

## Apple Computer, Inc.: Passion, Design and the Future

### 1. Why is Apple not a dominant provider of personal computers?

Since the beginning of Apple Computer, the technology that they use for their computers have been kept proprietary. Although it did not create any problems in the 1970s, the appearance of IBM in the 1980s with their decision to support an open architecture system imposed huge problems. IBM was able to create more sources of revenue and promoted their company by licensing their technology to other companies. The decision to withhold licensing the Mac operating system to other computer manufacturers by Spindler in 1991 is considered to be the major turning point in Apple's history (pg. W-16). By not licensing, Apple was unable to promote their company and in return allowed IBM to steal their potential buyers. This theory also applies to Apple's delay in integrating CD-ROM and DVD technology into their computers. Consumers who were in the market for those in the beginning could only turn to IBM since Apple did not provide them, and thus taking those consumers away from the Apple market. Apple's proprietary nature and failure to keep up with consumer demands has caused them to sacrifice their dominant position in providing personal computers.

### 2. Can Apple survive?

Apple Computer has come to depend on producing innovative products to sustain their place in the personal computer market. Currently, they only command approximately "5% of the total computer market" (pg. W-17). However, they have deviated from delaying their entrance into high demand technologies and have revised their corporate strategy to integrate their technology into the tremendous growth in personal electronic devices. This entrance, according to Apple, 'will revitalize their sales and guarantee their long-term security' (pg. W-17). The personal electronics will attract buyers for those products, which might in turn persuade them to consider or re-consider investing on Apple computers as well. However, if they continue to keep their computer technology under lock and key, their survival in the personal computer market might be hindered. There would be no flexibility for the consumers in respect to products, because they can only buy and use specific products made for their Apple computers, where prices might be over their limit since there are no other competitors to lower those prices. Considering these facts, the consumer might turn to other companies that will prove less expensive. Regardless, Apple Computer will still be able to survive since they have reshaped their corporate strategy and have responded to the high demands of buyers.

### 3. If you were advising Jobs, what would you suggest?

Apple Computer should continue to preserve their innovative identity, because they can attract new buyers with their revolutionary designs and innovations. Most importantly, it will also preserve their present Apple enthusiasts who might turn their heads on Apple if their innovative expectations are not met. Therefore, they need to keep on top of the personal electronics market, keeping up with new trends and new needs of the consumers. In addition, research needs to be done to learn what is in high demand in order for Apple to keep up with these new trends and ensure their stability in the market. They cannot allow other companies to take away their buyers or potential buyers. Keeping up with the high in demand market will prevent that from happening. Furthermore, it is now too late to license their technology so Apple should continue with their proprietary nature. This might prove advantageous since consumers can then trust the quality of Apple products.

### 4. Locate five sources on the web that discuss Apple and the history of the personal computer market.

<http://www.lowendpc.com/history/index.shtml>

<http://lecture.eingang.org/pcexp.html>

<http://www.ibiblio.org/team/history/evolution/pc.html>

[http://www.chips.navy.mil/archives/02\\_summer/authors/index2\\_files/briefhistory.htm](http://www.chips.navy.mil/archives/02_summer/authors/index2_files/briefhistory.htm)

<http://www.argonet.co.uk/users/lionels/CompNyb/Essays/PChistory.html>