



Fancy This?

Apple knows what you want, even before
you want it...and now it's in the palm of
your hands

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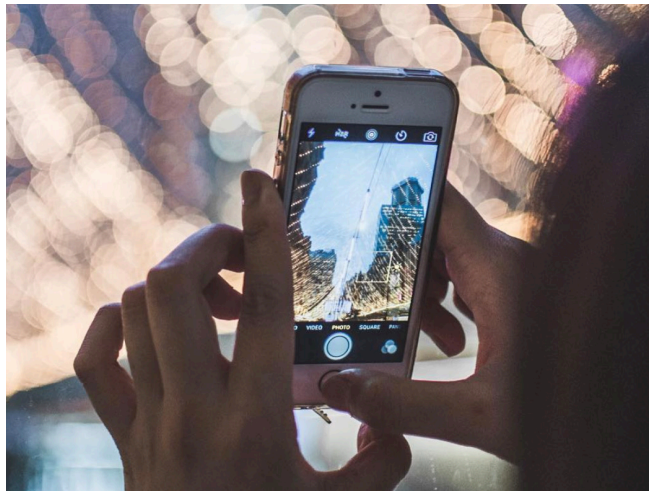
Marketing Strategies of the iPhone

product, price, place, promotion

One of the key marketing strategies that Apple uses is to 'Know your audience and talk to them in their language'. This strategy is used by Apple to directly address the customers and appeal to their needs on a personal level. The iPhones reputation has been built solely by customer loyalty. Marketing representatives have been trained to speak the language of customers, using clear and comfortable words that will not confuse the customer. By using the 4P's of the marketing strategy (product, price, place and promotion), Apple is able to develop a personal relationship with its customers, already establishing a large amount of loyal customers and a well-known reputation.

Apple's iPhones are developed around minimalism and all possess an industrial feeling in its design. Despite being mass produced, they are recognised to be of high quality. For the growth and development of the company, Apple continually find ways to create new and innovative versions of the iPhone in its design and functions. Apple's

consistent sleek design approach with subtle new features to every iPhone that is released attracts consumers, however consumers are very familiar with these branded products, so little communication is necessary.



Apple utilises a premium pricing strategy which means that the products like the iPhone are priced at a high level. By adapting this pricing strategy, it enables the business to preserve the brand's image and products of being high-end. Additionally, this pricing strategy influences the type

of market that the business attracts. In Apple's case, having high priced iPhone's entices consumers of both middle and upper classes within a undersized market share. The company's premium prices "entail higher profit margins" regardless of its influence on the market share that it attracts. As a result, the business is able to maintain profitable. Apple is able to maintain their high quality, enabling consistency throughout their products as they retain better margins over competitors. Back in 2012 when the iPhone 5 was released into the market, the product was of a higher cost therefore not many consumers purchased it. As a result, Apple have been cutting down the prices of iPhones in small amounts over the years.

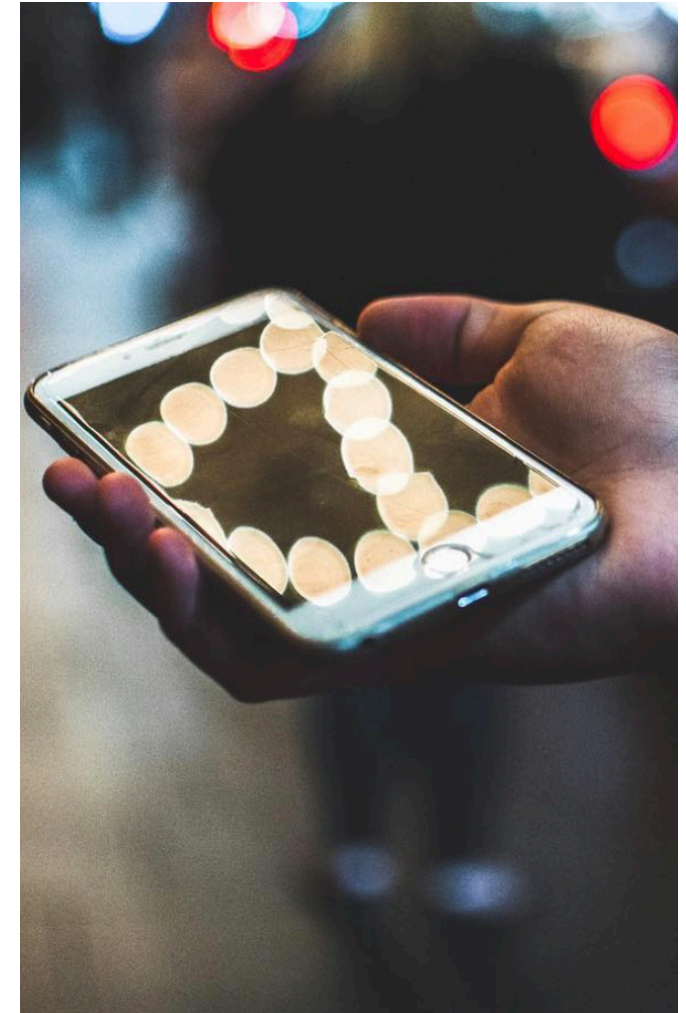
Apple have used the advantages of technology to advertise iPhones to appeal to an international audience. The iPhone's advertising techniques have not been extensive because of the constant 'word of mouth' and social media presence. However, when the latest iPhone is to be

released, Apple uses a large TV campaign to promote its new features and sleek design. The advertisements displayed on TV are always appealing to the eye, using the latest graphics and design to display the expensive quality of the next iPhone model. The reputation of the iPhone has also spread around due to the impact of social media as well as the use of influences such as celebrities and public figures to promote and review the iPhone. As a result, Apple is able to receive honest feedback while gaining more consumers. This promotion strategy is cost effective and efficient for the business.

The iPhone's main physical distribution methods includes gaining a large reputation with retail stores and customers. This then leads to the distribution of selling online, to major showrooms and cell phone providers. Apple not only creates an awareness in store but as well as on their website, giving access to international buyers. iPhone's are seen to be popular most in North America, Western Europe and Asia. The physical

placing of the iPhone is of importance because it allows the customer to see and try the product 'hands on'. Apple stores use interior design to also get the customer drawn to the store, using sleek and open interior and eye catching displays.

In conclusion, it is clear that Apple has used various strategies to market the iPhone effectively. By using the four P's (place, price, promotion and product) it is known that the use of effective strategies have created the benefit of improved iPhones. Creating new and efficient smart phones to please and accommodate their loyal customers.



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WORLD WIDE SMARTPHONE SALES TO END USERS BY VENDOR IN
4Q16 (FEB 2017)

