

**The University of Texas
at Austin**

McCombs School of Business

**National Women's Case
Competition**

April 13th - 15th, 2023

Apple

Company Background

Apple revolutionized technology with the Macintosh in 1984. Today, Apple leads the world in innovation with our hardware products — iPhone, iPad, Mac, Apple Watch, Apple TV, and various accessories. In addition, Apple’s software platforms — iOS, macOS, watchOS, and tvOS — provide seamless experiences across all Apple devices and empower people with breakthrough services, including the App Store, Apple Music, Apple Pay, and iCloud.

Business Strategy

At Apple, we are committed to bringing the best user experience to our customers through innovative hardware, software, and services. Our business strategy leverages our uniqueness to offer our customers solutions with innovative design, superior ease of use, and seamless integration. Our strategy includes a unique Retail experience for digital and physical stores, comprehensive fulfillment programs focused on convenience, speed, clarity, cost, coverage, customer and channel support, and our unwavering commitment to privacy. Every detail is intentionally crafted with one goal in mind — creating the best customer experience.

Business Organization

We manage our business primarily on a geographic basis, and our reportable segments consist of North America, South America, Europe, Greater China, Japan, and the rest of Asia Pacific. Although each segment provides similar products and services, each one is managed separately to better align with the unique market dynamics of each geographic region. Our company’s internal reporting structure is aligned by functional expertise. Read more about how Apple is organized for innovation [here](#).

Markets and Distribution

Apple’s customers are primarily in the consumer, small and midsize business, education, enterprise, and government markets. We sell our products and resell third-party products in most of our major markets directly to consumers and small and midsize businesses through Apple Retail Stores, Apple Online Store, and a direct sales force. We also employ a variety of indirect distribution channels such as third-party cellular network carriers, wholesalers, retailers, and value-added resellers.

Environment

The responsibility to protect our shared planet intersects every aspect of our lives. Apple has dedicated our resources and our best thinking to considering the environment in everything we do. We have led the industry in reducing our environmental footprint for years, and have now set a new goal: By 2030, we are committing to total carbon neutrality. View our [2022 Environmental Progress Report](#).

Customer Experience

Apple is committed to the health and safety of our customers and employees. We pride ourselves on maximizing the customer experience with the goal to provide our high-quality products in the hands of customers in the most optimal way. We hold a very high standard for the quality of that experience, and we believe that the speed and ease of obtaining the product should be as delightful as the product itself.

The Case

Scope: Retail Rewind

A social phenomenon has taken over the nation: across the US, people are flocking to brick-and-mortar stores. Customer behavior has unexpectedly changed, and the historically strong online demand has shifted to in-person retail shopping. Apple is not sure what is driving customers through the door versus shopping online, but is curious to learn more and wants to lean into this trend.

The Competition

Congratulations! You are hired to join Apple and lead the charge to capitalize on this social phenomenon that is taking over the nation. The Apple leadership team has tasked you to deliver a marketing strategy, execution plan, and business continuity plan to ensure a delightful customer experience while minimizing the impact on the overall business and the environment.

Deliver a strategy that includes (but is not limited to) the following components:

1. Marketing Strategy - Identify a marketing strategy to capitalize on this unexpected demand trend including:
 - Reason for the current trend, and opportunities to influence and enhance it.
 - Identify any shifts in customer base and demographics, and analyze the impact leveraging Tableau (Exhibits J-L) and/or Excel.
 - Mitigation actions required for potential customer satisfaction impacts.
2. Demand and Supply Forecast - Forecast Demand for AirPods and iPads for the next six months, and define the supply plan to support the demand.
 - Consider impact and lifespan of this new demand phenomenon.
 - Include shifts in customer demographics and how that affects demand and supply by region - West, Midwest, East.
 - Provide forecast assumption details including any supply or transportation trade-off decisions made and why.

3. Execution Plan - Define how you will deliver to the new Marketing Strategy, Demand and Supply Forecast, taking into account key factors including:
 - Supply and transportation capacity.
 - Carbon footprint of decisions, e.g., shipping Air vs. Ocean.
 - Delivery speed based on the mode of transportation.
 - Activities and/or metrics to monitor and measure success.
 - *Note: We can ship directly from Manufacturer (OEM) to Apple DC, Apple Retail Store, or Reseller via Air or Ocean. We can ship from Apple DC to Apple Retail Store or Reseller via Air or Truck.*
4. Executive Update - Develop a 1-page Executive Summary to explain the situation and obtain Leadership support for your strategy including:
 - Overall customer impact.
 - Risk, recovery actions, and timing of recovery.
 - Measuring progress and success, both qualitative & quantitative.
5. Business Continuity Plan - Define a strategy to mitigate future demand shift risk.

For Your Consideration

Apple faces many challenges across all parts of its business as we strive to achieve our commitment to bring the best user experience to our customers through innovative hardware, software, and services. Recently, BCRP (Business Continuity & Resiliency Planning) has become a key component of Apple's successful navigation of extraordinary circumstances. There are often no easy answers, all relevant data may not be readily available, decisions cannot typically be made by a single person or functional team, and there are multiple ways to successfully address challenges that could prevent the company from achieving its vision.

To mirror this environment, of which thousands of Apple employees find themselves in every day, this case is intentionally vague and open-ended. As you work through this case, please embrace the ambiguity and develop creative ways to address it effectively. You will need to make assumptions, define your assumptions clearly, clarify your data points, and articulate your position to the best of your ability. Prepare presentation material that is sharable throughout Apple, including an Executive Summary update.

Exhibit A: Year 1 Sales

		Q1			Q2			Q3			Q4		
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
000 Units													
Apple Retail	iPad	61	66	80	78	80	82	86	89	70	70	100	112
	Airpod	244	264	320	312	320	328	344	356	390	400	400	448
Apple Online	iPad	47	55	64	64	76	70	72	74	50	50	80	91
	Airpod	188	219	256	257	304	280	288	296	310	281	320	364
Resellers	iPad	66	74	92	95	84	100	96	90	70	70	107	118
	Airpod	264	296	368	381	336	400	384	360	410	395	428	472

Exhibit B: Year 2 Sales

		Q1			Q2			Q3			Q4		
		Jan	Feb*	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
000 Units													
Apple Retail	iPad	74	96	121	130								
	Airpod	296	384	484	522								
Apple Online	iPad	51	41	37	35								
	Airpod	204	164	148	136								
Resellers	iPad	72	80	92	97								
	Airpod	288	320	368	386								

*Shift to Retail starts

Exhibit C: Inventory On Hand - Year 2

Note: Subset of total supply by quarter for all Apple Customers

		Year 2 (000 units)	
		Q1 (Jan - Mar)	Q2 (April 30th)
iPads & AirPods	DC Inventory on hand	700	400
	Ocean Inventory (In-Transit)	-	500

Exhibit D: DC Capacity - Year 1 (AirPod + iPad)

000 units												
Shipping	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Midwest	200	221	268	270	273	286	289	287	295	285	323	361
East	360	408	495	498	503	528	532	530	545	525	596	666
West	320	354	429	432	436	458	462	460	473	455	517	578

Exhibit E: Transportation Capacity from Manufacturer (OEM)

			000 units	
Airpods + iPad	Avg Transit Time	CO2 equiv. (KG)	Year 1	Year 2
Ocean	30d	0.24/unit	29/day	30/day
Air	7d	10.47/unit	18/day	20/day

Exhibit F: Manufacturing Capacity (Supply)

	000 units					
	Year 1				Year 2	
Asia	Q1 (Jan - Mar)	Q2 (Apr - Jun)	Q3 (July - Sept)	Q4 (Oct - Dec)	Q1 (Jan - Mar)	Q2 (Apr - Jun)
iPad	615/qtr	721/qtr	765/qtr	861/qtr	564/qtr	742/qtr
AirPods	2,425/qtr	2,915/qtr	3,065/qtr	3,444/qtr	1,992/qtr	2,808/qtr

Exhibit G: US Regional Demand

Consumer Demand by Region	Year 1	
	AirPods	iPad
East	40%	43%
West	35%	37%
Midwest	25%	20%
	100%	100%

Exhibit H: Greenhouse Gas Calculator

<https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

Exhibit I: List of US Retail Stores

<https://www.apple.com/retail/storelist/>

Exhibit J: Potential Data Sources

File types - Excel, TXT, CSV

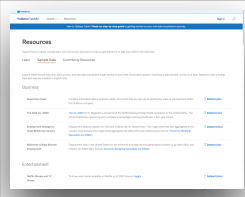
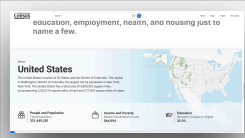

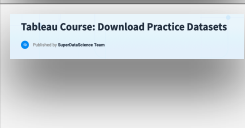
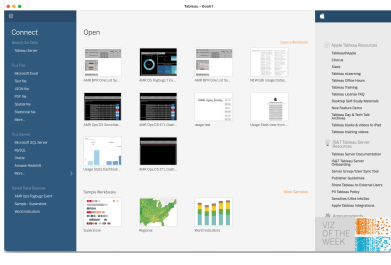
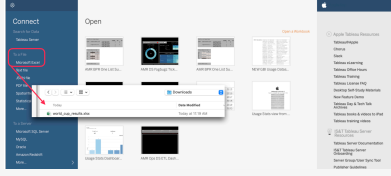
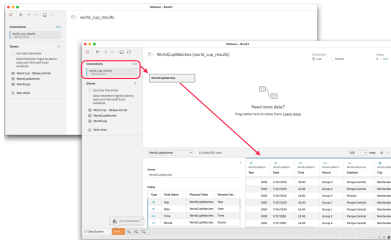
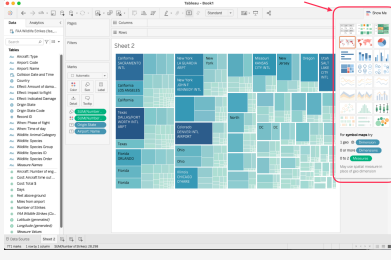
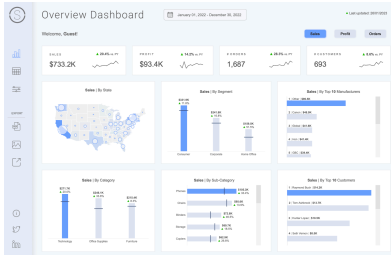
Tableau Public Data Sets	https://www.tableau.com/learn/articles/free-public-data-sets	
Census	https://data.census.gov	
Gov Resources	https://data.gov	
Tableau Practice Data sets	https://www.superdatascience.com/pages/tableau	
Apple Retail	https://www.apple.com/retail/storelist/	
EPA Calculator	https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator#results	

Exhibit K: Tableau Resources

Specific topics can be searched based on Tableau function

Tableau Resources	https://www.tableau.com/	
YouTube Resources	https://www.youtube.com/watch?v=L115e-H-wXg	
	https://www.youtube.com/watch?v=hrF4Jul2wM	
	https://www.youtube.com/watch?v=J_jSIBsl4WY	
	https://www.youtube.com/watch?v=jj6-0cvcNEA	
Graphing Examples	https://www.dataplusscience.com/TableauReferenceGuide/	

Exhibit L: Tableau Training

<p>1 Connect to your datasource - https://data-flair.training/blogs/tableau-data-sources/</p>	
<p>2 Pic an Excel file to connect to.....</p>	
<p>3 Select the table and review the data</p>	
<p>4 Build a worksheet from the data and create visualizations thru dashboards</p>	
<p>5 Explore and create customized dashboards with Tableau https://public.tableau.com/app/discover</p>	

Judging Rubric

	Criteria	Points Available (100)
Deliverable Content (40 points)	Defines demand shift root cause and Marketing Strategy to maximize sales opportunity and customer satisfaction.	10
	Leverages exhibits to forecast demand and define Manufacturing and Logistics strategy (transportation/ distribution center) to support forecast while considering cost, lead time and environmental impact	10
	Defines business continuity plan for future risk proofing	5
	Incorporates customer impact and experience	5
	Solution references details in the case	5
	Success criteria are clearly established and measurable	5
Presentation Organization (10 points)	Arranges themes in a sequence that makes sense, with clear connections between supporting data and ideas	5
	Uses a comprehensive and professional format to clearly articulate solution	5
Presentation Delivery (10 points)	Verbal delivery and professionalism are achieved across the team	5
	Speakers demonstrate mastery of the team's deliverable content and key recommendations	5
Recommendations (20 points)	Recommendations meet the needs of the problem	10
	Key Performance Indicators (KPIs) for success	5
	Recommendations are feasible given constraints	5
Written Executive Summary (10 points)	Respondents demonstrate ability to net out key information up-front	5
	Respondents organize content in a clean, easy to read format	5
Q&A Responses (10 points)	Responses demonstrate the breadth and depth of thinking by the team with supporting backup data	5
	Respondents receive constructive feedback well	5