

Best buy analysis

[Sociology](#), [Shopping](#)



Best Buy Context Analysis Best Buy Co. , Inc. is a specialty retailer of consumer electronics in the United States, accounting for 19% of the market. It also operates in Mexico, Canada, China, Turkey and the United Kingdom. The company's subsidiaries include Geek Squad, Magnolia Audio Video, Pacific Sales, and in Canada operates under both the Best Buy and Future Shop label (Dual Branding). Together these operate more than 1, 150 stores in the United States, Puerto Rico, Canada, China, Mexico, and Turkey.

In addition, the company has rolled out over 100 Best Buy Express Automated Retail stores or " ZoomShops", operated by Zoom Systems, in airports and malls around the U. S. The company's corporate headquarters are located in Richfield, Minnesota. Best Buy was named " Company of the Year" by Forbes magazine in 2004, " Specialty Retailer of the Decade" by Discount Store News in 2001, ranked in the Top 10 of " America's Most Generous Corporations" by Forbes magazine in 2005, and made Fortune magazine's List of Most Admired Companies in 2006.

On March 9, 2009, Best Buy became the primary electronics retail store (online and bricks and mortar) in the eastern United States, after smaller rival Circuit City went out of business. Fry's Electronics remains a major competitor in the western United States. Many locations feature in-store pickup, which can be arranged through the company's website. Climate Factors Political * Best Buy is engaged in various activities to promote the promotion of candidates and political organizations. The company complies with all the laws related to the political contributions and strives to contribute to the parties that are interested in the well being of their industry (Best Buy, 2009). Economic * The economic slowdown has no doubt affected

the business operations of Best Buy Co. and they are facing consumer related challenges at every point in the market. * Due to these economic conditions, in 2008, Best Buy Co. asked its employees to separate from the company on voluntary basis (ecoustics, 2008).

This strategy allowed the company to settle down in the market to some extent. * Corporate partnership with CPW has helped the company to perform better in the adverse conditions of the economy and markets Social * Best Buy is engaged in effective social and community related initiatives. * It has developed Children's Foundation that aims to support the local communities via its grant making programs.* It took an initiative to give power to teens to improve their relationship and educational status at school and for them to engage in their communities. The company gives grants and store donations to promote education. * Has partnered up with foundations like Admission Possible, AFI Screen Nation, America Scores, American Red Cross Society, Ashoka's Youth Venture, Boys and Girls Clubs of America, among others. Technological * The company is highly equipped with the latest gadgets and the technology it requires to facilitate its customer base. * They are also using technologies like click stream on the websites to keep the anonymous track of their visitor's preferences and likes.

This technology helps them to develop a better, more secure shopping experience and helps Best Buy to understand how visitors use their website. Environmental * Best Buy launched a program called Greener together to increase the energy efficiency in its products and to reduce the level of waste by using recyclable packaging and disposing system. * The company also offers free recycling of gadgets large and small. Best Buy S. W. O. T.

Analysis Strength * Consumers have a positive view of Best Buy as opposed to competitors * Strong market presence and wide consumer base provides competitive advantage. * Loyalty programs - " Reward Zone" * Acquisitions like Future Shops, Geek Squad, Napster, and Jiangsu Five Star * Knowledgeable Staff Weaknesses * Private Brand recalls * Constrained credit availability Opportunities * Expanding presence in China, Mexico, Europe, Canada, UK, and Turkey. * Private brand potential * Growing online sales * Circuit City's demise has freed up some of the market * Dual branding in Canada and China Threats * Economic slowdown * Intense competition * Political issues between U. S. and China * Quality issues with Chinese exporters.