**The Effects of the environment on a business**

**Introduction:**

In this report I will be discussing a PESTLE, SWOT, 5c’s Analysis and Corporate Culture

Apple was established in 1976 as Apple Computing Company then the year after was changed to Apple Computer Inc. and was started in Steve Job’s parents’ garage where he created the Macintosh and is now one of the biggest technology companies by revenue in June 2022. Apple is categorised under the information technologies sector and Apple Inc’s scope of the business is international as the company operates all around the world in every country. The company’s type of ownership is a publicly traded company which means that no individual or entity owns the company. However, the biggest stakeholder in Apple ink according to businessmodelanalyst.com is The Vanguard group holding 7.8% of the company. The size of the company depends on but according to Wikipedia as of 2023 the company has over 161000 employees and therefore makes it a generous sized organisation and their total assets is $352.58 billion US dollars as of 2023 and the total equity of the company is $62.15 billion US Dollars as of 2023. The organisation specialises in making technology products such as phones, computers, Wi-Fi Solutions, desktops and much more and they sell a product and a service such as the product that apple provides is the technology for example your iPhone and they provide services such as Apple Music, Apple TV, iCloud and more. This organisation is in the private sector. Apple within the UK is a private limited company and therefore sell shares to friends and family and therefore they know the shareholders they also have limited liability meaning that they do not have to pay debts from their own fund a disadvantage of a Private Limited Company is the shareholders could cause family conflicts. The scope of the business is International as there are multiple branches in France, China, Vietnam and many more. The business is also a Secondary and Tertiary they also manufacture the goods, and they then sell goods.

**PESTLE:**  
This pestle analyses shows the PESTLE analysis of Apple:

Political: Government regulations may have a big effect on Apple's operations. For instance, modifications to tax laws may have an impact on the business's profitability, and new rules may make it more challenging for Apple to conduct business. Apple must maintain a close eye on the legislation of the countries in which it does business in order to be aware of any changes that may affect its operations. To lessen the risk of political instability, Apple must closely evaluate the political situation in the countries in which it does business.

Economic: The rise of economies in the countries where Apple does business benefits the corporation since it increases demand for Apple products. For example, when China's economy grows, more individuals will likely be able to afford Apple products. For instance, if China's economy expands, more people will probably be able to purchase Apple goods. But economic expansion can also result in inflation, which raises Apple's expenses. Apple's earnings may be impacted by exchange rate movements because its products are sold in a variety of currencies. For instance, purchasing Apple items will cost more for European customers If the pound decreases in value and the euro increases.

Social: As more people move into cities, the populations of the nations where Apple conducts business are becoming more urbanised. Given that Apple goods are increasingly widely used in cities, this is a good development for the company. For instance, India's middle class is expanding, and China's population is ageing. The demand for Apple products in these nations is probably going to be driven by these demographic trends. Also, social media trends such as people saying IPhone’s are better than the competition like Samsung and Microsoft.

Technological: Technological innovation is a major driver of the technology industry's growth. Apple must keep ahead of the competition by staying up to date on the latest technological advances. For example, Apple was among the first to offer a touchscreen smartphone, and the company has continued to innovate with its products, as seen by the AirPods and Apple Watch.

Legal: Apple is facing various lawsuits, which might have an impact on the company's operations and reputation. For example, Apple is facing a class-action lawsuit in the United Kingdom alleging that it participated in deliberate obsolescence. Although Apple has denied the charges, if the lawsuit is successful, it may have a huge impact on the company's business.

Legal: Apple is facing several lawsuits, which can impact the company’s business and reputation. For example, Apple is facing a class-action lawsuit in the UK alleging that the company has engaged in planned obsolescence. Apple has denied the allegations, but the lawsuit could significantly impact the company’s business if it is successful.

Environmental: By 2030, Apple aims to cut its carbon emissions by 75%. The business has also committed to lowering its environmental effect in a variety of other ways, such as by utilising more energy-efficient facilities and products.

**SWOT:**

**Strengths**

Apple has many strengths within its company such as how they are the leading technology company in the whole world above Samsung and Xiaomi and Apple is a notable figure in the community and is recognised by many customers Another strength apple has as a company is how they sell high quality products to all their customers. This helps them keep brand loyalty as because they sell high quality products it means their customers are more inclined to buy from Apple again due to the quality of the products they sell. Another strength of Apple is they have a strong brand loyalty which is a good strength for Apple to have because this means that many of the customers that Apple sell too are more inclined on purchasing from Apple again then switching to another company which allows Apple to accumulate more sales total. Another strength that Apple has is apple has unique selling points such as with the latest iPhone model they revamped the design with a titanium design and with the new action button on the latest models which replaces the silent switch and the new action button is bindable to any application which creates a selling point for new and existing customers wanting to upgrade this might make them more inclined to purchase the newer models with the latest features

Weaknesses

Aswell as strengths Apple also has some weaknesses such as a larger customer base may not be able to access its offerings due to their products and services are pricey. Furthermore, there hasn't been much innovation in the last several years, which can have an impact on customer loyalty and interest. Furthermore, user freedom and interoperability may be restricted by Apple's closed environment. Due in large part to its considerable reliance on the iPhone, the corporation is also vulnerable to changes in customer tastes and market conditions. Furthermore, some market groups may find its products less appealing due to the restricted customisation choices available.

Opportunities

Apple has a lot of chances to build on its advantages and increase its market share. By capitalising on its robust brand image, the business might investigate growing into recently emerging markets and reaching unexplored consumer niches. Furthermore, as the advertising industry continues to expand, Apple may be able to diversify its sources of income and investigate new business ventures. Moreover, Apple has the chance to innovate and set itself apart from competitors by incorporating cutting-edge technology like computer components and virtual reality (VR) into its product lineup.

Threats

But Apple is also vulnerable to several dangers that could jeopardise its sustained prosperity. Products that are counterfeit continue to be a serious problem since they can harm a brand's reputation and sales. Apple's market dominance and profitability are also threatened by competitors' continuous introduction of new goods and services in the fiercely competitive technology sector. Furthermore, increasing labour costs in places like China, where Apple produces its goods, may have an effect on production costs and reduce profit margins To lower these risks, Apple might therefore need to strategically alter its manufacturing processes and supply chain. All things considered, despite its many advantages and future opportunities, Apple must remain vigilant and address its shortcomings if it hopes to maintain its competitive edge.

**Porter’s 5 forces:**

This is another evaluation technic I could have used instead of the 5 C’s Porter’s 5 Forces is used to evaluate the position of a business in terms of their competition with other business’s.

Porters 5 Forces includes discussing about:

Existing competitive rivalry between suppliers

Threat of new market entrants

Bargaining power of buyers

Power of suppliers

Threats of substitute products.

And this can be used to analyse the different competitive advantages other companies may have over apple.

**5C’s Analysis:**

Company:

It is crucial to discuss topics like Apple Inc.'s goods, competitive advantages, technology, culture, and ambitions while concentrating on the business. It's crucial to investigate its advantages and disadvantages. The Mac, iPad, iPhone, Watch, TV, and Music are among Apple's primary products. The corporation has become one of the most successful in history because to these items. As a matter of fact, Apple's market capitalization of over $2 trillion has surpassed that of the whole FTSE 100 index, which comprises the largest publicly traded firms in the United Kingdom. It is important to remember, though, that Apple has faced criticism for several of its commercial strategies. Further details on Apple Inc. may be found in the article SWOT analysis of Apple.

Customers:

It is crucial to discuss the customers of Apple such as how they have a strong loyalty base and how they manage to keep their customers every year Apple also has approximately 1 billion customers and 1.4 billion active devices around the globe, and this puts into perspective how many customers and users Apple has and how massive their market share really is in the technology world. Also because of their brand loyalty some of their loyal customers buy the newest IPhone every year without thinking about the price of the product they are paying for. According to Kunst half of apple customers are very satisfied with their purchase with 38% being satisfied with their purchase and only 3% being dis-satisfied with their purchase.

Competitors:

Apple’s main competitors in the smartphone market are Samsung Huawei and Xiaomi and their main competitors for the computer market is HP, Lenovo, Dell, Acer, Asus and more and these competitors can put a lot of pressure on Apple to stay at the top of the computer industry. Some National Competition is Nothing Phone which is a newly emerging UK Smartphone/Technology brand.

Collaborators:

Apples list of collaborators is quite big and there are names such as Broadcom Inc and Skyworks Solutions and Foxconn which are the manufacturers of the iPhone. Apple has built a global reputation for maintaining one of the best managed supply chains in the world. However, there are some issues and controversies that has impacted Apple’s brand image such as with Foxconn which violated the Chinese labour rule by using too many temporary staff to manufacture the latest IPhone’s according to Gurman.

Climate:

Apple is affected by many environmental factors such as by 2030, Apple aims to cut its carbon emissions by 75%. The business has also committed to lowering its environmental effect in a variety of other ways, such as by utilising more energy-efficient facilities and products. Technology wise in the current climate more companies are moving towards incorporating AI into their products and such with Apple soon they are planning to make Siri fully AI, so it has more features and more detailed explanations.

**Assess the effects of the business environment in Apple.**

**Internal Environment**

Corporate Culture:

Apple’s Corporate Culture consists of creative as apple mainly focuses on innovation of new products and new features. This is displayed were with the newer model of iPhone they have replaced the Silent Switch with an Action button which can be bind to anything on your device such as the flashlight etc. and For example Apple askes their employee’s to think differently to see if some of their knowledge can be used to innovate a new product or new services for Apple’s wide range of services such as iCloud, iMessage, iTunes etc and this allows Apple’s employee’s to not feel like they are just an employee but someone who has a voice and this is shown through most of their products and through the Ex-Staff members reviews on working at Apple.

Corporate Social Responsibility (CSR)

Apple's corporate social responsibility (CSR) shows Apple’s commitment to environmental responsibility and sustainability and the company shows this by its commitment to carbon neutral by 2030 and they are making partnerships with local leaders and governments to enforce their carbon neutral plan and to make it happen. Apple also states that they put their people first at Apple by “empowering them with accessible technology” and being a force of equalness and opportunity Apple also states they have a diverse and inclusive work environment. Apple also states they are planning to use more recycled electronics and they also say that when other Apple products come to the end of their life cycle they reuse the electronics and recycle them to make new products like their flagship IPhone’s and by Apple making this change to their company it sets a high standard for the rest of the technology industry.

External Environment:

Apple Inc. operates in a thriving and competitive external environment in the United Kingdom. Established rivals such as Samsung, Huawei, and Google compete fiercely in the market, while rising firms offer enticing alternatives. Apple's activities are shaped by regulatory frameworks such as consumer protection legislation and data privacy rules such as the GDPR, which ensure compliance and protect user privacy in the UK market. Economic factors, such as GDP growth and consumer spending habits, have a substantial impact on Apple's sales, with changes affecting consumer purchasing power and demand for its products.

Technological improvements have a significant impact on Apple's UK strategy and product offers. Rapid advancements in artificial intelligence, augmented reality, and 5G connection shape consumer expectations and preferences for novel services. Furthermore, socioeconomic changes and cultural preferences in the United Kingdom influence consumer behaviour and product uptake, causing Apple to tailor its marketing strategies and product designs to appeal to a wide range of populations.

Environmental sustainability has become increasingly important in the UK, with consumers and stakeholders scrutinizing companies' manufacturing practices and product recyclability. Apple's commitment to environmental initiatives and sustainability practices is crucial in maintaining its brand reputation and meeting the expectations of environmentally conscious consumers. Additionally, geopolitical factors and trade regulations can impact Apple's operations and market access in the UK, necessitating agile responses to changes in political landscapes. Navigating these dynamic external factors requires Apple to remain adaptable and proactive in addressing challenges while capitalizing on emerging opportunities in the UK market.

Competition:

Local: Local competition means competition within a certain area such as the Apple store in Westfield in Stratford may have local competition such as Foneworld which is local repair and second-hand phone seller in Stratford. The advantage for the local competition is that they can sell for a much lower price than apple originally sell for because of them selling the phone’s second-hand and another advantage of local competition is that they can do the repairs cheaper than Apple would charge for them because they may use off-brand Apple parts to repair the phone which gives them an advantage over apple because of their cheap prices.

National: Apple’s national competition in the UK is a company by the name of Nothing Phone which is a new phone to the market which is based in the UK market which was established on October 29 2020 and sold their first product in 2021 called the “EAR (1)” which is a pair of headphones made by the company It was also founded by the Co-Founder of OnePlus another Smartphone company in China. The advantage of National competition is that they can compete with features and prices of Apple such as if you look at the latest Nothing Phone compared to the latest apple flagship iPhone the Nothing Phone is substantially cheaper than the flagship iPhone even though they were released in the same year. Another advantage of national competition is that it allows Nothing Phone to put better parts in their phone compared to the IPhone because they don’t have the massive fan base that Apple has it allows them to price there phones affordably because of the smaller fan base.

International: Apple’s has many companies that are competing with the company internationally such as Samsung and Oppo and even Huawei. They all compete with one another to become the biggest market share in the technology market which Apple has conquered due to their innovation and design they also are able to keep their top market share because of the seamless ecosystem integration and their brand loyalty and how they have high retention in the market. The advantage of Apple having international competitors is other companies can drive innovation to Apple and in return Apple may have ideas for a new product line and other products that they could sell. Additionally, Apple can analyse the competition between the other businesses and manage to explore a new market as well as being part of the technology market which could help expand Apple’s business further than it already is and could help them grow exponentially in the future if their new market takes off However some disadvantages of International competition could include pricing pressures which means Apple would have to decrease their profit margins to stay in the affordable market and not lose customers because of the low prices of other phone manufacturers such as Samsung or Google with the Pixel or the S24 Ultra Additionally, Apple could face issues such as the EU sanctions that have been placed on Apple such as forcing them to switch to USB-C because of the new EU laws and such as How they are saying that Apple’s monopolising off their App store because they can only buy and purchase apps through that app store and how that has caused some companies that offer subscriptions on IPhone to hike their prices up unlike their android counterparts where they can get the subscription for cheaper and this makes it a challenge for Apple to keep to these new EU laws and regulations and could affect them due to the new rules that they have to follow.

Competitive Advantage

Apple has a comprehensive competitive advantage in the technology sector, thanks to a combination of innovation, brand loyalty, ecosystem integration, and design brilliance. One of its primary assets is its unwavering attention on user experience, as evidenced by its intuitive interfaces and seamless integration of hardware, software, and services. This coherence creates consumer loyalty since users frequently become completely immersed in the Apple ecosystem. Furthermore, Apple's attention to design aesthetics distinguishes it, with its goods frequently serving as status symbols. Furthermore, the company's strong supply chain management and huge financial resources provide it a significant advantage in bringing items to market quickly and at scale.

Business Markets:

In the realm of global retail, Apple Inc. stands out as a beacon of innovation and strategic prowess. With a diverse array of cutting-edge products and services, Apple caters to the needs of individuals and businesses alike, offering everything from state-of-the-art technology to software solutions. Apple's commitment to excellence is reflected in its seamless integration of hardware, software, and services, providing a holistic experience for its customers.

Drawing upon its extensive network of suppliers and distribution channels, Apple ensures timely delivery of its products to businesses around the world, meeting their procurement needs with efficiency and reliability. Through the implementation of advanced technologies and data-driven insights, Apple optimizes its supply chain operations, ensuring smooth procurement processes for its corporate clientele.

Moreover, Apple's dedication to ethical sourcing and sustainability sets it apart as a leader in corporate responsibility. By adhering to strict standards and practices, Apple not only meets but exceeds the expectations of businesses seeking trustworthy and environmentally conscious partners.

In a rapidly evolving market landscape, Apple continues to demonstrate its agility and forward-thinking approach, cementing its position as a dependable, innovative, and ethical leader in the international retail sector.

Perfect Competition / Imperfect Competition

In the framework of perfect competition, Apple Inc. competes in a highly competitive market with many companies offering identical products and services, such as smartphones, tablets, and laptops. Apple faces competition from companies such as Samsung, Google, and Huawei, among others, all competing for market share through price competitiveness and product differentiation. Despite the competitive landscape, Apple retains a strong position thanks to brand loyalty, innovative designs, and ecosystem integration, which allow it to charge premium prices and maintain enormous market power.

In contrast, in the world of imperfect competition, Apple exhibits features of monopolistic competition, with limited competition due to its own brand identity and exclusive technologies. While there are equivalents, such as Android smartphones, Apple's unique features and ecosystem provide a level of product distinction that distinguishes it from its competitors. As a result, Apple has some pricing control and market domination in its sector, allowing it to produce significant profits while maintaining its position as a technological industry leader.

Supply, Demand and Price

Apple Inc. works in a dynamic market where supply, demand, and pricing are flutuating. Brand loyalty, perceived quality, and innovative features all contribute to Apple's ongoing high demand. This demand frequently outstrips supply, especially during product launches or highly anticipated upgrades. Apple's highly regulated supply chain enables them to meet this demand, though occasional shortages may arise. Despite high prices, buyers continue to gravitate towards Apple products, indicating a willingness to pay for the perceived value and experience they give. This demand elasticity gives Apple price leverage, allowing them to retain good profit margins despite competing pressures. Furthermore, Apple's pricing strategy entails selling a variety of goods at varying price points to cater to different client categories. Overall, Apple's ability to balance supply and demand while charging premium pricing solidifies its position as a technology market leader.

Pricing and Output Decisions

To retain its reputation for innovation and premium quality, Apple makes carefully considered price and output decisions. By intelligently setting prices, Apple hopes to strike a balance between profitability and accessibility, ensuring that its products stay desirable while also reaching a large user base. The price strategy reflects the company's dedication to providing cutting-edge technologies and great user experiences. Furthermore, Apple methodically regulates its output to fulfil demand without oversaturating the market, giving its products an air of rarity and driving consumer expectation. Apple maintains its position as a technology industry leader by making purposeful decisions that drive innovation and shape consumer preferences.

Apple's pricing decisions are based on a thorough grasp of its target market's willingness to pay for the value it offers. This strategy enables Apple to maintain premium prices while providing products that exceed customer expectations. Furthermore, the company's meticulous output control ensures that each product launch sparks excitement and expectation, increasing demand and maintaining Apple's reputation as a technological and design pioneer. By achieving a balance between pricing and output, Apple maintains its market leadership and fosters global consumer devotion.

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