Best buy: financial analysis

Business

Consisting of both Domestic and International operations, Best Buyhas been able to successfully maintain as a multinational merchant of products from appliances, software and electronics. Although there are several brands under Best Buy, the organization continues to expand and offer a multitude of products to consumers.

With a return on assets of 7. 3% in the past 12 months, Best Buy has directed the way towards advancement product selection and multimedia campaigns (Forbes).

It was in May of 2009, for example when Best Buy was proclaimed as the primary electronics store which was escalated after Circuit City went out of business. The average Gross Profit Margin for the past 5 years for the company has been at 26% which means that it has a little over a quarter of the revenue minus the related expenses that occurred is what Best Buy has at the end of the day (Forbes).

Did you like our case study? This is just an example.

You canbuy a case study onlineon this or similar topic from us. We provide 100% confidentiality and satisfaction guarantee!

The Gross Profit Margin helps foresee how it will pay additional costs and future savings. The leverage ratio for the past 12 months is at 2. which is also known as the debt-to-equity ratio (Direct Finance). Such ratio helps illustrate how much debt per equity in the company is calculated and how Best Buy is meeting its financial obligations.

With its fixed costs and following its reach at the breakeven point, Best Buys financial trend it so increase its operating revenue while the output is improved in comparison to its competitors who may possess higher variable costs (Forbes)