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APPLE IS TRYING TO RESOLVE MANY OF THEIR MARKETING AND MANAGEMENT PROBLEMS

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Ayşe Demir¹

Kocaeli University, aysem.demir34@gmail.com

ABSTRACT

This study mainly focusing on Apple marketing, selling products and Apples customer's feedback. It could be successful in terms of business that innovate from Apple company to its customers yet the most important assets of the organization relationships with the media across all the productions units of apple. However, apple is facing poor human resources and procedures. In this study we are mainly focusing on SWOT analysis which innovates products and diversified portfolio of apple to show the strength and the stability of Apple. It increasing the demands of the products entering new markets that gives the employer new key to make them innovate more and create more. On the other hand, Apple is facing a very poor Human Resource planning as part of recruitment that paved way for dissatisfaction among the employees. In terms of expansion by Apple to Asian markets should be built new markets in China. From the customer's perspective quality and efficient are the most important priorities for them. It's a must that devising marketing strategies meet the stakeholder's expectations. In order to initiate new market in different countries and that is based on two essential elements confidence and propaganda like media advertisement in order to gain a lot of profits and to make balance between the expenses and profit. It is very important point for the stakeholders to get return on their investments (ROI) such as a lot of exports to other countries. So that will be a guaranteed and confidence for both sides stakeholders and employees. In conclusion the market of Apple Company is getting better worldwide because of their qualified products that meet the customers' expectations.

Keywords: Asian markets, quality, SWOT analysis, innovate

JEL Codes: M10, M30

1. INTRODUCTION

Apple has been criticized for its lenient attitude towards the increasing number of accidents and ill-treatment of its employees working in china. These events have hit the crux of brand image of apple which might lead to boycotting in the near future. The study would involve critical evaluation and formation of a marketing plan that will aid apple in recovering its lost trust and confidence amongst its stakeholders and also to enhance the Human resource practices especially with regards to the plants located in China. SWOT analysis aids in identification of both internal and external factors affecting apple across the globe with regards to the case of southern china. The proposed recommendations would be based on the specific, measurable, attainable, reliable and timely objective that would address the prevailing issue (Troy, 2011).

2. LITERATURE REVIEW

2.1. Issue

Managing Markets has become one of the most essential tasks for both growing and established organizations. Apple being successful as a brand amongst the customers has ensured that its corporate image and values are reflected in its human resource practices. Amidst its success in the past decade the company has been exposed more number of criticisms especially with regards to the mistreatment and increasing accidents of its employees in china. Foxconn plant in southern china is contently under media surveillance as the number of news from this plant is alarming. It is evident that a apart of sustaining the corporate image of an organization it is essential to ensure that the top management pays more attention to the resources of managing markets. Apple could be successful in terms of business and renowned innovation but the most important asset of the organization human capital could not be exposed to threat any more (Collin, 2011). Maintaining good relationships with the media across all the production units of apple would not have highlighted the issue to this

extent. Even though it is evident from the HR audit that 62% of the essential facilities did not meet compliance the issues are further fuelled due to the attention of media towards Apple and its careless approach to offer vibrant human resource practices.

2.2. Proposed Marketing Plan

Given the existing scenario that Apple is facing in the light of its poor human resource policies and procedures the impact of the events on the brand image of the company has been affected crucially. The case does not call for analysis of the market position or the market share rather it focuses on reengineering the existing marketing and advertisement campaigns. There is a strong need for understanding the pitfalls in human resource management and the campaigns must involve proper communication of its progress to its stakeholders (Griffith, 2008). The marketing plan would initiate with the analysis of Strength, Weakness, Opportunity and Threats followed by which a marketing plan is proposed. The marketing plan would involve targeting each one of the stakeholders in communicating the developments of Apple with regards to the human resource issues.

3. DATA AND METHODOLOGY

3.1. Swot Analysis

3.1.1. Strengths & Opportunities

- Innovative products and diversified portfolio of Apple is one of the greatest strengths that Apple has as its strength.
- Existing marketing channels across the globe to communicate on the developments of products and business portfolio at any given point of time.
- Clear understanding of the stakeholders based on their priority enhances the scope for increasing the bonding between the customers and Apple.
- Increasing demands of the products increase the scope for entering new markets there by promoting the existing brand value.
- Employer branding has been a key ingredient that has nurtured innovation and creativity across all the tiers of management at Apple this could be nurtured by ensuring superior human resource practices.

3.1.2. Weakness & Threats

- Supply and demand factors were the key driving forces behind increased working hours of employees at Foxconn.
- Lack of human resource planning as part of recruitment and selection has paved way for dissatisfaction amongst the employees.
- Poor public relations practices highlighting the prospects and the development of the employees exert the threat of reduced trust amongst the stakeholders of Apple across the globe.
- Non-adherence to global employment legislations and audits (results of audit conducted at southern China 2011) might lead to shut down of various manufacturing plants across the globe.
- Increasing criticism and allegations would lead to negative word of mouth marketing across the existing and potential customers. Another threat underlying the case is the possibility of not meeting the expectations of the stakeholders.

4. FINDINGS AND DISCUSSIONS

4.1. Lack of Corporate Communications Initiatives at Apple: Stakeholder View

Assessing the SO and WT (Strength – Opportunities, Weakness – Threats) it is evident that Apple has been a giant in the electronics industry and has more number of core competencies under its belt. Unlike other players in the electronics industry Apple has more bonding with its customers across the globe through its products (Newman, 1994). The company has been able to reach out to customers on the global context with its innovative and creative products. Thanks to the role of human capital management that has proved that Apple could multiply its product portfolio and use the success of its product for marketing its brand value to the customers. The company has been able to save huge number of costs in the marketing department through its positive word of mouth marketing. Unplanned marketing campaigns have been the strength of Apple as amidst its regular marketing campaigns the products and the satisfaction yielded by the customers has itself turned to be the asset building tool (Griffith, 2008).

This is evident in the case of expansion initiatives by Apple in to Asian markets. Apple has been able to acquire a major proportion of its market share within a short span of time post entering in to new markets. This has reflected the global recognition of Apple and how it can aid the organization in all its strategic initiatives and accomplishments (Elearn, 2010).

From the customer perspective people are addicted to the quality and efficiency of the products from Apple, Daniel 2005 states consumer behaviour towards apple is very different from that of other companies and products, consumer are not bothered about what are the core competencies and strengths of apple in the technical perspective. Neither customers look for the corporate social responsibility initiatives of Apple in serving the environment nor the community associated and linked with its products and services. From the investors perspective the return on the investments has been very attractive given the global expansion and the ever declining profit sheets they are neither bothered about the progress and initiatives of Apple (Betz, 2007). Thus analysing the dominance of brand image and the product addiction of customers and the better yielding for the investors it could be inferred that Apple has not been so keen in enhancing its public relations management programs. The necessity of communicating the internal events and developments reflecting the work culture of apple was not alarming which has been yet another pitfall of the marketing initiatives of Apple. Apple has been biased on communicating the technical developments and the launch of the new products such as i phone io4 and io5 (Quinn, 2011).

Marketing department of Apple could not only be the only blamed department in this issue as it's a lack of demand from the internal and the external stakeholders of Apple as well as poor planning and implementation process followed by the corporate communications of apple across the globe. Given the existing case the precautionary actions would have been put in place at the early stages of apple business development (Hulbert, 2011). Cook the chief executive of Apple has been so much concerned about ensuring that the corporate communications comprising information about the health inspection and the work practices of Apple post the burst of allegations. Considering the allegations as a negative action by a community in spoiling the brand value of Apple, the justifications offered by cook must have made the public realize that the information is false and invalid. But the responses of the audit and the death of the employees as a result of lack of hazardous waste management have further increased the threat of confirming the allegations to be true (Drew, 1997).

This is evidence that there has been a lack of attention by the top management and the strategic team of Apple towards paying attention to the human capital management which in turn has now forced the organization to assure transparency in its actions. Thus the proposed marketing plan could not act individually at this juncture and the role of involving the human resource personnel and the organizational systems is essential in portraying the developments and progress that would be made by apple in addressing these allegations (FisherD, 2006).

4.2. Marketing Plan: The Need of the Hour

The proposed marketing initiatives must thus involve the task of integrating the organizational culture, working practices, contribution of employee efforts to the overall production of apple's products. The first step as a part of marketing plan will comprise:

1. Devising marketing strategies that will stop the multiplication of negative word of mouth marketing cross the stakeholders.
2. To initiate marketing strategy that will restore the lost brand image and the trust amongst the stakeholders and the critics.
3. To turn corporate communications and public relations as a competitive edge for Apple in ensuring transparency of information about the internal and external process of the company.

Thus the proposed marketing plan will comprise the accomplishment of the above listed objectives both on the short term and long term basis (FisherD, 2006).

Prior initiation of the marketing plan and the initiatives the role of the top management of Apple in revising the human resource practices in southern china and the manufacturing plant of zzz. The marketing plan thus initiates post the initiation of the strategic change management at Apple (Quinn, 2011). It is a typical change management process and the top management has to communicate the intentions behind the revision in its human resource policies and marketing objectives under corporate communications.

4.3. Revised Marketing Mix

Marketing mix of Apple has more ability to reach the customers as well as the stakeholders on restoring the lost confidence. In the case of Apple marketing plan the analysis would not comprise the making changes to the price, physical evidence, and product as they do not add value to the existing issue of Apple with regards to ill-treatment of the employees and the lack of public relations. The changes would happen in three major component of the marketing mix namely promotion, place and process (Hoffman, 2002).

Promotional activities of Apple have been taking place through social media which is highly exposed to the developments and progress of business activities. Hence the promotions of Apple must take a shift from traditional product marketing to that of eco friendly and value driven marketing (fang, 2001). At this juncture the value driven marketing must include heavy investments in advertising and marketing campaigns that focus on:

1. Promoting the organizational culture and experience of employees through video presentations (An advertisement involving views and responses of Employees working in the manufacturing plants of Apple) this has to be promoted through social media, corporate website and in all recruitment campaigns of Apple (Wingland, 1998).
2. Conducting the Employee surveys across all the existing plants and sharing the results with that of the corporate disclosure reports will enhance the confidence amongst the investors and the other stakeholders. Attaching the employee survey report with that of the investor relationship prospects which will attract more number of investors from the employee's network. Amidst these corporate social responsibility initiatives must also be in place by apple which has to be communicated to the stakeholders across the globe. Mere developments in the human resources management will state that it's a fake action initiated by Apple (Drew, 1997). Thus corporate social responsibility initiatives must be reflecting the pro active response of the company to the external needs and demands of the community and employee development practices must be a part of these initiatives so that the stakeholders would not assume it's a timely act from Apple to reduce the recent issues of poor employee management (Elearn, 2010).
3. Viral marketing campaigns must be initiated with the use of social media which must include employee centric marketing campaigns. A unique approach where in involving the employees of south china in promoting the products will definitely clear the allegations around. Instead of selling the products through product focused advertisements, an advertisement reflecting the work culture and videos of employees working in the research and development department linked with the product will definitely enhance the role of employees and efforts in the development of the products of Apple (Gronoos, 1983). Administering more number of administrators is the need of the hour in order to ensure that the viral campaigns yields better reach across the globe and queries on the HR practices and the internal practices of Apple has to be responded to the concerned stakeholders.

Changes in Place of selling the products must initiate in adding more information about the contribution of the employees to the development of the products. Selecting nongovernmental organizations on promoting the recruitment and selection of disabled candidates and running campaigns on employee engagement will further promote offline modes of selling. Amidst these selling the green products (eco driven manufacturing) of apple products by using employees as brand ambassadors working in plants of south china would be yet another vibrant marketing tactics (Troy, 2011).

Changes in the process of human resources operations and marketing mix have to be initiated as soon as possible. It is to be noted that each one of the marketing campaigns that are being mentioned as a part of the marketing plan must initiate only after making changes to the human resource practices and the policies (Russow, 2009). It is evident that the marketing promotions would not add value without changes in the human resource policies and the positive responses the employees as far as satisfaction level index is considered (Fernandez, 2004).

4.4. Measuring the Return on Investment (ROI)

Post implementation of the proposed marketing plans it is essential to measure the return on the investments made by Apple in its promotional activities. Plans must be laid at the early stage of devising the marketing plan. This comprises deriving more number of key performance indicators and key performance metrics that reflects the level of satisfaction amongst the employees (Oliver, 2008). These metrics must be incorporated with that of the performance management process there by rewarding the concerned employees in the marketing and the human resource department of Apple (Wingland, 1998).

Response and feedback surveys amongst the stakeholders focusing on the brand image of Apple and how they perceive the effectiveness of corporate social responsibility initiatives (Griffith, 2008). A two way communication process has to be put in place which will aid in measuring the social media initiatives, viral marketing campaigns, investor relationships, recruitment practices reflecting enhanced employer branding, employee satisfaction survey index. Yet another way to measure the satisfaction level of employees in southern china and other plants of apple would be done through entering a tie up with "Great place to work institute" (Fernandez, 2004).

GPTW known as Great place to work institute conducts the assessment of HR practices in the variables of trust, pride and camaraderie across all the companies in the world. Google has been topping the list for the past 2 years and the extensive interactions of GPTW regarding the results with the media have increased the brand value of Apple (Newman, 1994). Similarly after restoring of the pitfalls in human resource management Apple could also participate in the GPTW survey especially in its area of operations in southern china, if the results of the survey tend to be positive (Oliver, 2008).

4.5. Outcomes of the Marketing Plan

The proposed marketing plan will foster a trust, confidence and emotional bonding of the employees of Apple working in china as well as southern parts of china. This will promote a positive word of marketing amongst the employees as well as the external stakeholders (Oliver, 2008). The credit on this outcome is the ability and desire of the employees in backing up their own employer at the time of false criticism or allegation. When each one of the employee of Apple is treated like that of the customer it is evident that they feel themselves as a part of such a valuable organization; when false allegations takes

place there will no value for it given the role of employees in promoting the facts and reality of human resource management (Harrison, 2011).

Trust and value will add in the portfolio of investors, customers, media and the government. Frequent communications on the internal process and the value additions made by Apple to its community would result in attracting huge number of loyalty amongst the customers (Hulbert, 2011). Attractiveness on the brand of Apple amongst the investors is further increased, meeting the legal audit requirements and the legal legislations will further increase the level of support offered by the government in international expansion of Apple and its products (Harrison, 2011).

Suppliers, retailers and the participants of the supply chain management initiatives must be involved in the revised marketing plan as they must also be communicated on the changes in the marketing plan. Use of enterprise resource planning packages will help in enhancing the communication channels between the retailers will stimulate confidence amongst the stakeholders (Griffith, 2008).

5. CONCLUSION

Thus the marketing plan proposed for Apple involves making changes to its promotional activities, location of marketing and changes in the human resource operations, marketing practices. Pro Active involvement of the top level management of apple in implementing the proposed changes will address the allegations in place thus leading to a position where consumer will be unaware of the term boycotting apple. The interventions will ensure that both management and the marketing issues are addressed and Apple would continue to gain the trust and confidence amongst its stakeholders.

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