

From Premium Lock-In to Inclusive Growth: Apple's Strategic Evolution with the MacBook Neo

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Abstract

The global technology market has long been shaped by major disruptions, including the COVID-19 pandemic, economic pressures, and rising ESG expectations from consumers. This paper examines Apple's strategic evolution from a premium ecosystem lock-in model to a more layered, inclusive ecosystem through the release of the 2026 MacBook Neo. Using frameworks such as VRIO and STEEPLE, this study conducts a comprehensive comparative case analysis of traditional Apple silicon (M-series) MacBooks and the MacBook Neo. Findings suggest that the Neo may extend Apple's foundational ecosystem lock-in strategy by incorporating affordability and advanced sustainability as extensions of its strategy. This strategy may broaden access to more price-sensitive segments, including education and budget-oriented consumers, while also potentially supporting long-term customer value through Apple's broader services ecosystem. The analysis highlights both opportunities for growth and challenges that Apple faces, such as supply chain constraints and brand perception risks. This study contributes to the literature on platform ecosystems, blue-ocean strategy, and sustainability-driven innovation by examining how premium brands can adapt to changing environments. Practical recommendations for Apple are also discussed.

Keywords: Strategic positioning, Apple Inc., market entry strategy, VRIO, ecosystem, lock-in effects, case study analysis, product pricing

1. Introduction

MacBooks are one of the world's most renowned pieces of technology. They are known to be reliable, lasting well over five years (Apple, 2025), and they have evolved to become widely adopted tools for professionals requiring high-performance, high-quality, reliable devices for work (Apple, 2025; Westover, 2025). Since the release of the first MacBook in 2006, Apple has evolved the MacBook into a tool to capture and retain users within the Apple ecosystem (Gawer & Cusumano, 2014; Jacobides et al., 2018). This included integrating services such as iCloud and other Apple platforms, which strengthened the appeal of joining and staying within Apple's ecosystem (Gawer & Cusumano, 2014; Jacobides et al., 2018). However, Mac revenue has experienced significant changes due to various global events, creating both challenges and opportunities for Apple as it seeks to maintain its position within the industry.

During the COVID-19 pandemic, Apple's Mac revenue increased from 24.7 billion US dollars prior to the pandemic to a peak of approximately 40 billion US dollars (Business of Apps, 2026). However, Apple's Mac revenue declined following the end of the pandemic, reaching approximately 29.2 billion US dollars (Business of Apps, 2026). Yet, Apple's services revenue continued to reflect strong growth throughout, with over 109 billion US dollars being generated from services revenue (Business of Apps, 2026; Sparks, 2026). By 2025, Apple's Mac revenue had recovered to 33.7 billion US dollars (Business of Apps, 2026). These figures represent Apple's overall Mac revenue rather than MacBook unit sales specifically and therefore cannot, on their own, establish saturation in the premium segment. However, the normalization of Mac revenue following the pandemic-era peak provides context for examining Apple's opportunities for further market expansion. This set the stage for Apple's launch of the MacBook Neo in March 2026 — Apple's most affordable laptop ever, priced at USD \$599 (Apple, 2026b). The move to release the MacBook Neo reflects a potential shift toward a more accessible approach emphasizing affordability and sustainability, aimed at capturing students, first-time buyers, and consumers in more price-sensitive segments.

This paper critically analyzes two case studies, one examining the M-series MacBooks and the other, the newly released MacBook Neo. The paper utilizes analytical frameworks such as STEEPLE and VRIO to better understand the circumstances surrounding each product. This study asks: How does the introduction of the MacBook Neo represent an extension of Apple's existing ecosystem-based competitive strategy through affordability and sustainability, and how might this reposition Apple within more price-sensitive market segments? The comparative case study therefore examines whether the MacBook Neo represents a genuine change in Apple's strategy or an extension of its existing ecosystem-based approach to a broader customer base. Findings from the comparative case study analysis are used to examine how Apple may be extending its ecosystem strategy through affordability and sustainability rather than completely abandoning its premium positioning.

In this study, "inclusive growth" refers specifically to the potential expansion of access to Apple's ecosystem through a lower-priced entry point, rather than the broader social and economic meaning that the term can imply. The paper therefore focuses on whether Apple can broaden access to its ecosystem while maintaining the ecosystem-based competitive advantages that supported its traditional MacBook strategy.

2. Literature Review

Various destabilizing events have shaped the global technology market, including the COVID-19 pandemic, geopolitical conflicts, trade tariffs, and ongoing cost-of-living crises. These events have greatly influenced consumer preferences and buying behaviors, and have thus created both challenges and opportunities for companies operating in highly competitive



industries (Kim & Mauborgne, 2005; Gawer & Cusumano, 2014).

2.1. Customer Acquisition, Price Sensitivity and Market Strategy

Market expansion theories, including blue-ocean strategy, emphasize the importance of creating new demand by targeting underdeveloped markets rather than competing directly in heavily saturated markets (Kim & Mauborgne, 2005). Disruptive innovation theory further provides a useful lens for examining how companies can introduce simpler or more affordable solutions that target overlooked customer groups before potentially moving upward in the market (Christensen et al., 2015). However, lower pricing or entry into a new customer segment alone does not establish disruption under Christensen's framework, as disruption is a process that develops over time. These frameworks therefore provide useful perspectives for examining Apple's potential market expansion through the MacBook Neo.

From the consumer perspective, price sensitivity remains a critical factor influencing customer acquisition, particularly among younger demographics (Gen Z) and in emerging markets, where economic pressures and high cost-of-living crises have heightened demand for more affordable yet high-quality products (Siam University, 2019; Kotler & Armstrong, 2018). From the company perspective, balancing premium positioning with accessible pricing options can better enhance market penetration without eroding brand equity, though it requires careful management of perceived value (Chen et al., 2021). Consumer value theories underscore that affordability, when combined with strong ecosystem benefits, can support acquisition among price-sensitive segments while maintaining loyalty.

2.2. Marketing Mix (4Ps) and Strategic Positioning

The marketing mix framework (McCarthy, 1960; Kotler & Armstrong, 2018) continues to remain a foundational tool for understanding how firms position products in competitive markets. Product decisions involve features, quality, and branding. Pricing decisions balance accessibility with the perceived value of the product. Place affects market reach, and promotion shapes brand perception and influences customer acquisition. In technology markets, premium brands often emphasize product differentiation and high pricing to maintain exclusivity, while other companies may adopt more accessible strategies such as adapting price and promotion to attract a broader market segment. However, despite the 4Ps serving as the foundation for many marketing analyses, this paper considers the release of the MacBook Neo from an overall strategic perspective, thus utilizing more advanced frameworks such as VRIO and STEEPLE.

2.3. Ecosystem Strategies, Customer Lock-In, and Sustainability and Ethical Consumerism

Platform ecosystem theory emphasizes how companies are able to create value through interconnected products and services that increase switching costs and customer retention (Gawer & Cusumano, 2014; Jacobides et al., 2018). Research on brand communities and subcultures of consumption demonstrates that strong identification with a brand's lifestyle and values can lead to higher loyalty and advocacy (Muñiz & O'Guinn, 2001; Schouten & McAlexander, 1995). These theoretical perspectives highlight the power of ecosystem design in creating sustained competitive advantage amid market instability.

Additionally, growing environmental awareness and ethical consumerism have increased demand for sustainable practices. Corporate social responsibility (CSR) and sustainability communication theories show that companies addressing carbon footprints, recycled materials, and ethical production can enhance brand perception and customer acquisition, particularly



among younger, ESG-conscious consumers (Du et al., 2010; Kotler & Lee, 2005). Global events have amplified these expectations, pushing organizations to integrate sustainability into core strategy.

2.4. Current Gaps in Literature

Despite these strong theoretical foundations, gaps remain within the literature reviewed for this study. Much of the existing research is based on pre-2026 data and does not fully account for the current environment, including geopolitical conflicts, escalating tariffs, changing trade policies, and cost-of-living pressures. These factors have rapidly changed consumer behavior and purchasing patterns, while traditional premium brands now face pressure to rethink strategies in price-sensitive markets amid technological advancements such as AI integration and increasing supply-chain costs. Within the literature reviewed for this study, relatively few studies apply multiple strategic frameworks at the individual product level to evaluate how companies balance ecosystem lock-in with broader accessibility. This study addresses this observed gap by examining Apple's MacBook Neo through theoretical lenses of ecosystem lock-in, market expansion, price sensitivity, and sustainability.

3. Methodology

This study uses a comparative case study approach focusing on two periods of Apple's MacBook strategy: the traditional M-series MacBooks from 2020 to 2025, and the MacBook Neo following its release in 2026. The comparative design was chosen to examine how Apple's existing ecosystem strategy has extended through changes in pricing, sustainability, and target market positioning. The analysis combines secondary-source review with strategic framework analysis to evaluate both Apple's internal capabilities and its external conditions.

Secondary sources were chosen based on their relevance to Apple's product strategy, ecosystem positioning, market conditions, sustainability practices, and consumer behavior. Many of these sources were drawn from four primary categories: Apple's official corporate and product communications pages; industry and market research from organizations such as IDC and Counterpoint Research; peer-reviewed academic literature and established theoretical works; and contemporary technology-industry reporting and product reviews. Apple's official sources were mainly used for product specifications, pricing, and environmental claims, as well as statements concerning its corporate objectives. Independent industry and academic sources were used to provide external context and reduce reliance on company-reported information. Contemporary empirical and industry sources primarily cover the 2020–2026 period, while older academic works were used where necessary to establish the theoretical frameworks applied in the analysis.

Two analytical frameworks were chosen for their complementary effects. VRIO was used to assess Apple's internal resources and capabilities and their potential contribution to its competitive advantage, particularly ecosystem integration, vertical integration, brand reputation, and Apple's custom silicon chip strategy (Barney, 1991; 1995). STEEPLE was used to analyze the external social, technological, economic, environmental, political, legal, and ethical conditions relevant to Apple's MacBook strategy. These two frameworks, when combined, allow the paper to examine both Apple's internal strategic capabilities and the external conditions that could have influenced its strategic change.

The analysis also incorporates various theoretical perspectives on platform ecosystems, blue-ocean strategy, disruptive innovation, consumer behavior, and sustainability. These theories are used to interpret the strategic significance of the



differences identified between the two cases rather than being used as tools to measure the MacBook Neo's performance in the market. In particular, disruptive innovation is treated as a comparative theoretical lens because the Neo's recent release does not provide sufficient evidence to establish a completed disruption process.

Due to the MacBook Neo's recent release, the study distinguishes between observed outcomes that have been reported and analytical projections. In cases where direct evidence regarding Apple's motivations, market expansion, profitability, or long-term consumer behavior was unavailable, the conclusions drawn were treated as interpretations rather than factual claims. Language such as "suggests," "may," "potentially," and "appears" is therefore used where appropriate. Any conflicting evidence was considered alongside other sources, while official Apple sources acted as verifiers of claims concerning the product directly.

This study, however, contains several limitations that must be noted. The study relies exclusively on publicly available secondary data, meaning that confidential information concerning Apple's internal decision-making, product-level profitability, customer acquisition, and supply-chain situations cannot directly be analyzed. Additionally, the recency of the MacBook Neo limits the availability of long-term sales, consumer, and other market data. Therefore, the findings should instead be understood as an analysis of Apple's strategic positioning and the potential implications of the MacBook Neo rather than as a definitive assessment of its long-term success in Apple's business model.

4. Analysis & Findings

4.1. Traditional MacBooks

Apple's MacBooks, well-known for their integrated software, premium hardware, and emphasis on user experience, have consistently been positioned as premium devices within the laptop industry (Apple, 2025; Westover, 2025). Since the release of the first MacBook in 2006, Apple has evolved the MacBook into a platform that captures and retains users within the Apple ecosystem through integrated hardware, software, and services (Gawer & Cusumano, 2014; Jacobides et al., 2018). A turning point was in 2020, when Apple launched the MacBook with its own M1 chip (Apple, 2020), instead of relying on Intel chips for its MacBooks. Since then, the price of entry-level models has continued to remain around \$999 (Apple, 2020–2025), which has made it difficult for many consumers to approach Apple's MacBooks as their first laptop. A VRIO analysis (Barney, 1991; 1995) of traditional MacBooks (Table 1) highlights the sources of competitive advantage during this period.

As shown by Table 1, the VRIO analysis reflects that ecosystem lock-in and vertical integration were the primary sources of sustained competitive advantage for traditional MacBooks, consistent with the VRIO framework's emphasis on valuable, rare, and difficult-to-imitate resources (Barney, 1991; 1995). These resources, by creating high switching costs and better performance compared to competitors, made Apple's strategy difficult to imitate. Premium branding and user experience continued to reinforce Apple's position within the technology industry, yet sustainability continued to remain only as competitive parity. This table supports the argument that Apple's pre-2026 strategy was heavily reliant on ecosystem lock-in as its foundational strategy, supporting Apple's established position within the premium segment while offering comparatively limited access to more price-sensitive consumers.



Building on these internal strengths, Apple maintained its strategy of ecosystem lock-in, allowing it to retain existing customers through interconnected hardware, software, and services (Gawer & Cusumano, 2014; Jacobides et al., 2018). Apple's MacBooks, offering services such as iCloud, iMessage, and Apple ID, work in conjunction with other Apple devices, strengthening ecosystem integration and increasing switching costs for users (Gawer & Cusumano, 2014; Jacobides et al., 2018). As many users who used MacBooks began to become more reliant on Apple's services, it became more costly for them to switch out of the Apple ecosystem, especially if they were heavily reliant on services such as iCloud (Gawer & Cusumano, 2014; Jacobides et al., 2018). Apple's services ecosystem may therefore reinforce continued use of Apple hardware by increasing the switching costs associated with leaving the ecosystem.

Table 1: VRIO Analysis of Traditional MacBooks (2020–2025)

Resource/ Capability	Value	Rarity	Imitability	Organization	Competitive Advantage
Ecosystem Lock-In	High switching costs	High	Difficult (hardware- software integration)	Fully exploited	Sustained
Vertical Integration	High (cost control + performance)	High	Very difficult	Fully exploited	Sustained
Premium Brand & User Experience	High (loyalty & WTP)	Medium to high	Moderately difficult	Fully exploited	Sustained
Supply Chain Mastery	High (resilience)	Medium	Moderately difficult	Fully exploited	Temporary
Sustainability	Medium	Low	Easy	Partially	Competitive

Practices				Exploited	Parity
Product Quality & Reliability	High	Medium	Difficult	Fully Exploited	Temporary

Note. VRIO classifications represent the author's analytical assessment based on the publicly available evidence reviewed in this study. Classifications of rarity, imitability, organizational exploitation, and competitive advantage should therefore be interpreted as analytical judgments rather than direct claims made by Apple.

Historically, sustainability played a less central role in Apple's product differentiation strategy compared with performance, design, and ecosystem integration (Apple, 2025). Progress existed at different stages, such as increasing recycled content in newer MacBook models to around 55% (Apple, 2025), and aiming to achieve carbon-neutrality goals by 2030. Yet, the increase in sustainability was viewed as more of a brand image enhancement rather than a primary strategy to expand its products to a new demographic or segment.

This strategy has been linked to strong customer loyalty, premium pricing, and a strong brand position. Many users and tech critics regarded MacBooks as having excellent battery life, providing smooth multitasking, and thermal efficiency for the Pro models in tasks such as video editing, coding, and graphic design (Westover, 2025). MacBooks were also praised for their premium build quality, including aluminum chassis designs, keyboards, trackpads, and integration with Apple devices (Westover, 2025). This has contributed to Apple's adoption among both individual consumers and businesses seeking reliable computing solutions (Apple, 2025; Westover, 2025). For many businesses, reliability is key, and MacBooks' ability to offer a reliable experience in the laptop industry has supported Apple's position among both everyday consumers and businesses. To gain a better understanding of Apple's circumstances during the period when Apple prioritized ecosystem lock-in as a strategy, a STEEPLE analysis was conducted by looking at the time period of 2024–2025.

Table 2 highlights the external pressures that Apple faced surrounding its traditional MacBooks between 2024 and 2025. Social demand was heavily concentrated among professionals, while post-pandemic demand normalization and rising component costs created additional economic pressures for technology manufacturers (Business of Apps, 2026; Moor Insights & Strategy, 2025). Environmental and ethical concerns were also increasing, alongside greater attention to sustainability. These external conditions do not establish that any individual factor directly caused Apple's strategic shift, but they provide context for Apple's decision to potentially extend its ecosystem lock-in strategy through affordability and sustainability.



Table 2: STEEPLE Analysis of Traditional MacBooks (2024–2025)

Factor	Key Points
Social	Growing demand from professionals and creatives; rise of remote/hybrid work; limited appeal to younger and education segments
Technological	Advances in AI and chip performance; increasing component costs due to AI demand
Economic	Post-pandemic demand normalization; possible constraints on premium segment growth; rising component costs
Environmental	Increasing regulatory pressure on e-waste and carbon emissions; rising ESG expectations
Political	Geopolitical tensions and trade tariffs; push for supply chain diversification
Legal	Stricter right-to-repair regulations in the EU and other regions
Ethical	Growing societal concern over ethical sourcing and environmental impact

Note. STEEPLE factors represent external conditions identified from the sources reviewed and their relevance to Apple's strategic environment. Their inclusion does not establish that any individual factor directly caused Apple's decision to launch the MacBook Neo. Information adapted from Apple (2025), American Enterprise Institute (2022), Moor Insights & Strategy (2025), and More (2025).

4.2. MacBook Neo

With the release of the MacBook Neo in 2026, the budget laptop industry gained a new competitor. Priced at USD \$599, the MacBook Neo reflected Apple's attempt to expand beyond its traditional premium positioning and enter more price-sensitive



market segments (Apple, 2026b). Apple began emphasizing affordability, positioning the MacBook Neo as a device designed for students, families, and first-time Mac users (Apple, 2026b). This reflects product-line extension strategies, where firms create differentiated offerings across price points to capture multiple consumer segments while reducing internal competition (Kotler & Armstrong, 2018). By differentiating the Neo through price and positioning, Apple may reduce direct overlap with its higher-priced MacBook models and limit potential internal cannibalization.

A VRIO analysis of the MacBook Neo provides a more product-specific assessment of these capabilities.

Table 3 demonstrates how the MacBook Neo builds upon Apple's existing strengths while introducing additional strategic characteristics. It is worth noting that while several resources are classified as sources of sustained advantage, this classification assumes Apple's silicon supply and brand execution remain strong; competitors closing the chip-performance gap or repositioning against Apple's pricing could erode some of these advantages over time. Vertical integration through Apple's custom silicon strategy and ecosystem lock-in at a lower price point provide potential sources of sustained competitive advantage, consistent with the VRIO framework (Barney, 1991; 1995). Specifically, affordability and advanced sustainability features now serve as additional strategic capabilities that Apple has organized around its existing ecosystem. This analysis reflects the paper's central argument that while ecosystem lock-in remains the foundation, affordability and sustainability can serve as extensions of Apple's existing strategy to expand its market reach without abandoning its established brand.

This move to release the MacBook Neo has similarities to Apple's original 2006 MacBook release strategy. The first consumer MacBook, made out of polycarbonate plastic, was launched as an accessible consumer and lifestyle-focused device that expanded the Apple product lineup to a greater demographic (Apple, 2006). Similar to the Neo, it utilized cost-effective design choices while maintaining Apple's build quality, becoming an important contributor to Apple's expansion in the personal computer market (Apple, 2006). Both cases represent product-line expansion strategies that allowed Apple to reach additional consumers while maintaining ecosystem integration.

Table 3: VRIO Analysis of the MacBook Neo (2026 onwards)

Resource/ Capability	Value	Rarity	Imitability	Organization	Competitive Advantage
A18 Pro Chip + Vertical Integration	High (potentially contributes to cost-performance positioning)	High	Difficult	Fully exploited	Sustained



Affordability + Product Ladder Strategy	High (new segment expansion)	Medium	Moderately difficult	Fully exploited	Temporary
Advanced Sustainability Features	High (ESG appeal)	Medium to high	Moderately difficult	Fully exploited	Temporary
Ecosystem Lock-in at a lower price point	High (potential to generate ecosystem value)	High	Difficult	Fully exploited	Sustained
Brand Reputation & Marketing Execution	High	High	Difficult	Fully Exploited	Sustained
Improved Repairability	Medium	Medium	Moderate	Partially Exploited	Competitive Parity

Note. VRIO classifications represent the author's analytical assessment based on the publicly available evidence reviewed in this study. Classifications of rarity, imitability, organizational exploitation, and competitive advantage should therefore be interpreted as analytical judgments rather than direct claims made by Apple.

Apple's decision to release the MacBook Neo appears to reflect multiple factors, both inside and outside of Apple, based on the available evidence. Some external factors that could have influenced the release of the MacBook Neo included limited opportunities for market expansion and changing conditions within the premium market, especially due to rising component costs. With Apple operating in a highly competitive market, these conditions may have created an opportunity for Apple to pursue elements of a blue-ocean strategy by entering more affordable laptop segments. Some internal factors may also have supported the release of the MacBook Neo. By releasing the MacBook Neo, Apple could utilize existing Apple silicon capabilities, including the A18 Pro chip architecture, to achieve competitive pricing while maintaining performance advantages (Apple, 2026b). Through vertical integration, Apple may have been better positioned to manage costs while targeting a lower-cost market. Sustainability and ESG goals may also have been relevant to the release of the MacBook Neo. With Apple's 2030 carbon-neutrality goal, there was increasing pressure to innovate in materials and manufacturing. Thus, the MacBook Neo also provides Apple with an opportunity to demonstrate progress toward its sustainability goals while



maintaining its broader brand image. To better understand the circumstances surrounding the MacBook Neo, a STEEPLE analysis was conducted focusing on the period from 2026 onward.

The MacBook Neo also marked a major advancement in sustainability. With 60% recycled content overall within the laptop itself, the MacBook Neo could become one of Apple's most sustainability-focused products, with a low reported carbon footprint (Apple, 2026b). The body is composed of more than 90% recycled aluminum, with a new forming process using 50% less aluminum than traditional methods to produce the body (Apple, 2026b). Within its batteries, the MacBook Neo contains 100% recycled cobalt, as well as 100% recycled rare earth elements within the magnets. Forty-five percent of manufacturing electricity originated from renewable energy (Apple, 2026b). These sustainability gains span across various levels of the supply chain, resulting in a lower reported carbon footprint than previous MacBook models.

This aligns with research on ethical consumerism, which suggests that sustainability communication can influence consumer perception and brand value among environmentally conscious consumers (Du et al., 2010; Kotler & Lee, 2005). In such markets, Apple's increase in sustainability allows it to participate in the broader trend toward environmentally conscious technology. With the new demographic now targeting students and people from younger generations, who may also be more conscious about the environment, the MacBook Neo therefore represents a potential mechanism through which Apple could expand into these customer segments.

Table 4 shows the STEEPLE analysis of the MacBook Neo and reflects changes in the external environment surrounding Apple. Increased demand from Gen Z and students, in conjunction with heightened ESG expectations and increased regulatory pressure on sustainability, could have created conditions favorable to the release of an affordable and sustainable product. Additionally, changing conditions within the premium segment may have supported market expansion. These external factors help explain the circumstances in which Apple was operating and provide context for why Apple may have chosen to layer affordability and sustainability onto its existing ecosystem lock-in strategy in response to changing consumer and regulatory demands.

While these external conditions supported the Neo's launch, Apple also faced potential challenges due to the release of the MacBook Neo. Apple could plausibly face supply-chain challenges, particularly given broader semiconductor constraints and increasing component costs affecting technology manufacturers more generally. Apple could face challenges maintaining supply if demand exceeds available component capacity. This could lead to situations where Apple has to find new supply lines at higher costs, potentially leading to supply shortages, sell-outs, and longer delivery times for the MacBook Neo. Furthermore, other components of the MacBook, such as storage or RAM, could increase in price, creating potential problems for Apple in maintaining the current price of the MacBook Neo. Brand perception also presents a problem for Apple, requiring careful deliberation and execution by the marketing department. By releasing a USD \$599 MacBook, Apple risks diluting its premium brand image if consumers begin to associate the company more strongly with budget-friendly products.

Overall, consumer reception towards the MacBook Neo was broadly positive. Technology reviewers such as PCMag, Forbes, and TechCrunch described the MacBook Neo favorably within the lower-priced laptop market (Osborne, 2026; Isaacs, 2026; Singh, 2026). Singh (2026) also reported strong early demand and the presence of first-time Mac buyers among Neo customers. These observations suggest that the device may have appeal among consumers who had not previously purchased a Mac, although the available evidence does not establish that positive reviews caused these purchases. The available



evidence also does not establish how many Neo buyers were genuinely new Apple customers rather than existing Apple users purchasing an additional or lower-priced Mac.

Table 4: STEEPLE Analysis of the MacBook Neo (2026 onward)

Factor	Key Points
Social	Rising demand from Gen Z and students for affordable tech; continued hybrid learning trends
Technological	Advances in recycled materials and efficient chip designs; AI feature expectations
Economic	Slowing premium segment growth; high component costs; opportunity in budget laptop market
Environmental	Heightened regulatory pressure on electronics carbon footprint and materials sourcing
Political	Government initiatives for digital inclusion in education; ongoing trade tensions
Legal	Strengthening right-to-repair and sustainability regulations
Ethical	Increased consumer awareness and demand for ethical and sustainable products

Note. STEEPLE factors represent external conditions identified from the sources reviewed and their relevance to Apple's strategic environment. Their inclusion does not establish that any individual factor directly caused Apple's decision to launch the MacBook Neo. Information adapted from Osborne (2026), Isaacs (2026), Counterpoint Research (2026), International Data Corporation (2026), Apple (2026a), Apple (2026c), Repair.eu (2026), and Du et al. (2010).

Yet, some limitations and risks remain due to the release of the MacBook Neo. The greatest risk for Apple is the potential for its brand image to change if consumers begin to view the company as similar to other manufacturers offering both premium



and budget-friendly products. With a \$400 difference between the Neo and the MacBook Air, Apple's success in maintaining its brand image may depend on its ability to clearly differentiate the products. Apple's marketing strategy may therefore need to emphasize the Neo's value while maintaining clear differences between the Neo, MacBook Air, and MacBook Pro.

5. Comparison

The independent case studies illustrate Apple's strategic evolution from a pure premium lock-in model to a more inclusive, layered ecosystem. In this new approach, ecosystem lock-in remains the foundational mechanism for long-term value capture, while affordability and sustainability serve as strategic extensions that may broaden customer acquisition without changing the core architecture of Apple's ecosystem.

5.1. Pricing, Market Access and Sustainability Integration

Traditional MacBooks targeted premium consumers and professionals, with entry-level models historically positioned around the \$999 price range (Apple, 2020–2025). The MacBook Neo's USD \$599 price point represents a potential market expansion into more affordable and entry-level segments, effectively creating a differentiated product ladder that may reduce internal cannibalization while providing Apple with an opportunity to reach additional customer segments (Apple, 2026b).

Sustainability in traditional MacBooks served primarily as an additional element of Apple's broader environmental strategy. The Neo places greater emphasis on sustainability as a potential competitive differentiator, achieving 60% recycled content and a lower reported carbon footprint (Apple, 2026a; 2026b). This move reflects Apple's response to external ESG pressures and positions sustainability as a more visible part of Apple's lower-priced product strategy. However, because many of these environmental figures are reported by Apple, they should be interpreted with appropriate caution. More (2025) reported that a German court ruled that an Apple Watch could not be marketed as "CO₂-neutral" under the conditions examined by the court. This does not demonstrate that the Neo's specific environmental figures are inaccurate, but it highlights the importance of independent scrutiny when evaluating corporate sustainability claims.

5.2. Ecosystem Role, Competitive Positioning, and Risks and Trade-offs

Both generations rely on ecosystem lock-in, but the Neo extends Apple's lock-in strategy to a wider potential audience. By lowering the entry cost, Apple may increase the probability of future cross-selling through other Apple devices and services, potentially converting one-time budget buyers into longer-term ecosystem users (Gawer & Cusumano, 2014; Jacobides et al., 2018). However, whether Neo buyers actually generate additional ecosystem revenue remains uncertain and requires further market data. Traditional MacBooks operated in a crowded premium market. The Neo exhibits several elements consistent with blue-ocean strategy by entering a more affordable laptop category and potentially competing with Chromebooks and Windows devices on both price and user experience (Kim & Mauborgne, 2005).

The strategy introduces risks such as potential brand dilution, supply-chain vulnerabilities, and execution challenges in maintaining its premium perception. Apple's marketing success in presenting the Neo as an accessible Apple experience while maintaining clear differentiation from higher-priced models will be important to its long-term success. Overall, this comparison suggests that Apple is leveraging its traditional strengths in ecosystem lock-in and vertical integration while addressing previous limitations in market reach and sustainability.



6. Summary of Findings

The analysis provides several noteworthy findings. First, traditional MacBooks demonstrated the strengths and limitations of Apple's premium ecosystem-based strategy: the ability to gain strong loyalty and profitability within a narrow market segment, but greater vulnerability to market saturation and limited accessibility for younger and price-sensitive consumers. Second, the MacBook Neo makes use of Apple's core capabilities, including vertical integration and ecosystem design, to address some of these limitations, creating the potential for meaningful market expansion while maintaining strategic coherence. The integration of affordability and sustainability represents an additional approach that reflects changing consumer demands while maintaining Apple's broader brand positioning.

Notable early outcomes of the release include positive initial reception among several technology reviewers and reported interest among first-time Mac buyers (Osborne, 2026; Isaacs, 2026; Singh, 2026). However, the available evidence does not yet establish whether these buyers represent genuinely new Apple customers, whether they will generate additional ecosystem revenue, or whether some are existing Apple customers purchasing a lower-priced Mac. Persistent supply-chain and brand-perception risks also highlight the difficulty of maintaining such a strategy. Collectively, these findings suggest that Apple may be developing a more adaptive, multi-tiered ecosystem strategy, one that balances traditional strengths with broader accessibility and sustainability.

7. Discussion & Recommendations

The findings of this paper align well with various theoretical perspectives that were discussed in the literature review. The importance of ecosystem lock-in as a tool for competitive advantage reflects platform ecosystem theory (Gawer & Cusumano, 2014; Jacobides et al., 2018), while the Neo's affordability and sustainability highlight elements of blue-ocean strategy and provide a potential case for examining disruptive innovation concepts (Kim & Mauborgne, 2005; Christensen et al., 2015). Furthermore, the role of sustainability as a potential competitive advantage reflects the rise of ethical consumerism and CSR communication theories (Du et al., 2010; Kotler & Lee, 2005), demonstrating how external pressures can contribute to strategic adaptation in premium brands.

From a VRIO perspective, both traditional MacBooks and the Neo demonstrate that ecosystem lock-in and vertical integration can serve as sources of competitive advantage (Barney, 1991; 1995). However, the Neo also introduces affordability and sustainability as additional strategic dimensions that were less emphasized in traditional MacBooks. The STEEPLE analysis further helps reveal the role that external factors play in shaping the environment surrounding this shift. This comparison highlights Apple's movement toward a layered ecosystem model, where lock-in serves as the foundation while affordability and sustainability help broaden potential customer reach.

The MacBook Neo also has multiple characteristics that can be examined through disruptive innovation theory. Its lower price and potential appeal to consumers who may not have previously purchased a Mac are consistent with elements of a low-end or new-market strategy (Christensen et al., 2015). However, the Neo's recent release means that there is currently not enough evidence to determine whether it will follow a disruptive trajectory. Therefore, disruptive innovation is better treated as a theoretical lens for interpreting the Neo's market positioning rather than as a confirmed outcome.



The Neo's sustainability features also could represent an important extension of Apple's existing strategy. Its use of recycled materials and reduced aluminum consumption may appeal to environmentally conscious consumers while differentiating the Neo within the lower-priced laptop market. However, because many of these environmental figures are reported by Apple itself, they should be interpreted with appropriate caution. Independent scrutiny of corporate sustainability claims remains important, particularly as environmental marketing becomes a more significant part of technology companies' product positioning.

To sustain this strategy, Apple should continue to invest in supply-chain resilience. As supply chains, specifically chip production, can drive the costs of these products, maintaining reliable component supply will become critical. Additionally, Apple should ensure clear product differentiation across the product ladder through defined marketing that highlights the different user experiences and use cases at various price points.

Apple should also measure whether Neo buyers are genuinely new Mac customers or existing customers purchasing a lower-priced Mac. This would help determine whether the Neo is expanding Apple's customer base or primarily shifting demand within its existing product line. Apple could also track whether first-time Neo buyers later adopt other Apple devices or services, which would provide a clearer indication of whether the Neo creates additional ecosystem value beyond the initial hardware purchase. Finally, Apple should continue to deepen sustainability efforts while providing transparent information about its environmental claims. Monitoring component costs, supplier conditions, recycled-material use, and the effectiveness of sustainability communication would help Apple maintain the Neo's affordability without weakening its broader brand positioning.

Although this study focuses on Apple, the case may also have implications for other premium technology brands. The MacBook Neo suggests that premium firms do not necessarily need to abandon ecosystem-based differentiation when entering more price-sensitive markets. Instead, they may be able to introduce lower-priced entry products that broaden access while maintaining the ecosystem, brand, and service relationships that support customer retention. Whether this approach succeeds, however, may depend on maintaining sufficient differentiation between entry-level and premium products.

8. Conclusion

This study has examined Apple's strategic shift through the comparative analysis of traditional MacBooks and the MacBook Neo. The findings suggest that the MacBook Neo reflects a significant adaptation to the changing competitive environment. The findings suggest that Apple has retained ecosystem lock-in as a core competitive advantage while adding affordability and sustainability, potentially allowing it to expand market reach and respond to changing external conditions. By balancing its premium brand image with a broader potential customer base, Apple has positioned the Neo to potentially capture new customer segments without completely changing the foundations of its existing business model. The findings further suggest that this approach provides opportunities for market expansion while introducing risks related to supply-chain resilience, brand perception, and long-term product differentiation.

However, the Neo's recent release means that its long-term commercial success cannot yet be established. In particular, future research should examine whether Neo buyers are genuinely new Apple customers, whether they subsequently adopt other Apple products and services, and whether the Neo creates additional demand or primarily shifts existing customers



toward a lower-priced product. As more evidence becomes available, these measures will help determine whether the Neo represents a successful extension of Apple's ecosystem strategy or primarily a redistribution of demand within Apple's existing customer base.

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Ethics Statement

This research was conducted independently and without access to a formal ethics review board. Therefore, this paper's author adhered to the practical guidelines for ethical research. All data used were secondary and were collected from publicly available sources using ethical guidelines for research.

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Mentor Contribution Statement

This research paper was written under the guidance of **Dr. Aardra Chandra Mouli**. The mentor's role included providing feedback to further develop ideas that were explored in the research paper and gaining a better understanding of various



business frameworks that were utilized. Additionally, the mentor's guidance on the structure of this paper, and addressing gaps were essential for the success of this paper.

