

Introduction to the company i.e subject of the analysis

Major Case Analysis

Introduction of the Organization

Apple is a top organization that has achieved tremendous success across the globe.

The company sells consumer electronics, computer software, and internet services. iPhone smartphones, iPad tablets, Mac personal computers, iPod portable media players, Apple Watch smartwatches, and Apple TV digital media players are among the company's hardware products.

The company's software includes the macOS and iOS operating systems, the iTunes media player, the Safari web browser, and the iLife and iWork creativity and productivity suites. Its online services include the iTunes Store, the iOS App Store, and Apple Music. In April 1976, Steve Jobs, Steve Wozniak, and Ronald Wayne formed Apple to create and sell personal computers. This was followed by incorporation as Apple Computer Inc. in January 1977. The popularity of its computers led to rapid sales growth for Apple. Within a few years, Jobs and Wozniak had hired a staff of computer designers and had a production line. Apple went public in 1980 with instant financial success. Over the next few years, the company shipped new computers featuring innovative graphical user interfaces, such as the original Macintosh in 1984.

The company has been described as one of the Big Four technology companies, along with Amazon, Google, and Microsoft, and has been referred to as "the most valuable public company in history (Green, 2015)." It is also the world's second-largest information technology company by revenue after Amazon and is ranked the third-largest in the world by total assets. This paper will discuss a recent problem that is being faced by the company by analyzing the root causes of the problem and the strategies that can prove to be helpful in order for the organization to combat the issue.

Comparison of the subject of analysis with other contrast options to present an opinion.

Case Problem

Problems in Supply Chain Management after the Pandemic

In recent years, Apple has come under increasing pressure to improve its supply chain practices. This pressure has been driven by concerns about the working conditions in the Foxconn factories where Apple products are manufactured, as well as reports of child labor being used in Apple's supply chain. The Covid-19 pandemic has exacerbated these problems, as Apple's disrupted supply chain has been severely (Ishida, 2021). This has led to production delays and shortages of Apple products, particularly the iPhone. The company needs to find a way to quickly adapt its supply chain in order to meet customer demand. Apple also needs to improve its communication with suppliers and customers in order to ensure that everyone is on the same page. Due to the Covid19 pandemic, Apple's supply chain has been beset with problems. One of the most significant consequences has been on Apple's Chinese suppliers. Because of the epidemic's compelled closure of several factories in China, there was a shortage of components for Apple's goods. As a result, because Apple was unable to create enough goods in time to keep up with high demand levels, the company's capacity to satisfy client demand has been harmed. The pandemic has created a multitude of issues for Apple, one of the most important beings to shift some product production out of China to other countries like India and Vietnam. This has lessened the effect that Covid19 has had on Apple's supply chain and made it easier for them to fulfill customer orders. Another action taken by Apple is working directly with its suppliers in order to help them restore their manufacturing ability as soon as possible. Finally, the process of administrating Apple's business dealings has been changed in response to the outbreakofCovid19 epidemic. The scarcity of components necessitated a change in production procedures. As a result, Apple was compelled to reduce output in order to preserve components. Because of this, Apple's output has decreased, which has harmed the company's financial performance. Apple's

demand chain management has been impacted by the epidemic as well. Due on account of client's inability to make purchases at Apple Stores, the firm has had to deal with an enormous increase in online orders. As a result of all of this, Apple's supply and fulfillment procedures are being impacted. To avoid delays in the delivery of orders, Apple has increased its investment in online fulfillment and is working closely with its logistics partners to guarantee quick delivery. Overall, Apple's business has been severely affected by the Covid19 outbreak. To cope with the difficulties that the epidemic presents, the company has been compelled to modify its supply chain, operations, and demand chain management.

1. Firstly, the outbreak has caused a significant drop in demand for Apple products. This is due to both the economic slowdown caused by the pandemic and the fact that many people are staying at home and not using their devices as much (Tian, 2022).
2. Secondly, the outbreak has led to a number of production delays and shortages. Apple's suppliers in China have been severely impacted by the pandemic, which has led to delays in manufacturing and components. Apple has also been forced to source components from other countries, which has further contributed to production delays.
3. Thirdly, the pandemic has made it difficult for Apple to communicate with its suppliers and customers. Many of Apple's suppliers are based in China, which has made it difficult for the company to get information about production schedules and delivery times. Apple has also struggled to keep customers updated about product availability and delivery times. The production delays made the company unable to produce the products timely, which has led to customer dissatisfaction; hence, the demand for the company's products decreased.

Relevance of the Problem

Apple because it needs to quickly adapt its supply chain in order to meet customer demand. Additionally, Apple needs to improve communication with suppliers and customers

to make sure everyone is on the same page about product sourcing and delivery. These issues have caused Apple to forecast lower sales for the third quarter. Apple is working to address the supply chain issues, but it is unclear when a resolution will be reached.

Purpose of Research

The purpose of researching this problem is to find a way for Apple to quickly adapt its supply chain in order to increase customer demand. Additionally, the research will be focused on recommending solutions to improve communication with suppliers and customers in order to ensure that everyone is on the same page. The ultimate goal is to help Apple resolve the supply chain issues caused by the pandemic.

Root Causes

The pandemic has played a role in exacerbating the situation. The global semiconductor shortage was already underway before the pandemic hit, but the outbreak of COVID-19 led to production disruptions and further constrained supply. Apple was already facing issues with securing enough NAND flash memory chips for its iPhones and iPads before the pandemic, but the outbreak made it even harder for the company to find enough chips. In addition, Apple's Air Pods and Apple Watch could also be affected by the shortages because chips are required for their production, and they are not available in abundance. The good news is that Apple has already started making contingency plans. The company has been stockpiling some components and has been working closely with its suppliers to ensure that its products are not affected too much by the shortages (Tian, 2022). Apple is also said to be exploring alternative suppliers for some of its components. Despite these measures, Apple is still expected to face difficulties in meeting the demand for its products later this year. The company will likely have to increase prices or ration supplies in order to deal with the

shortages. This could cause problems for Apple in the short term, but the company should be able to weather the storm and come out unscathed in the long run.

Impact of Chip Shortage

The global chip shortage has had a major impact on Apple's supply chain. Apple relies heavily on chips for its iPhone and iPad production, and the shortage has led to production delays and higher prices for Apple's products (Leslie, 2021). The company has been forced to ration chips among its suppliers, and some suppliers have even stopped shipping chips to Apple altogether. Apple is also facing competition from other companies who are willing to pay more for chips, leading to further shortages. One of the main reasons for the global chip shortage is the COVID-19 pandemic. The pandemic led to a decrease in demand for chips, as many factories closed and consumers stopped buying new devices. However, the pandemic also led to an increase in demand for certain types of chips, such as those used in 5G phones and laptops.

Effects of the Problem

Decrease in Demand

The outbreak of COVID-19 has led to a significant drop in demand for Apple products. The company had to stop the production process at its factories in China and take other measures to protect workers and customers. This decrease in demand was due to the fact that Apple was facing production delays due to which the customers were unable to receive the products timely. This proved to be quite detrimental for the company, and demand for Apple products among the customers decreased. Moreover, the chip shortage that has plagued the electronics industry for months has also impacted Apple during the pandemic. The company has been forced to delay the production of some of its products due to the lack of available components. Apple is working closely with its suppliers to find alternative sources for the unavailability of chips.

Production Delays

The pandemic had forced a number of production delays and shortages for Apple, as their suppliers in China had to shut down factories (Tian, 2022). The company is now working to source components from other suppliers outside of China, but it remains to be seen how long it will take to overcome the disruptions caused by the outbreak.

Problems in Communication

Apple has faced communication difficulties with its suppliers and customers due to the pandemic and has had to rely on virtual communications instead of in-person meetings. This has made it difficult to build relationships and trust. In addition, Apple's supply chain has been disrupted, which has made it difficult to get accurate information from suppliers.

Steps taken by Apple

Ensuring Effective Communication

Apple has responded to this situation by increasing its use of video conferencing and other digital tools to communicate with suppliers and customers. Apple has also implemented new processes and procedures to try to ensure that accurate information is exchanged between parties (Choi, 2021). In addition, Apple is working closely with its suppliers to ensure that they can meet customer demand. The company is also exploring new ways to reach its customers, such as through online channels and social media.

Fulfilling the Demands of the Customers

Despite the challenges posed by the pandemic, Apple is continuing to invest in its future and is committed to fulfilling the needs of its customers. The company's strong financial position and ability to adapt to changing conditions have allowed it to weather the storm and emerge as a leading player in the technology sector. The company has adopted effective promotional techniques such as the utilization of social media platforms to make the

customers aware of the perks and the quality of its product, due to which it got the attention of a large number of customers during the pandemic.

Dealing with Chip Shortage

The company has had to deal with delayed production and a chip shortage, both of which have major implications for its business. Apple uses chips from a number of different manufacturers, but it is thought that the majority of its chips come from Intel. The chip shortage has led to delays in the production of Apple's new MacBook Pro laptops, as well as its new iMac desktop computers. Apple is also said to be facing shortages of other components, such as OLED displays. The company has responded to the chip shortage by increasing its use of older chips, which are still available. Apple is also said to be working on alternatives to Intel chips, such as those from AMD. Apple is also reported to be ramping up production at its own factories, in an effort to mitigate the impact of the shortage. The pandemic has also led to delays in Apple's production lines. The company had to shut down its factories in China early on in the pandemic, leading to delays in the production of iPhones and other devices. Apple was able to reopen its Chinese factories later in the year, but the pandemic has continued to disrupt its supply chain.

Apple has responded to the pandemic-related delays by increasing its use of other factories, such as those in India and Taiwan. The company is also said to be working on plans to shift more of its production out of China. Apple is also reportedly working on new ways to speed up its production lines in an effort to catch up with demand. Despite the challenges posed by the pandemic, Apple has continued to be successful. The company reported record sales and profits for its most recent quarter, thanks in part to strong demand for its new iPhone 12. Apple is also said to be on track to release a number of new products this year, including a new Apple Watch and AirPods (Tian, 2022).

Role of Leadership

For many years, Apple has excelled in efficiently supplying its products. In the face of the COVID-19 pandemic, Apple's leadership was highly tested. The company was able to successfully navigate the challenges posed by the pandemic because of its strong and proactive leadership. When the pandemic first began, Apple was quick to react. The company immediately implemented a number of measures to protect its workers and ensure that its supply chain would not be disrupted. For example, Apple required all suppliers to implement health screenings and temperature checks for workers. It also restricted travel for employees and suppliers and instituted strict cleaning protocols.

The firm's leadership also played a key role in ensuring that its products were still available to consumers despite the pandemic. The company worked closely with suppliers to increase production and find new sources of components when needed. Apple also made the decision to ship products directly to customers instead of through stores in order to avoid any potential disruptions in the supply chain.

Strategies During Pandemic

Apple has a loyal customer base and a strong financial position. The company has built this success through its innovative products and commitment to customer satisfaction. Apple continues to set the standard for other companies in the industry, and it is clear that its loyal customers and shareholders remain supportive of the company's plans for continued growth.

The company has been able to weather the economic impact of the COVID-19 pandemic thanks to its effective strategic decision-making. During the pandemic, the company closed its retail stores outside of China in an effort to prevent the spread of the virus. The company also shifted its focus to online sales and direct-to-consumer channels. These strategic decisions allowed Apple to maintain its profitability despite production delays

and disruptions in its supply chain. Strong demand for Apple products, particularly among the people who need these gadgets for their professional work, helped the company offset some of the impacts of the pandemic. The firm is also well-positioned to continue its success in the future due to its strong brand and customer loyalty.

Application of Innovative Strategies

When Apple Inc. started to feel the effects of the COVID-19 pandemic, it quickly adapted to the situation and developed strategies accordingly. The company closed all of its retail stores outside of China and began to work on new products that could be used by people during the pandemic. Apple also started to work on marketing campaigns that would help to promote its products as being essential during the pandemic. The first step that Apple took was to reassess its supply chain (Lockamy III, 2017). The company needed to make sure that it would be able to continue to produce its products despite the shutdown of many factories around the world. Apple was able to do this by working closely with its suppliers and by diversifying its supply chain. The second step that Apple took was to focus on developing new products that would be helpful during the pandemic. Apple released a new line of products, including a face mask and a disinfectant wipe, that were designed to help people during the pandemic. Apple also started to work on an app that would help people to track their exposure to the virus. The third step that Apple took was to create marketing campaigns that would promote its products as being essential during the pandemic. Apple ran ads that featured people using its products to stay connected with loved ones and to work from home. Apple also started to offer discounts on its products to people who were affected by the pandemic (Lockamy III, 2017).

By taking these steps, Apple was able to weather the storm of the COVID-19 pandemic and come out stronger on the other side. The company's strategic decisions helped to keep it afloat during a time when many other businesses were struggling.

More Insight Regarding the Strategies Used

The outbreak of Covid-19 has had both negative and positive impacts across different businesses. However, the overall effect has been negative due to a large number of fatalities, which in turn causes a decline in a state's economy. Apple Incorporated has taken extra steps to ensure its survival by creating strategies that will maintain growth and competition against rivals. Apple has established a positive and trustworthy working environment between them, their clients, and their consumers. The company is always finding new ways to reach out to consumers and make sure that they are surviving through these tough times. During this period, many improvements were made in the business sector as a result of technological progress. Apple needs to create more innovative technologies so businesses can become reliant on Apple faster and more proficiently. Since Apple products are quite expensive, they are considered luxury items and are mostly purchased by those who have medium to high incomes, something not affordable for many low-income families. This may be viewed as a controversy for those who just can't afford contemporary technology. Apple might change its pricing policy to avoid prejudice or to take on new markets. Customers enter the Apple world when they purchase an apple device. Apple's goods aren't compatible with other technologies or programs that accept or endorse them, and many consumers were required to buy Apple apps or accessories in order to continue utilizing their Apple possessions. Customers who want to switch to another technology or scheme must do so.

Conclusion

Apple has shown that it is a company that can adapt to changing circumstances. When faced with the COVID-19 pandemic, Apple took several steps to ensure that it would weather

the storm. First, Apple worked to diversify its supply chain so that it would be able to continue to produce its products despite the shutdown of many factories around the world. Apple focused on developing new products that would be helpful during the pandemic. The company released a new line of products, including a face mask and a disinfectant wipe, that were designed to help people during the pandemic. Apple also started to work on an app that would help people to track their health during the pandemic. Moreover, the company was able to weather the storm of the COVID-19 pandemic and come out stronger on the other side. The company's strategic decisions helped to keep it afloat during a time when many other businesses were struggling.

The company has a vast network of suppliers and contract manufacturers around the world (Lockamy III, 2017). Apple has been able to use its supply chain to its advantage, and it has been able to adapt to changing circumstances. The firm's supply chain is one of the company's biggest strengths. Apple has shown that it can quickly adapt its supply chain in order to meet customer demand. In the face of the COVID-19 pandemic, Apple was able to quickly adapt its supply chain, but still, it faced some issues in this regard. Apple's quick response to the pandemic showed that the company is prepared for whatever challenges may come its way.

Future Considerations

Apple has an opportunity to expand its distribution network. Apple's current restricted supply chain allows for little expansion. To improve earnings and revenue, Apple might want to establish broad distribution systems in order to dominate more of the market and create a larger empire with greater profitability. If companies want to stay relevant in the technology industry, they need to create unique and innovative products or services or take another look at their pricing strategy. If not, the competition could adversely affect the market. There has been an impressive growth spurt in the industry from other handset replacements such as Samsung, Lenovo, and HTC. It's clear that Apple holds just about 25% of the international

market, whereas Android has taken over with around 72% market capitalization. Despite being well-liked, Apple is still a long way behind Android in terms of global appeal. A minor change in Apple's attitude to the framework might assist them in reducing this difficulty. The Chinese-US trade war is a worrying political dispute involving Apple as well as its market share in China. If the US were to rapidly increase imports from China, the Chinese government might respond by taxing Apple products. In addition, there are several other aspects of this proposal that could concern Apple in various countries. For example, political instability and unrest can affect the distribution and supply chain of Apple products. Therefore, Apple must also consider its regulatory responsibilities in order to maintain good moral standing with the public.

Recommendations

Apple's supply chain is one of the most efficient and effective in the world. The company has a vast network of suppliers and contract manufacturers around the world. Apple has been able to use its supply chain to its advantage, and it has been able to keep its costs low and quality high. However, there are areas where Apple can improve its supply chain.

Apple's supplier base is concentrated in China, which poses risks if there are disruptions in the supply chain. The company also relies heavily on a small number of suppliers, which could lead to problems if one of those suppliers has a problem; hence, the company should diversify its supplier base more as compared to current times and spread its risk across more suppliers. Apple should also continue to invest in its own manufacturing capabilities so that it is less reliant on outside suppliers. Apple has made great strides in supply chain management, but there is always room for improvement.

- Apple should work to improve its communication with suppliers and customers in order to ensure that everyone is on the same page.
- Apple should seek to quickly adapt its supply chain in order to meet customer demand.
- Apple should focus on sourcing components from other countries in order to avoid production delays.
- Apple should work to improve its communication with customers in order to keep them updated about product availability and delivery times.

Handling Chip Shortage

The company should look into alternative sources for chips, such as using different types of chips or looking for new suppliers. Apple's current reliance on a single type of chip leaves the company vulnerable to shortages. By diversifying its chip supply, Apple can reduce the risk of future shortages.

Apple should try to reduce demand for its products by releasing fewer new products because the limited demand can help the company to manage the supply chain for a specific time period. Apple's products are in high demand, which puts pressure on the company's limited supply of chips. By releasing fewer new products or increasing prices, Apple can reduce demand and ease the pressure on its chip supply. Stockpiling chips in order to ensure

that it has enough to meet future demand can also be considered an option in this regard.

Stockpiling chips will help Apple avoid shortages in the future and ensure that the company has a sufficient supply to meet customer demand.



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