
A Study Of The iPhone History

Product stretching is the concept that a business can tether both the lower and higher ends of any given market by creating products that satisfy either end. This mastery of spectrum creates an accessible product line to any and all customers, ensuring the accessibility of their products to people of all classes and incomes. To adapt to changing markets, consumer interest, trends, and economic presences, companies and businesses may set their sights on a number of product changes, from completely reinventing new ideas or slightly changing and tweaking existing products. A prime example of this concept is demonstrated by one of the world's most powerful and most present companies, Apple. At the time of its conception, technology was a strange word for many; in a time where most houses had phones connected to walls, the thought of computers, music devices, and even a touch screen were too foreign to imagine. However, Apple has mastered the market in every facet of everyday life.

When the first iPhone was christened, only the most privileged of people could own one. The cost to own a new iPhone was \$600, an unheard of price, unparalleled by any existing phone service or carrier. Yet it seems today that almost everyone has, if not an iPhone exactly, some form of a smartphone. Almost every year since its original, Apple has been updating and upgrading old iPhones, making them sleeker, shinier, and with more gigabyte capacities. While this occurs, new iPods, iPads, Macbooks, Macintoshes, Apple Watches, and Apple TVs are being created and perfected. iPhones were no longer an item of luxury; Apple products became items of necessity. iPods are regular gifts for children and teens, ranging from the screenless iPod shuffle, around \$60, to the larger iPod Touches. Apple Watches can range from \$200 to \$5,000.

However, not all of Apple's product stretching has been so drastic. After the iPhone 4 was released, its younger brother was not, surprisingly, called the iPhone 5, but the iPhone 4S. Society saw these interesting names pop up again after the iPhone 5, when after the iPhone 5S came the iPhone 5C, the first, and only, "budget" iPhone (TechRadar). The iPhone 5C costs about \$100 upfront - still a steep price, but pale in comparison to its related products. The phone is structurally sound, brightly colored, and a good size. The retina screen is exactly that of the iPhone 5 and 5S. Forbes writer Tony Bradley accounts the invention of the iPhone 5C to the prominence of two-year subsidized phone contracts within the U.S., to appeal to a younger demographic of kids, or to simply "break new tradition."

Apple marketed the iPhone 5C in a time where the market was starting to become "saturated" with smartphone ownership, according to MacWorld writer Karen Haslam. It is important to look at the creation of the 5C from a number of different perspectives. Economically, creating a cheaper alternative to the steeply-priced commodities Apple creates is considerate and a good business move. It is more or less the basic iPhone, with the signature aspects of Apple products, just minus all the extra fluff. For the pragmatic worker, this would be fitting. For a first phone, perhaps the same. Yet the issue Apple runs into with this product is only what meets the eye. "It looks like a toy," TechRadar writer John McCann says of his lime green 5C. Furthermore, the "budget" option might be not that at all; though it only costs \$100 upfront, the payments in their entireties come to about \$450 - and even then still on monthly contract payments. For a fiscally smart solution, Apple did not quite deliver. Yet in comparison, the 5C

remains the cheapest option. The keynote for the iPhone 5S and the 5C (released at the same time) took place in September of 2013, where Phil Schiller, senior vice president of worldwide marketing at Apple.

Schiller introduced the 5C first, starting with the "more fun...more colorful" design, noting that the seamless design works perfectly with the brand-new iOS 7 software (24:32, Keynote). He notes the hard-coated polycarbonate material and its rigidity, reinforced with steel to ensure its quality. The screen behind him displays photos and colorful graphics from animated films. Schiller remains onstage to introduce the 5S, whose video is much more mature, neutral in color, and sleek. The focus on the design is extremely intricate. Schiller calls it the "gold-standard" of phones.

The concept of the 5C is what sold it: a simpler, cheaper alternative to more expensive iPhones that many times have extra facilities that are never used. The idea of an iPhone with just the bare minimum of necessary attributes: the phone, the messaging, the email, the camera, and perhaps only a few utilities, is a rational purchase for those Apple customers who simply want a working phone. Creating a bare-minimum iPhone would satisfy customers, cost less to make, and for the consumers, cost less to buy. But this product stretch would be almost too extreme, resulting in the eventual obsolescence of the higher-end iPhones. Of course, customers would still purchase the bigger, nicer, capacious iPhones, but the bulk of Apple sales would go towards the cheaper phones that are more or less the same. This process is called product cannibalization, in which the revenue of one product is transferred to a less expensive option, costing the business to lose a considerable amount in profit. Furthermore, Apple was and remains a prestigious company of high-end products; if the focus of Apple became lowering prices and "dumbing down" their products, the brand would lose its image. Companies like Samsung would become the new, and only, luxury phone suppliers.

But Apple did not stop there: soon after the release of the iPhone 5C came the SE, the most "powerful 4-inch phone ever", according to Apple. Compact, refined, and technologically advanced, the SE has the same A9 chip and 12-megapixel camera as the iPhone 6. Apple introduced newer commodities as well, from the fingerprint password and Touch ID to Apple Pay. But with two very similar, very closely-born phones, what is the difference? Why release them both? The SE was marketed as a sleeker, nicer version of the iPhone 5, thinner and "a little more premium" than the 5C (O'Boyle). The SE, however, was not released until after the iPhone 6 and 6S, around March of 2016. Apple markets the SE primarily because of its size. "Some people...just want compact iPhones. For some, it's their first iPhone," the keynote speaker says of the SE. The importance of the Apple A9 chip in the SE gives it the same performance of the iPhone 6S, important in graphics performance for viewing, fitness tracking, and for games. The SE introduced significant upgrades, while still coming to a cost about \$250 less than the iPhone 6S. But so what?

In the release of the multiple new, only slightly different iPhones, Apple sought to change its company image to a more accessible brand. Whether or not they succeeded is a matter of opinion; however, they did accomplish what they set out to do. They lowered the cost of iPhones and stripped the excess aspects, while retaining a sturdy, trendy, but still high-quality image. The release of the new phones did little to the brand, however. Its image did not change enough to make it appear to be an "affordable" brand, but the gesture shows that the business is cognizant of its target market. Apple introduced a technique of smaller, less drastic updates, rather than complete upheavals of old phones yearly. It made itself a more flexible brand,

extending its reaches to younger customers. In the future we can expect Apple to do the same, creating better phones for children, for businesses, for every type of consumer, maintaining its high standards as a producer and a company.

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