

BUSINESS STUDIES

Costs	<ul style="list-style-type: none"> Operating costs increased by \$2b from 2014 to 2016. Outsourcing to China means iPhones can be made for about \$8 each, instead of \$65 in USA. Low cost options eg iPhone 5C costs about \$20 less than 5S.
Market share	<ul style="list-style-type: none"> Decreased by 3% from 2015 to 2016. Apple overtook Samsung as market leader for the first time in 5 years through release of iPhone 7/7+ and exploding Samsungs.
Sales	<ul style="list-style-type: none"> Increased by 3% from 2016 to 2017. Revenue fell by \$10m from 2015 to 2016 due to fall in demand in China and increase in value of \$US. 52% increase in sales from 2014 to 2015 due to Chinese market demand. 78 million iPhones sold in first quarter of 2017. Billionth iPhone sold in July 2016.
Inventory	<ul style="list-style-type: none"> Turnover of inventory every 5 days (world leader).
Complaints	<ul style="list-style-type: none"> 80% quality rating, refunding around \$257m for substandard phones (from Foxconn). Most reliable smartphone in the world, 3x Samsung.
Share value	<ul style="list-style-type: none"> Share increased 70% since Tim Cook took over, investors confident in him.
Staff	<ul style="list-style-type: none"> Retention rates of 81% (highest ever) – leadership style of Tim Cook.
Profit	<ul style="list-style-type: none"> \$18.4b profit in last quarter of 2015 (highest in history). Net profit fallen from 2015 to 2016 by 8%.
Brand	<ul style="list-style-type: none"> Most valuable in the world, worth \$178b.
Ratios	<ul style="list-style-type: none"> Current ratio increased from 2015 to 2016. <ul style="list-style-type: none"> Assets increased by 20%. Liabilities increased by 2%. Gearing increased from 2015 to 2016. <ul style="list-style-type: none"> Owner's equity increased by 7%. Net profit, gross profit, return on owner's equity and expense ratios all increased from 2014 to 2015, decreased from 2015 to 2016. <ul style="list-style-type: none"> Owner's equity increased by 7%. Retained profits increased by \$4b. Accounts receivable turnover ratio decreased from 2014 to 2016. Cash flow increased from 2014 to 2015 but decreased in 2015 to 2016 by \$636m.