



Apple designs iPhone, Mac, iPad, and wearables, then attaches high-margin Services (App Store commissions, AppleCare, cloud, content, payments) to a huge installed base. FY2025 (year ended September 27, 2025) net sales were \$416.2B (+6.4%), with Products \$307.0B and Services \$109.2B; net income was \$112.0B. About 63.5% of sales were outside the U.S.

BUSINESS MODEL CANVAS

Apple

Research date: Oct 15, 2026

Evidence-backed · sources in companion brief

KEY PARTNERS

- Contract manufacturers assemble most hardware (FACT / industry).
- Component suppliers for displays, memory, modems, silicon packaging (FACT theme).
- Cellular carriers, wholesalers, retailers, resellers** — 60% of FY25 sales (FACT).
- App Store third-party developers (commission net in Services) (FACT).
- Content partners for Apple TV+, Arcade, Music, News+ (FACT).
- Authorized service network for AppleCare repairs (FACT, 10-K).

KEY ACTIVITIES

- Hardware + Apple silicon design (FACT theme / 10-K).
- Contract manufacturing oversight and supply chain (FACT).
- Annual product launches and retail experience (FACT).
- Operate App Store, iCloud, media, and payment platforms (FACT).
- R&D \$34.6B in FY2025 (FACT).
- Brand marketing and developer relations (FACT / theme).

KEY RESOURCES

- Brand + design IP (FACT theme).
- Apple silicon and six OS platforms (FACT, company description).
- Installed base of active devices (company claim on earnings).
- App Store / Services platforms (FACT).
- Retail + online direct channel (40% of FY25 sales) (FACT).
- ~166,000 FTE employees (FACT, 10-K).

VALUE PROPOSITIONS

- Premium integrated hardware (iPhone, Mac, iPad, Watch, AirPods) (FACT).
- Custom silicon + multi-year software support (FACT theme).
- Services that attach to the device (App Store, Care, cloud, media) (FACT).
- Privacy and security positioning (company messaging).
- Retail Genius Bar / hands-on experience (FACT theme).
- Seamless multi-device Continuity features (FACT / product).

CUSTOMER RELATIONSHIPS

- Self-serve apple.com / apps / subscriptions (FACT).
- Apple Store retail + Genius Bar (FACT theme).
- AppleCare fee-based support & repair (FACT, 10-K).
- iCloud account as identity across devices (FACT / product).
- Education & enterprise direct sales (FACT, 10-K).
- Developer portal / App Store review (FACT).

CHANNELS

- Apple retail + online + direct sales force** — 40% of FY25 sales (FACT).
- Carriers / wholesalers / retailers / resellers** — 60% (FACT).
- App Store and service platforms as digital channels (FACT).
- Five geographic reportable segments (FACT).
- Education and enterprise field sales (FACT).
- No invented store-count** — 10-K does not disclose a FY25 total.

CUSTOMER SEGMENTS

- Consumers (primary) (FACT, 10-K).
- Small and mid-sized business (FACT).
- Education (FACT).
- Enterprise and government (FACT).
- App developers (platform participants) (FACT).
- Global geographic mix** — U.S. 36.5% of FY25 sales (INFERENCE from \$151.8B/\$416.2B).

COST STRUCTURE

- Products COGS \$194.1B FY25 (FACT).
- Services COGS \$26.8B FY25 (FACT).
- R&D \$34.6B (FACT).
- SG&A \$27.6B (FACT).
- PPE purchases \$12.7B in FY25 cash flow (FACT).
- Gross margin ~46.9% (INFERENCE from stated figures).

REVENUE STREAMS

- iPhone \$209.6B FY25 (~50% of sales) (FACT / INFERENCE %).
- Mac + iPad + Wearables \$97.4B combined (FACT sum).
- Services \$109.2B FY25 (+13.5%) (FACT / INFERENCE %).
- App Store commissions recognized net (FACT).
- AppleCare, cloud, content, ads, payments inside Services (FACT).
- \$416.2B total net sales FY2025 (+6.4% vs FY2024) (FACT / INFERENCE %).