

15.905 Technology Strategy (Spring 2007)

Professor Michael A M Davies

Case # 4: Apple Computer, 2006

Please note that you are *not* required to submit a write-up. However, writing down your thoughts may help you during class discussion.

Apple has long been one of the most interesting and innovative players in the personal computer domain, more recently in the consumer electronics domain and soon, with the iPhone, the communications domain. An early leader, it has recently been resurgent.

The case provides a concise summary of the development of the personal computer industry over the last twenty years, and of Apple's strategies. We are going to use this as the basis for looking at Apple's position and strategy today. You will find it helpful to do some additional individual research if you are not already familiar with recent developments, such as Apple TV and the iPhone.

Please give some thought to the following questions:

- what has been the trajectories of technological innovation in the personal computer domain, and how have these co-evolved with the demand opportunity, over the last twenty years or so?
- what are the key roles or niches within the personal computer business ecosystem, and how has this business ecosystem evolved over the last twenty years or so?
- what are the important events that mark transitions in the personal computer domain, and the resulting episodes, epochs or eras in its evolution?
- what is Apple's current position, and in particular its core competences or capabilities that enable it to differentiate its offer?
- how are these competences or capabilities relevant to potential users or customers, and how will this change over time?
- what are the key architectural shifts that Apple has made?
- Apple has recently been successful with the iPod and iTunes; can it sustain this success?
- Apple has announced the iPhone, and it is anticipated that this will launch in June or July: will Apple succeed or fail, and why?
- Apple has announced a name change, from Apple Computer, Inc. to Apple, Inc.: does this matter or not, and why?
- how do you believe that the personal computer, consumer electronics and communications domains will evolve over the next three to five years?