CEO and Board of Directors (Profile/Background)

## Tim Cook: CEO

Tim Cook is the current CEO of Apple Inc. Cook joined Apple in the March of year 1198. He took the position on August 24, 2011 after the death of previous CEO Steve Jobs. Cook joined Apple as Senior Vice President of Worldwide Operations and also served as Executive Vice President of Worldwide Sales. Cook assumed the role of interim CEO for two months in 2004 and for several months in 2009 while Steve Jobs took the leave of absence ailing from cancer.

Tim Cook has done his Master in Business Administration from Duke University. Previously he was the Chief Operating Officer of Intelligent Electronics. He was the Director of IBM North American Fulfillment for the PC for 12 years. He was also the Vice president of corporate Materials at Dell for seven months before joining Apple in 1998.

## Eddie Cue: Senior Vice President Internet Software and Services

Eddy Cue is Apple's senior vice president of Internet Software and Services. He reports to CEO Tim Cook. Eddy oversees Apple's content stores including the iTunes Store, App Store and the iBookstore, as well as Siri, Maps, iAd and Apple's innovative iCloud services.

He has been working for Apple for 24 years. e online store in 1998, the iTunes Music Store in 2003 and the App Store in 2008. He also played a key role in developing Apple's award-winning iLife suite of applications. Eddy earned a bachelor's degree in Computer Science and Economics from Duke University.

## Craig Federighi: Senior Vice President Software Engineering

Craig Federighi is Apple's senior vice president of Software Engineering. He reports to CEO Tim Cook. Craig oversees the development of iOS, Mac OS X and Apple's common operating system engineering teams. Craig lead Mac OS X engineering, working on a number of major software releases including Mountain Lion, the most successful OS X release in Apple’s history.

Craig holds a Master of Science degree in Computer Science and a Bachelor of Science in Electrical Engineering and Computer Science from the University of California, Berkeley.

## Jonathan Ive: Senior Vice President Industrial Design

Jonathan Ive is Apple's senior vice president of Industrial Design. He reports to CEO Tim Cook. Since 1996, he has been responsible for leading a design team widely regarded as one of the world’s best. As the driving force behind the look and feel of Apple's innovative products, Jony also provides leadership and direction for Human Interface (HI) software teams across the company.

Jonathan holds a Bachelor of Arts and an honorary doctorate from Newcastle Polytechnic.

## Bob Mansfield: Senior Vice President Technologies

Bob Mansfield is Apple's senior vice president of Technologies he reports to CEO Tim Cook. Bob leads all of Apple's wireless and semiconductor teams across the company. He joined Apple in 1999 to oversee the team that has delivered dozens of breakthrough Mac products including the MacBook Air and the all-in-one iMac line. Over the years, Bob has led some of the company's most challenging engineering projects.

Bob earned a BSEE degree from The University of Texas at Austin in 1982.

## Peter Oppenheimer: Senior Vice President and Chief Financial Officer

Peter Oppenheimer is Apple’s senior vice president and Chief Financial Officer. In his capacity as CFO, Oppenheimer oversees the controller, treasury, investor relations, tax, information systems, internal audit and facilities functions. He reports to the CEO and serves on the company’s executive committee.

Oppenheimer received a bachelors degree from California Polytechnic University, San Luis Obispo and an M.B.A. from the University of Santa Clara, both with honors.

### Dan Riccio: Senior Vice President Hardware Engineering

Dan Riccio is senior vice president of Hardware Engineering, reporting to the CEO. Dan leads the Mac, iPhone, iPad and iPod engineering teams.

He holds a bachelor’s degree in Mechanical Engineering from the University of Massachusetts Amherst.

### Philip W. Schiller: Senior Vice President Worldwide Marketing

Philip Schiller is Apple’s senior vice president of Worldwide Marketing and reports to Apple’s CEO. Schiller is a member of Apple’s Executive Team. Schiller has over twenty five years of marketing and management experience, including twenty years at Apple in various marketing management positions; as the Vice President of Product Marketing at Macromedia, Inc. of San Francisco, CA; as the Director of Product Marketing at FirePower Systems, Inc. of Menlo Park, CA; as an Information Technology Manager at Nolan, Norton & Company of Lexington, MA; and as a Programmer and Systems Analyst at Massachusetts General Hospital in Boston, MA.

Schiller graduated with a Bachelor of Science degree in Biology from Boston College in 1982.

## Bruce Sewell: Senior Vice President and General Counsel

Bruce Sewell is Apple’s general counsel and senior vice president of Legal and Government Affairs, reporting to Apple’s CEO. Sewell serves on the company’s executive team and oversees all legal matters, including corporate governance, intellectual property, litigation and securities compliance, as well as government affairs.

Prior to joining Intel, Sewell was a partner in the litigation firm of Brown & Bain P.C. He was admitted to the California Bar in 1986 and to the Washington D.C. Bar in 1987. He is also admitted to practice before the United States Court of Appeals for the Federal Circuit.

Sewell received his J.D. from George Washington University in 1986, and a Bachelor of Science degree from the University of Lancaster, in the United Kingdom, in 1979.

## Jeff Williams: Senior Vice President Operations

Jeff Williams is Apple’s senior vice president of Operations, reporting to the CEO. Jeff joined Apple in 1998 as head of worldwide procurement and in 2004 he was named vice president of Operations.

Prior to Apple, Jeff worked for the IBM Corporation from 1985 to 1998 in a number of operations and engineering roles. He holds a bachelor’s degree in Mechanical Engineering from North Carolina State University and an MBA from Duke University.

# Board of Directors

Arthur D. Levinson, Ph. D.  
Chairman of the Board, Apple Chairman and former CEO Genentech

Bill Campbell  
Chairman and former CEO Intuit Corp.

Tim Cook  
CEO Apple

Millard Drexler  
Chairman and CEO J. Crew

Albert Gore Jr.  
Former Vice President of the United States

Robert A. Iger  
President and CEO The Walt Disney Company

Andrea Jung  
Senior Advisor to the Board of Directors Avon

Ronald D. Sugar, Ph. D.  
Former Chairman and CEO Northrop Grumman

Apple Target Markets

The market strategy of Apple is very different from other traditional companies. According to one of the articles “It targets people. It focuses on users. And Apple lets them decide how and where they’ll use its products.” This speaks volumes about the success of Apple as a company. Rather than making products for a particular segment of the market, Apple makes products for users. It lets the user decide how and when they would use the product. For Apple it is all about user experience. In another article it wrote “How a customer opens a box must be one of the last things a typical product designer would consider. Yet for Apple, the inexpensive box merits as much attention as the high-margin electronic device inside. As the last thing customers see before their greatly anticipated device, Apple’s packages are the capstone to a highly honed and exceedingly expensive process.”

So if we are do dissect the target market and the target audience of Apple. They will have the following characteristics:-

1. Middle/Upper income folks who are willing to pay a bit more for a better user experience. Paying 500 more for a computer is not a huge deal if you have a decent income.
2. People who like to have fun with technology. No other platform offers as many entry level tools (the whole iLife bunch and more). This includes people who like to shoot a lot of digital photos or video. It's the whole digital hub concept. People are starting to buy into it.
3. Music enthusiasts and fans ages 12-35.
4. Professionals in media and design.

Core Competencies

### Think Innovation

Apple’s core competency is innovative design and technology. Apple produces products that are a class in itself and make the consumer want to buy them. Today, the iPhone challenges the definition of a phone, by combining a portable digital media player, Internet client, GPS navigator and camera. Not only does Apple wow consumers, but it changes the way we think about consumer electronics.

### Make products that lower the entry barrier

Not all products sold by Apple are cheap. For instance a Mac Book Pro costs 500$ more than laptop of another brand. While people still go out and but these high price products by Apple, it makes sure that the entry level into their products is not prohibitively high. iPod mini is a very good example of that. It serves dual purpose. It gives a consumer not only a hang of the product but also makes him ache for the higher end products. What Apple actually does is, to put in the taste of some of the good stuff into the entry level products and throw them in as baits for higher end ones.

### Making an ecosystem that generates cash

Apple sold 3.05 million Macs this quarter, an increase of 17% year over year. This increase can be attributed in part to the halo effect, and partly to customer switching costs associated with Apple's iPod and iPhone customer base. Brand loyalty will keep growing as Apple continues to suck in the mass market through its introductory products.

In addition, more and more customers continue to purchase proprietary digital media and apps for Apple's products. As of September, Apple has sold more than 8.5 billion songs through its iTunes Store. On its latest conference call, the company also announced that users have downloaded 2 billion iPhone apps.

Apple’s customers

Apple’s major customers are normal everyday mundane people. Apple sells technology like a dream to this segment. Apple products have a feel good factor which appeals to the mass. The marketing of the products and their packaging is specifically centered towards general mass. Also the people who work in the creative genre prefer Mac as defacto product because the software support that Apple provides in this area I n form of Apple creative suite. Also teenagers and people in their early 20s are drawn towards Apple products specifically Mac, because of the young look appeals.

That being said iPad is probably the only product that has been adopted by the enterprise industry which otherwise stays away from the Apple technologies.

Research at Apple

Recently Apply increased its R&D spending to over 1 billion dollars. Apple has over a dozen R&D center around the world. Apple likes keep its research totally under cover and make announcements only once the research has been converted into something sellable. It is a strategy that has worked well for Apple. But in general terms Apple invest heavily on the research in Hardware, chips and of course user interfaces.

Since the buying point of Apple is its innovative product line. In order to stay at top Apple must keep investing in R&D and must always be an innovator and introduce new technologies which are easy to use. This will sit well with its target audience which the common mass.

External market perception

There are a lot of different perceptions about Apple in different industries. For its consumer Apple is an innovator and a market leader for electronic gadgets. The consumer expects Apple to come up with sleek design and easy to use interface. Most important of all they expect Apple to come up with products that just work as expected and as shown in the advertisements. Apple has certainly raised the bar of quality. People no longer are expected to know a lot to use a certain product. Apple has instilled in the idea that it is the duty of the device to be intuitive enough to let people know how to use it. In this regard Apple truly is a market leader.

From the point of view of Press the perception of Apple is that of a secretive company which will go to any lengths to keep its products a secret till they are released. The Press, however also agrees that this is one of the major reason for Apple’s success.

For the competitors Apple is a tough nut to crack. Since Apple keeps everything secretive so it is very hard to guess what their future plans are. This has an important implication. Since Apple is an innovator and also is usually the first player in the respective market it creates, it becomes very difficult to overpower it. The tablet industry for instance was changed forever by the introduction of iPad. Since then many rivals have tried to counter with new products but iPad by far remains the most sold tablet.

Headcount

As of September, Apple had 60,400 full-time equivalent employees, according to the SEC Form 10-K it filed, nearly 30% more than the 46,600 it reported in Q4 2010. But those employees generate more profit per capita -- by far -- than any of Apple's peers in the industry.

Hiring trends/tendencies

Once hired, people stay at Apple for years, assuming they have learned to accept the literal and the unspoken terms of employment. Rival recruiters say it is difficult to hire people out of Apple, particularly engineers. Successful employees do leave, of course (in one of the articles). Apple hires only not only if you are excellent in your field given the innovation Apple does, but It takes a certain kind of egoless and fanatical person to thrive at Apple. First, Apple employees, whether extremely senior or entry-level, must have the ability to “check their identities at the door,” in the words of one former executive. “At Apple you are hired for a specialty, and it’s good for the company.” Apple hires a lot of P.HDs and marketing MBAs from top institutions and makes sure that they stick within the company for a long time.

Business model

Apple makes its money over the long term not just by introducing disruption, which would mean flash-in-the-pan products that spark and then fizzle, but by seeing disruption through into stable releases, each with significant improvements that appear to be incremental to a product’s design and capabilities. Apple stays generally near the top of the hardware feature curve, front-loads future headroom for upgrades, and charges more for its goods; it doesn’t need to push existing users to purchase each model upgrade. The company certainly doesn’t stint on marketing and hyperbole, but it never, ever tells existing customers that the hardware they own is now so much old trash. Apple also has an exceptional customer service to back their products up.

Apple’s competitors

In recent years, it could be argued that most PC manufacturers were rivals to Apple, like Dell, Alienware, Gateway etc. but of course you can also factor in Microsoft as a rival to their Operating System (OS X/XP).But in recent years they have branched out considerably, into online media (iTunes, MobileMe, iPhone) so you can factor in Napster and other legal music download sites, Hotmail and Gmail, and Nokia, Samsung, Blackberry and alike.

Also, they rival in the server markets with HP, Sun, SGI and IBM with regards to High Performance Computing, Webserving, Centralised storage (which also brings further rivals like Brocade and Sanrad).

There's also networking, the Airport lines now rival Cisco, Netgear and alike. So, they now have a very diverse range of products, and there are many rivals that are fighting with Apple in those markets.

Effect of competition

Up until a couple of years ago Apple never really competed in its market segment. iPhone was the first of its kind in its segment. Big screen with multi touch. Competitors found it very hard to rival Apple because of the loyalty of its customers and also the fact that Apple patents most of its technologies. Apple has never compromised on pricing. It has maintained itself as a niche player in the market. Although there are products in the respective segments that are cheaper than Apple by a half, Apple has never compromised on pricing of its products.

However recently Apple has started to compete in its respective market not by cutting down price, but by bringing smaller and cheaper model of the products. iPad Mini is a classic example of this case. Amazon's new Kindle Fire poses a risk for Apple's tablets business because of the lower price points, which can lure price sensitive consumers away from Apple's higher margin products. If Apple's management does not continuously and accurately introduce innovative new products into the marketplace its astronomical success to date could be in peril.

Financial Projection

The landscape of technology changes so fast that it is very hard to predict the future of tech companies. However the next 12 months for Apple look good. Although Apple has failed to garner nay new products in the last 12 months, the amount of infrastructure that Apple has laid down in terms of its iPad, iPhone and Macs and of course the on line cash cow of iTunes.

Risk factors

Apple depends on component and product manufacturing and logistical services provided by outsourcing partners, many of whom are located outside of the U.S. ﻿This issue is another that has surfaced in a big way. In the news lately has been a developing story about the underage workers and working conditions at some of the production facilities where assembly of Apple products takes place.

Furthermore, Apple outsourcing also came up multiple times in presidential debates between Mitt Romney and Barack Obama. It's not like the fact that Apple outsources sets them apart from the rest--nearly everyone (especially in the technology sector) does. However, the companies that are getting caught for their frowned upon practices are being criticized more and more as of late.

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