

# The Apples of Other Industries

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“Apple’s market share is bigger than BMW’s or Mercedes’ or Porche’s in the automotive market,” begins one of Steve Jobs’ more famous sayings. “What’s wrong with being BMW or Mercedes?”

What indeed, if you’ve got a legendary brand and a global reputation for high quality? Yet by comparing Apple to an 84-year-old carmaker, Jobs highlights an important point: Apple’s success is hardly unique. In other, more crowded industries, there are also standout companies that play an Apple-like role. Here are a few.

## Virgin Atlantic

The evolution of commercial flight has mirrored that of the personal computer, in that it’s gone from being an ultra-expensive privilege of a few to a mass-market product in which most companies compete mainly on price. Not Virgin. From its emergency training video (with a soundtrack by the funky Mr. Scruff) to the glassy elevators that whisk “Upper Class” passengers past the security lines in London, Virgin consistently delivers a better (and much cooler) travel experience.

**The lesson:** People value their time and comfort, and they will reward companies that make an unpleasant experience far more pleasurable.

## Whole Foods Market

Sure, shoppers refer to this pricey supermarket chain as “Whole Paycheck.” But so what? Just like Apple’s customers, they come back time and again, and they clearly think the experience is worth the extra money. At Whole Foods, the fruit glistens, the counters shine, and colorful labels form a textual mosaic that food author Michael Pollan terms “cutting-edge grocery lit.” Forget the hippy ideal of wholesome food; the focus at Whole Foods is on making customers feel good about spending more.

**The lesson:** No product is ever fully commoditized — not even something as simple as a (real) apple. People will rethink how much they’ll pay for a product if you give them a good reason to do so.

## Target

In the fashion world, there are literally hundreds of boutique designers and brand names that do what Apple does: deliver great design at a higher price. Comparing Target — a low-end, big-box

department store — to Apple seems like a stretch. Yet to compete with Wal-Mart (the Microsoft of retail), Target uses design as a key differentiator. Target signs up big fashion names like Anna Sui and Alexander McQueen to make clothes, thus keeping its collection edgier than the competition. The reward has been a steady stream of customers who shop at Target to buy good design at a budget price.

**The lesson:** Even at low price points, superior design can attract customers and differentiate a brand.

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