this laptops cellphone tablet and headphones together cost more than $3,500. that’s about the same as two and half months’ rent for the average

American let’s face it Apple products

have never been cheap and the cost of

some ofits products has increased

dramatically over time just look at how

the price of the iPhone hasincreased

over the years what started at $499 in

2007 now starts at $999 so what makes

These products so pricey well some say

it boils downto noother reason than

the fact that Apple canconvinceus to

pay theheftyprice thereisevenan

official term for thisphenomenon its

calledtheApple taxwhichdescribes the

extra money customersarewilling to pay

for an Appleproduct overacompetitor

product with similarfeatures andoften

its attributed to the so calledcool

factor associated with Apple its those

premiumpricesthathelpedcatapult

Apple into becomingoneof theworld

most valuable companiesandatthestart

of 2019 itannounceditwas holding a

whopping 245 billiondollarsincash

reserves butApplewouldarguecustomers

arepaying apremium forareasonin

2018ApplesCEOTim Cookdefendedthe

companysmost expensiveiPhoneyet

saying quote itsthemostadvanced

iPhoneweveever donepointingoutit

hadreplacedthe need for otherdevices

like acameravideorecorderandmusic

player he argues cratingquotethe most

innovative productavailableisquote

notcheapto doandApplewillnever

sacrifice qualityfor price so all that

money are shelling out for your new

iPhone isat least intheory helpingto

fund future innovations like it

innovation is whathelpedAppleearnits

stripes itsa phonefirst and foremost

asyoud expect from the iPhone so

youve got all yourcontacts onthere

and itsdifferent tomost mobile phones

itsyncs with your computertheoriginal

iPod andtheiPhonehavebothbeen

toutedas products thatchangedthe

world

when the original iPod cameoutin2001

itcosts$399 astaggeringpricefora

personalmusic playeratthetime

AppleaggressivelymarketedtheiPodas

device that could store ac=58 1,000 songsin

your pocket all ofthisat thecuspof

thedigital download

Ellucian inlessthan sixyears Apple

announcedmore than100million iPods

hadbeensold makingitthefastest

selling musicplayerinhistory in2005

Appleannouncedits annualprofits shot

up 384 percent largely duetothe

smashinghitofitsnew digitalmusic

player itsprofitswouldcontinue to

growthroughto2012 foralotof those

customersthe iPodwouldbecomethe

firstofmanyApplepurchasesso

ultimately that $399 purchase would make

them moreinclinedtonotjust

potentiallybuynewversionsof theiPod

butultimatelymoveontobuyiPhones

MacBooks iPadsandApple watchesyouget

the ideasuddenlyyourelockedinto

Applesecosystemwhichsomeexperts say

hasallowedthecompany to increase

prices faster thanitscompetitors think

ofit likeApplesortofhavinga

monopoly onacustomersdigitallife

theiPhonewhichdebuted in2007 would

ultimatelyreplacetheiPod andthiswas

responsible for evenmoreimpressive

growth worldwideshipments ofthe iPhone

increasedyear-on-year untilitreached

itspeak of231million in2015 thats

more iphonesthanthereare people in

mostcountries butnowtheressome

concernaround Applesabilityto

continueinnovating andevensomesigns

thatitsgrowthand industrydominance

isunder pressure youseeApplehasnt

beenabletosurpassthat iPhonepeak

eversinceandprofitshavebegun to

fluctuate too so why the peak well its

partofalarger trendwere seeing

across theentire industry thelifespan

ofa smartphone isgettinglonger which

means customersjustarentupgradingas

oftenastheyused to butasa publicly

traded company Appleisexpectedtogrow

forits shareholdersandonepossible

way tocombatdecliningsales issimply

toraiseprices thatenables ittohave

higherprofitmargins in2018 theprice

ofthebaseApplewatchwentfrom$329

to$399 Ian dontforgetthetimeit

tried toselltheApplegoldwatchfor

$10,000ananalysisin2017 foundthat

the iPhone10cost 25percentmore than

the iPhone 8to makeyetit retailedfor

43percentmoreaccordingtoonefirm

the

one-tencost three hundredfiftyseven

dollars and fifty cents tomake but

sinceitsells fornine hundred ninety

nine dollars thatgivesitagross

margin of sixty four percent inrecent

yearsto helpgrowitsbusiness Apple

hasmade itapriorityto growsalesin

theworldsmost populous countryChina

andwhileits beenmetwith some

success italso faces serious

competition ironicallythesheerexpense

of Appleproducts hashurtsalesin

countrieslike China India Brazil and

Turkey emerging markets the company

desperatelyneeds to keep growing

premiumsmartphonepriceshavebeen

rising acrosstheboardbutcompared to

itscompetitors inChina iPhonescosta

lot takefor instancetheiPhone 10s

max it cost close tofourteen hundred

dollars inChina essentially twice the

priceofwall waysmate twenty andthree

times thecost ofshammiesmemixthree

throwastrongerdollar terrace and an

economicslowdown intothemixandits

nosurprise thatinmid2018 apples

iphone fell thirdplaceamongst thelist

ofworlds mostpopularsmartphones

thatswhenchinesetechgiant huawei

passedit justlookat thepercentage

changeinApplesshare ofthe

smartphone market compared to its

competitors thatsame year Apple

announceditwouldnolongerreport

unitssoldofiPhoneswhichWallStreet

interpretedasalikely signofmore

decliningsales atthe endoftheday

mostexperts agreethatAppleneedsto

comeup with new innovationsand not

justraisepricesinorder tohold onto

itsplaceas one of the worlds most

valuablecompanies

heyguys its Uptonthanksforwatching

for moreof ourvideos checkout myday

inside wall waysheadquartersinChina

hereandgetinside alibabasgrocery

storeandrobotrestaurant here were

alsotakingsuggestions forfuture cbc

explainssoleaveyourcomments in the

section below andwhileyoure atit