in its transnational operation and management.

#### **1. Alternative products gradually dominate the iPhone market**

When you're using a Samsung, Huawei, or other next-generation Android device, it's not hard to understand why Apple is suing different Android devices cell phone manufacturers. These devices are already a big threat to the iPhone, with larger displays, lighter and faster. Today's smartphone market is in a battle for supremacy. In the post-Jobs era, On the one hand, Apple has lost the support of its soul, on the other hand, Samsung, Huawei and other fierce rivals are closing in, so Apple is facing a huge challenge. Apple should stick to the differentiation strategy, increase investment in innovation, and improve audience loyalty.

#### **2. Focus too much on technological innovation rather than ultimately increasing the company's profits.**

Technological innovation has brought a lot of success to Apple, but it also has a negative effect. If you pay too much attention to technological innovation and put the realisation profit second, it is easy to cause the R&D process to pay no attention to costs. Many companies mistakenly believe that as long as creativity is encouraged, it can increase the company's profits. In fact, business model innovation is more important than technological innovation. That's why Dell's technological innovation is far inferior to Apple's, but it has become a winner in the computer market - an important reason. Technological innovation can win praise, but it can really make companies make money of business model innovation. Even if there is strong technological innovation, such innovation and may not create shareholder value if it is not combined with effective sales strategies and competitive prices. This value-driven business model innovation is a way Apple will consider in the future. Apple should combine strong technological innovation with effective sales strategy and competitive price to achieve sustainable development.

#### **3. Do not pay attention to the systematic management system**

Apple's motto is Think Different, which aims to encourage employees to break the system and innovate, so that employees and even management are too personalised to pay attention to the establishment and compliance of systems and processes, and systematic management is weak. Take

the quality management system as an example, Apple is the most documented system program in the well-known IT company, the least non-compliance with the operation of the system program, and the least important to the IS09000 management system. The weak systematised management makes the operation of the whole company not a step-by-step "field battle", but more like every brave soldier fighting alone. This makes the coordination between various departments uncoordinated, repeats detours, delays in the predetermined trial production schedule, and the success or failure of products depends too much on the ability and will of individual, creating great risks and uncertainties. Apple should establish a systematic management, make each department cooperate with each other, and improve the scheduled trial production schedule

#### 4. Involved in too many product categories

From computer to mobile phone, not only do hardware, operating system and software are involved. Apple has a long line of money and a high correlation between products. Unlike Microsoft, it has a specialisation of what it has to do at the beginning, which leads Apple to face a lot of competitors and a giant in the industry. Even now, Apple is in a state of continuous profitability for many years because product innovation keeps pace with the market, but it is still a company with limited financial resources. Once the whole market is in decline or policy mistakes, it will affect the cash flow, thus disrupting Apple's existing product layout. Therefore, this multi-point blooming practice is actually Potentially huge risks. Apple should focus its innovation efforts on leading products while building the right product matrix.

#### 5. The shortage of labour and the reduction of consumption levels due to the aging of the population in Japan

It is well known that companies that have a larger workforce have the potential to increase their profit margins and higher sales. However, the severe aging in Japan may pose some challenges for Apple to expand business in Japan. First, aging leaves a shortage of young labor, which could lead to lower productivity and potentially higher sales costs. Second, the lack of a younger population could bring down the level of purchasing power in Japan, as older people do not go overboard with high-tech products and are more focused on stable purchases.

To counter this challenge, Apple may be able to use the blue ocean strategy to take opportunities from aging by identifying new markets. For the market in Japan, there should be less emphasis on product innovation and upgrading, instead more attention should be paid to software and service innovation that can help older people more. For example, through research, we know that Japanese seniors place great importance on managing their health. In Japan, senior gym is a very popular innovative service for the elderly. Because of this, Apple may be able to enable them to monitor their health scientifically by adding more senior-friendly software in the Apple Watch, which may be a new opportunity.

## 6. Intervention from the country managers

According to the role of country managers, it could become a challenge for the Apple company in Japan. From the Apple annual report, there is a decreasing trend in net sales in Japan from 2013 to 2014. One of the reasons is intervention from the country managers. For example, Shinzo Abe, Japan's 96th Prime minister, promoted an Abenomics policy to stimulate the Japanese economy. After implementing this policy, it caused a lot of money to pour into the market and the yen to start weakening faster.

As Abenomics policy in Japan, the Apple company could only increase the price of Apple to get profit. This policy was described as expansionary monetary policy that devalues the currency. At the same time the inflation rate would be increased. The price of Apple's products increases affect Apple sales in Japan. Therefore Apple would be corporate with local operators actively and provide corresponding preferential policies to attract customers.

## Appendix

	GDP (trillion USD)	GDP(PPP) (trillion USD)	GDP/capita (USD)	Real GDP growth rate
2017	\$ 49.31	\$ 52.48	\$ 38,903	1.7%
2018	\$ 50.37	\$ 54.04	\$ 39,819	0.6%
2019	\$ 51.49	\$ 55.16	\$ 40,802	0.3%
2020	\$ 50.49	\$ 53.13	\$40,146	-4.8%

(Source: <https://knoema.com/atlas>)

	Population	Population growth rate (%)	Population aged 0-14 years (%)	Population aged 15-64 years (%)
2017	126,785,797	-0.2	12.8	60.1
2018	126,529,100	-0.2	12.7	59.7
2019	126,264,931	-0.2	12.6	59.4
2020	125,836,021	-0.3	12.4	59.2

(Source: <https://knoema.com/atlas>)

	Inflation rate (%)	Unemployment rate (%)
2017	0.5	2.8
2018	1.0	2.4
2019	0.5	2.4
2020	0.0	2.8

(Source: <https://knoema.com/atlas>)

	FDI inflows (Billion USD)	FDI outflows (Billion USD)
2017	9.36	164.59
2018	9.26	143.09
2019	14.55	226.65
2020	10.25	115.70

(Source: <https://knoema.com/search?query=fdi%20inflows%20JAPAN> and <https://knoema.com/search?query=Japan+FDI+outward&pageIndex=&scope=&term=&context=&source=Header>)

## Japan



(source: <https://www.heritage.org/index/country/japan>)

## Industries

among world's largest and most technologically advanced producers of motor vehicles, electronic equipment, machine tools, steel and nonferrous metals, ships, chemicals, textiles, processed foods

(source: <https://www.cia.gov/the-world-factbook/countries/japan/#economy>)

## 2015-2019 Global Competitiveness Index

Country/Economy	GCI 2019		GCI 2018		GCI 2016-2017		GCI 2015-16	
	Rank	Score	Rank	Rank	Score	Rank	Rank	Rank
Singapore	1	84.8	2	2	5.72		2	
United States	2	83.7	1	3	5.70		3	
Hong Kong SAR	3	83.1	7	9	5.48		7	
Netherlands	4	82.4	6	4	5.57		5	
Japan	6	82.3	5	8	5.48		6	
Germany	7	81.8	3	5	5.57		4	
Sweden	8	81.2	9	6	5.53		9	
United Kingdom	9	81.2	8	7	5.49		10	
Finland	11	80.2	11	10	5.44		8	
Taiwan	12	80.2	13	14	5.28		15	
South Korea	13	79.6	15	26	5.03		26	
Italy	30	71.5	31	44	4.50		43	
Chile	33	70.5	33	33	4.64		35	
India	68	61.4	58	39	4.52		55	
Mexico	48	64.9	46	51	4.41		57	
Brazil	71	60.9	72	81	4.06		75	

(Source: <https://chinapower.csis.org/china-economy-competitiveness/>)

### Sales Data

The following table shows net sales by operating segment and net sales and unit sales by product during 2015, 2014 and 2013 (dollars in millions and units in thousands):

	2015	Change	2014	Change	2013
<b>Net Sales by Operating Segment:</b>					
Americas	\$ 93,864	17%	\$ 80,095	4%	\$ 77,093
Europe	50,337	14%	44,285	8%	40,980
Greater China	58,715	84%	31,853	18%	27,016
Japan	15,706	3%	15,314	11%	13,782
Rest of Asia Pacific	15,093	34%	11,248	(7)%	12,039
Total net sales	<u>\$ 233,715</u>	28%	<u>\$ 182,795</u>	7%	<u>\$ 170,910</u>
<b>Net Sales by Product:</b>					
iPhone (1)	\$ 155,041	52%	\$ 101,991	12%	\$ 91,279
iPad (1)	23,227	(23)%	30,283	(5)%	31,980
Mac (1)	25,471	6%	24,079	12%	21,483
Services (2)	19,909	10%	18,063	13%	16,051
Other Products (1)(3)	10,067	20%	8,379	(17)%	10,117
Total net sales	<u>\$ 233,715</u>	28%	<u>\$ 182,795</u>	7%	<u>\$ 170,910</u>
<b>Unit Sales by Product:</b>					
iPhone	231,218	37%	169,219	13%	150,257
iPad	54,856	(19)%	67,977	(4)%	71,033
Mac	20,587	9%	18,906	16%	16,341

(Source:[https://www.annualreports.com/HostedData/AnnualReportArchive/a/NASDAQ\\_AAPL\\_2015.pdf](https://www.annualreports.com/HostedData/AnnualReportArchive/a/NASDAQ_AAPL_2015.pdf))

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