

Welcome

To Advance through Presentation  
Use Page Up and Page Down Keys



99 | Worldwide  
Developers  
Conference



99 | Worldwide  
Developers  
Conference

# Sales and Distribution

Mitch Mandich

Sr. VP, Worldwide Sales

# Growth – 1H '99

- 39% unit growth
- 9% revenue growth
- \$287M net profit



# iMac Success

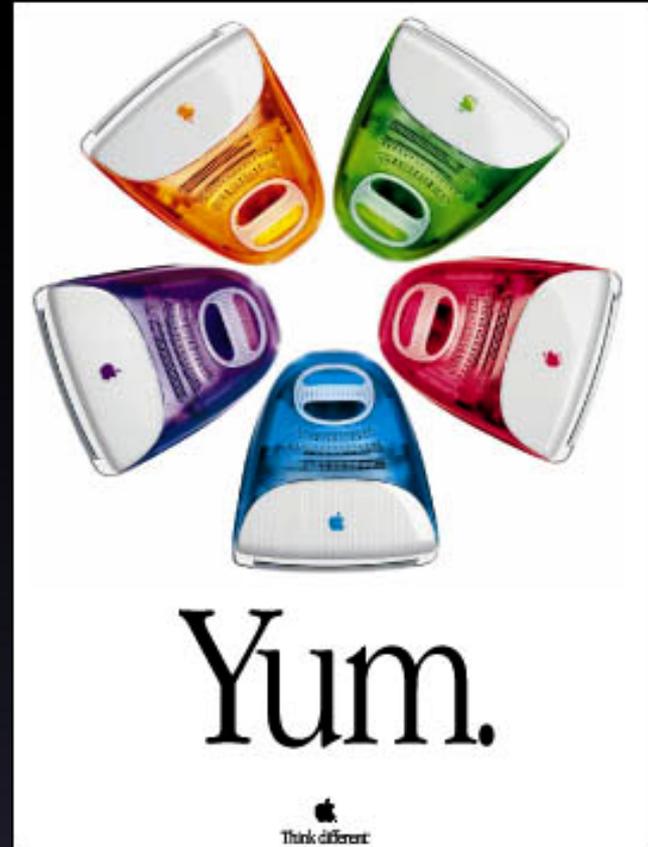
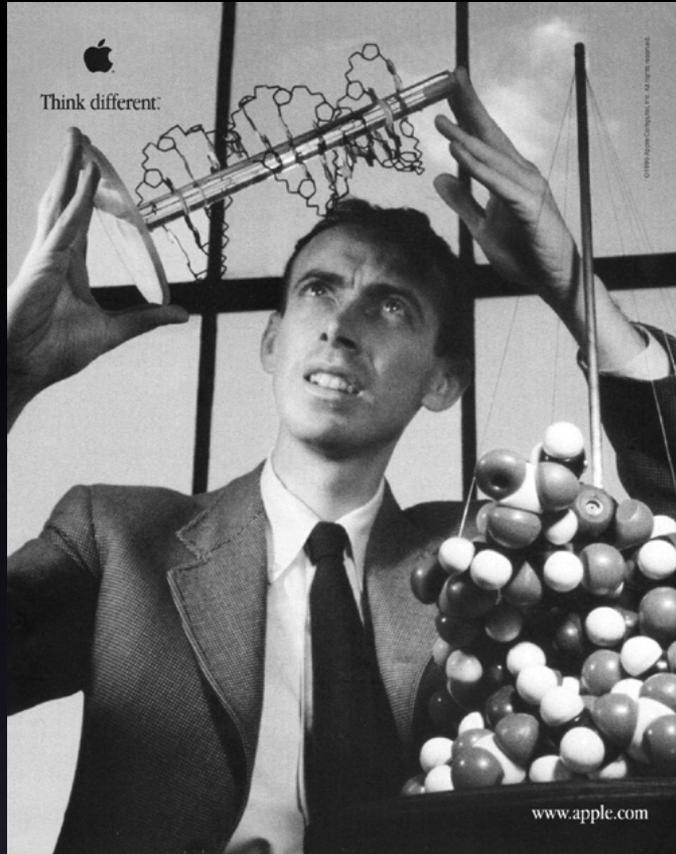
- Japan—20% market share
- U.S.—20% desktop market share
- France—iMac is #1 selling consumer computer



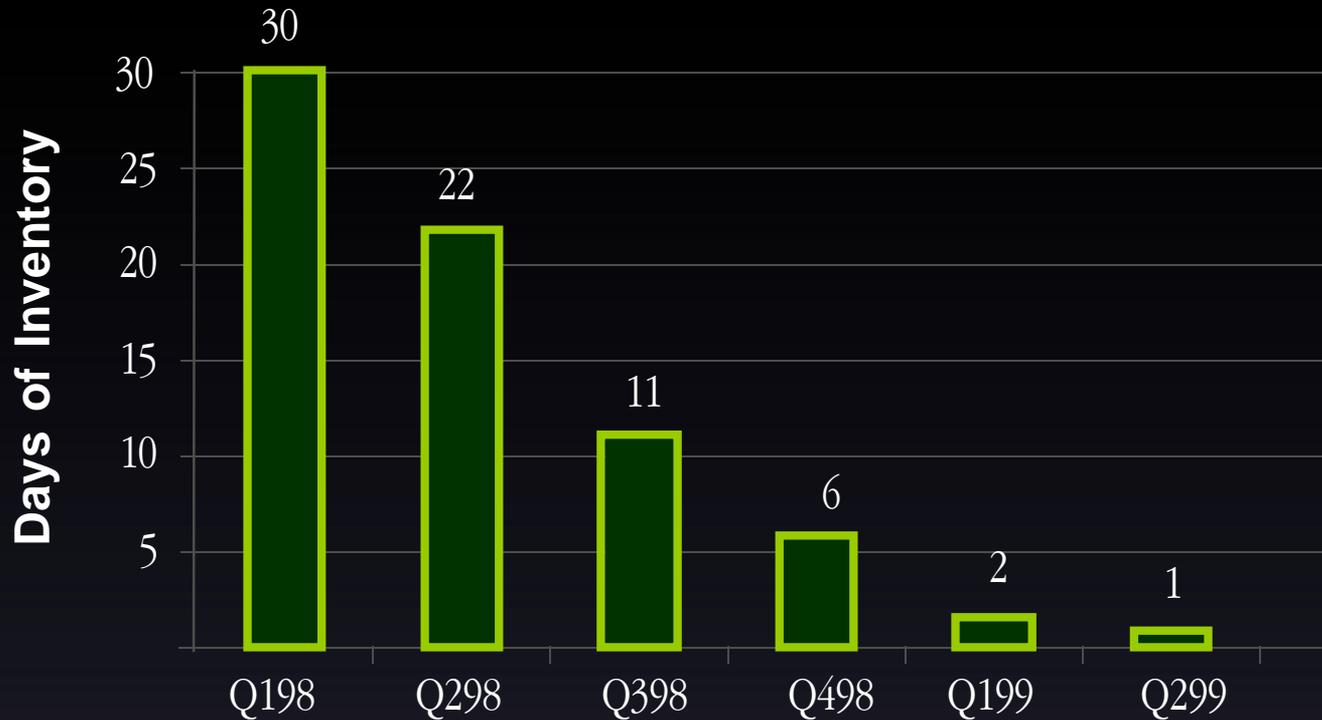
# Success Factors



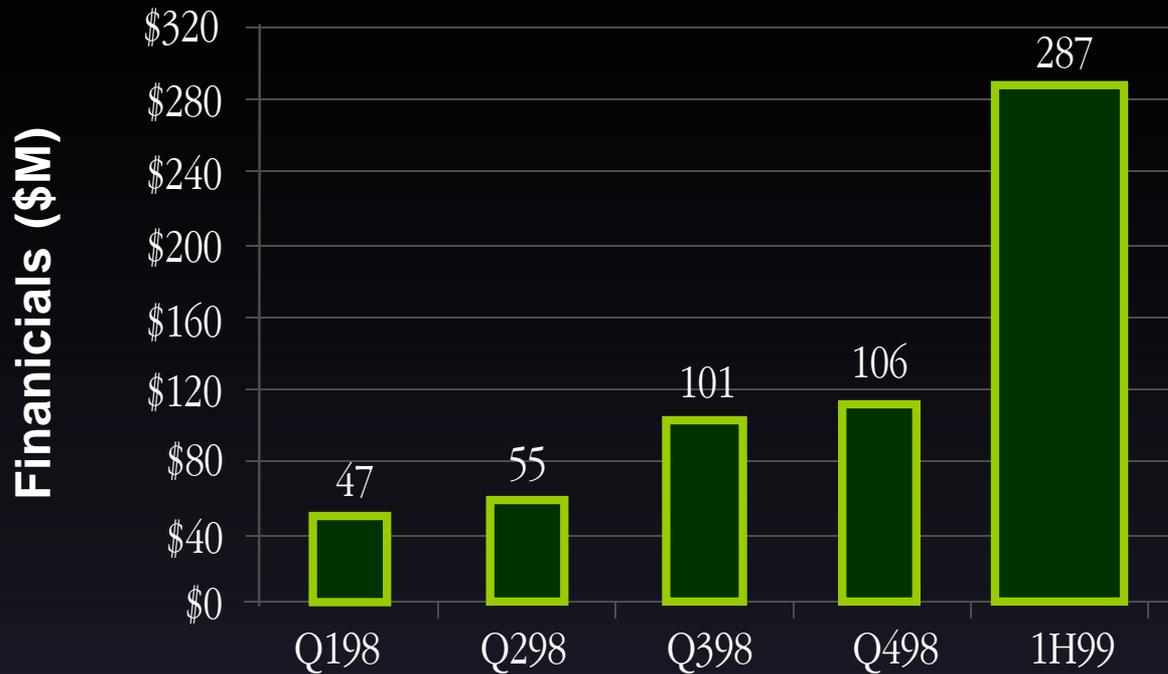
# Success Factors



# Success Factors



# Success Factors





# We Are in the Culture



# We Are in the Culture



# We Are in the Culture



# Sales Strategy

- Direct



**Power Macintosh G3**  
Swift, smart, stylish  
Speeds up to 400MHz  
Starting at **\$1,599.00**  
*Add-On & Rebate Offer*

**PowerBook G3**  
We rewrite the book  
Large 14" display  
Starting at **\$1,999.00**

**iMac**  
Combines the power of the Internet with the simplicity of the Macintosh. **\$1,199.00**  
*New with 333MHz G3*

 +  **Tell Mom you care. Act now for \$1,279.**

## The Apple Store

 **Software**  **Displays & Printers**  **Servers**  **Accessories**  **Special Deals**

Store Menu Your Order Find Help The Apple Store 



# Sales Strategy

- Direct



The advertisement banner features a black header with the Apple logo and the slogan "Think different." Below this, the word "Education" is written in a large, serif font on the left. On the right side, three green arrows point to the right, labeled "K-12", "Higher Education", and "The Apple Store". The main body of the banner is divided into four distinct promotional panels. The first panel on the left is titled "Web to the Edge" in orange and blue text, with the subtext "Now Judging!" and an illustration of a person in a blue suit holding a computer monitor. The second panel is titled "Seminar Series Professional Development" and shows a woman at a computer workstation. The third panel is titled "College Bound? Buy Now." and lists a bundle of products: "iMac + Imation + Epson + More = \$1499", accompanied by an image of a woman with a shopping bag. The final panel on the right is titled "Apple in the real world" and features an image of a television set displaying a scene from a movie.

Apple Think different.

## Education

K-12 ▶  
Higher Education ▶  
The Apple Store ▶

Web to the Edge  
Now Judging!

Seminar Series  
Professional Development

College Bound?  
Buy Now.  
iMac + Imation +  
Epson + More =  
\$1499

Apple in the  
real world



# Sales Strategy

- Retail Chains—2000 locations worldwide



# Retail



# Sales Strategy

- Apple Centres/Apple Specialists—  
1000 worldwide
  - 50% Apple sales
  - Total solution sales
  - Strong advocacy and competence
  - Goaled on growth
  - Guidelines for software and peripherals



# Apple Centres/Apple Specialists



# Apple Centres/Apple Specialists



# Sales Strategy

Dealers and VARs—2,700 worldwide

- Dealers
  - Single store fronts
  - Secondary and tertiary models
  - Multiple competitive models sold
- VARs
  - Business solutions focus



# Sales Strategy

- Mail Order/E-Commerce – 30 world wide
  - High volume
  - Many 50% Apple
  - Strong advocacy and training
  - Full complement of software and peripherals



# Develop More Advocacy in the Channels

- Worldwide rollout of “store-in-store”
  - Apple branding
  - Over 1,200 store fronts



# Apple Store-in-a-Store



# HW, SW and Accessories



# Mac Software + Hybrid



# Develop More Advocacy in the Channels

- Training
  - Localized training



# Develop More Advocacy —Solutions Focus

- Games
- Edutainment
- Productivity
- Digital video



# Demo Days Worldwide

- 1000 locations worldwide
- 1800 external participants
  - Solutions experts
  - User groups
  - Developers
  - Apple employees





# Mystery Shopper



- Benchmark complete  
March 10
- Program launch  
May 10
- Completed  
August 31



# Best Apple Worldwide Shopping Experience

- Contest launch—  
MacWorld New York
- Awards given by category—  
MacWorld San Francisco
- Total shopping experience  
to be rated



# Apple-Staffed Stores

- Pilot with CompUSA
- 10 stores launched in June

**COMPUSA**  
THE COMPUTER SUPERSTORE™



# Software Focus

- More software in the channel compared to last year
- Average of 500 software titles in retail
  - Lower cost of entry



# Software Focus

**Software Buyers Guide!**  
MacMall

Over 3,000 titles online!  
Visit us online at [software.macmall.com](http://software.macmall.com)

**Don't Miss Our**  
iMac, PowerBook G3,  
Power Mac G3 & USB Section!

**Adobe Acrobat 4.0**  
NEW! Virtual Game Station only \$48\*\*

**NEW!**  
Adobe Acrobat 4.0 upgrade for only \$99\*\*

**Symantec Mac Super Utility Bundle \$144\*\***

**Lowest Price 233MHz iMac Anywhere—Guaranteed!**  
**\$298!**

For the Largest Selection of Mac Software Call  
**1-888-425-MALL**

**Inside This Issue!**

- 956 Business titles
- 324 Education titles
- 138 Entertainment titles
- 280 Graphics titles
- 78 Internet titles
- 106 Utilities titles

**BUSINESS**  
MacOSX Deluxe by Smart \$49\*\*

**Education**  
Full Course Study Pack & Test Bank in hours also available only \$29\*\*

**Entertainment**  
Full 20th Century Fox Animation by Animations only \$29\*\*

**Graphics**  
Full Photoshop 4.0 Pack Upgrade by Adobe only \$99\*\*

**Internet**  
Full Internet Explorer 4.0 Upgrade by Microsoft only \$179\*\*

**Utilities**  
Full Mac OS 9.1-9.2 by Microsoft only \$59\*\*

Software Buyers Guide

[macdev@pcmall.com](mailto:macdev@pcmall.com)

310-225-5040

MacMall Software  
Buyers Guide =  
Free!



More Locations.

More Impressions.



# Retail Coverage



# Retail Coverage without Best Buy



# SEARS

- 825 Sears locations
- 32 million active households
- 57% in rural geographic/secondary markets
- 54% incidence of first-time buyers
- 63% of buyers shopped only at Sears
- 60% use Sears credit card
- \$400M/year in computer sales



# Sears Locations



# Retail Coverage with Sears



# Storefront Coverage with Sears



# More Impressions

oh boy, toys!



Neiman Marcus  
by mail

AMERICAN EXPRESS  
COLLECTIONS  
A Curated Selection of Fine Goods

**H. APPLE® iMAC® Personal Computer**  
Apple continues the revolution with the new iMac G4. From Line (shown), Snowball, and other colors. iMac G4 features a high speed connection, 1.5GHz processor, 2GB memory, 20GB hard drive, and integrated 15" (13.3" viewable) display. iMac G4 S, AppleTV™, Outlook



Epson Printer



MAC's Exciting New Colors



167.96  
24 Months  
INTEREST FREE





Think different.<sup>TM</sup>



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