

iPod was Apple's gateway to consumer electronics exceptionalism

Article

The news: That **Apple** discontinued its **iPod** brand after 21 years is not surprising given that the **iPhone** and **AirPods** have long replaced the music player—but a lot of credit goes to the product category that set Apple on its way to dominate consumer electronics.

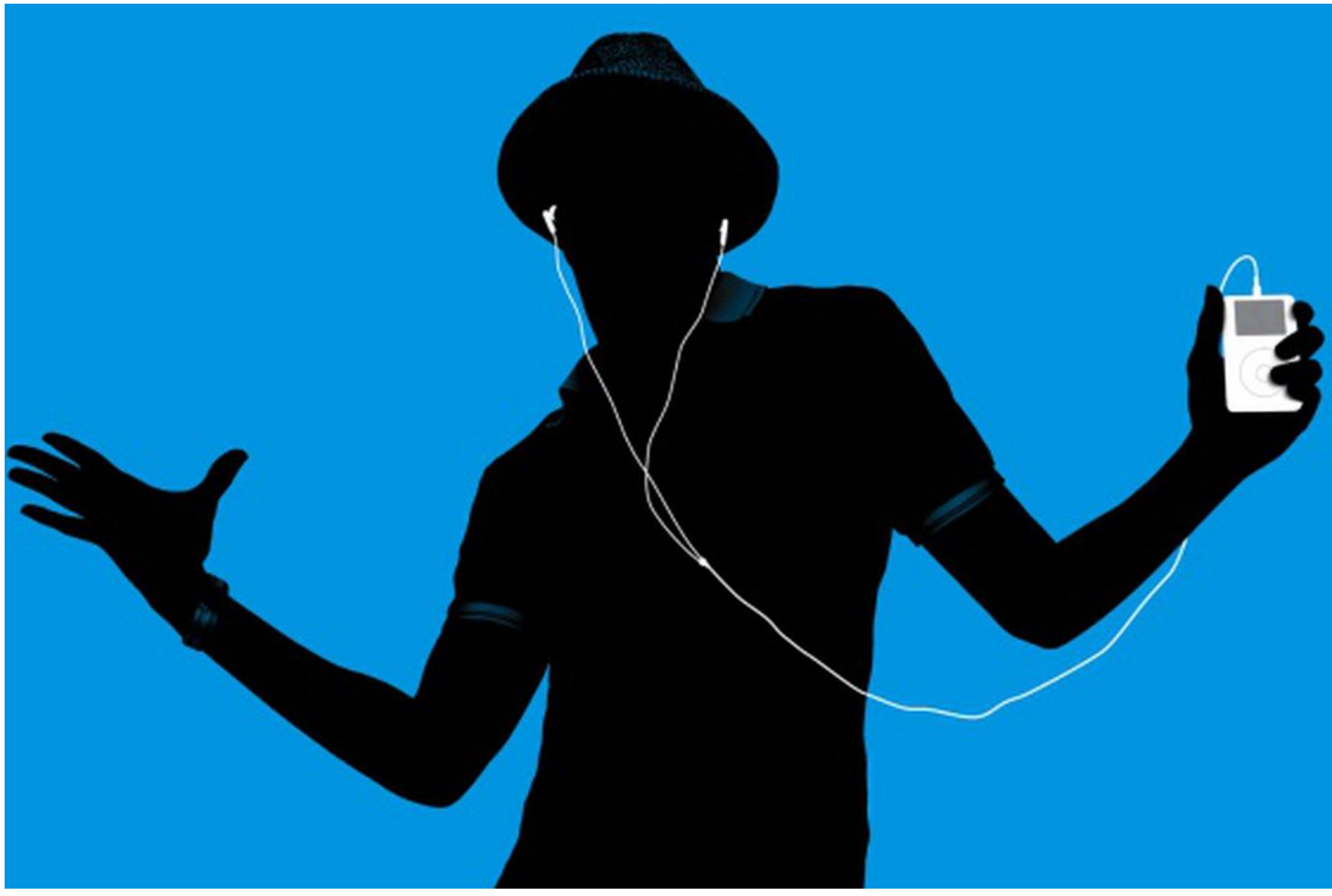
Scroll back: Before the iPod was launched in 2001, Apple made desktops and laptops and owned a measly **2.3% of the global PC market**. There was a burgeoning yet fragmented MP3

player segment, but the iPod was initially dismissed as an overpriced accessory exclusive to Mac users. What changed?

- Apple didn't lower the iPod's price, but it did [open it to Windows users](#) for wider adoption. Nearly **400 million units** have since been sold, [per](#) Global News.
- The iPod and its variants provided the template for Apple's [product strategy](#), which it cyclically repeated for **iPhone, iPad, Apple Watch**, and other products that come in different sizes, various colors, and a range of price points.
- **The iPod's click-wheel was the marquee innovation that set it aside from the competition.** The iPhone followed suit with a multi-touch display, and the Apple Watch with the digital crown.
- The iPod also led to the creation of the **iTunes** music service, which became the [No. 1 music retailer](#) in the US in 2008. iTunes was the progenitor of Apple's Services division that encompasses the **App Store, Apple Music, Apple TV, Apple Pay, Apple Card, and Apple Arcade**.
- iPod hardware and iTunes services can be considered the genesis of Apple's wider **iOS ecosystem**, the first seeds that grew into the company's [walled garden](#).

Scroll forward: Apple's mix of savvy [marketing](#), product design, and its [retail store](#) user experience were honed during the iPod's heyday. In context, the iPod owned [76% share of the US MP3 player market](#) at its peak.

This formula remained a key component in the transition to iPhone and Apple's subsequent status as most valuable company, with a [near \\$3 trillion valuation](#), just as Apple looks to the [next product category](#) that could someday replace the iPhone.



(Source: Apple)