

## ***Apple Inc. – May 2013***

“SWOT is an acronym for the internal Strengths and Weaknesses of a firm and the environmental Opportunities and Threats facing that firm. SWOT analysis is a widely used technique through which managers create a quick overview of a company’s strategic situation. The technique is based on the assumption that an effective strategy derives from a sound “fit” between a firm’s internal resources (strengths and weaknesses) and its external situation (opportunities and threats). A good fit maximizes a firm’s strengths and opportunities and minimizes its weaknesses and threats. Accurately applied, this simple assumption has powerful implications for the design of a successful strategy.”

### ***Apple Inc.***

Apple Inc. (Apple or "the company") is engaged in design, development and marketing of personal computers (PCs), media devices, and portable digital music players. The company also sells a variety of related software, services, peripherals, networking solutions, and third-party digital content and applications. The company primarily operates in the US. It is headquartered in Cupertino, California and employed 76,100 people as of September 29, 2012, including 72,800 full-time equivalent employees and 3,300 full-time equivalent temporary employees and contractors.

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## Strengths, Weaknesses, Opportunities and Threats (SWOT)

Location of Factor	TYPE OF FACTOR	
	Favorable	Unfavorable
<b>Internal</b>	<b>Strengths</b> <ul style="list-style-type: none"> <li>➤ A combination of horizontal and vertical integration created formidable competitive advantage</li> <li>➤ Successful product lines driving the growth</li> <li>➤ Robust growth rates</li> </ul>	<b>Weaknesses</b> <ul style="list-style-type: none"> <li>➤ Lack of products at different price points limits the addressable market</li> <li>➤ High dependence on iPhone and iPad product lines</li> </ul>
<b>External</b>	<b>Opportunities</b> <ul style="list-style-type: none"> <li>➤ Growth opportunity in the enterprise market</li> <li>➤ Emerging nations provide strong growth opportunities</li> <li>➤ Apple TV to benefit from the growing smart TV market</li> </ul>	<b>Threats</b> <ul style="list-style-type: none"> <li>➤ Intense price competition in the emerging nations</li> <li>➤ Operating in complex and challenging environment could impact market position</li> </ul>