

# Geek squad: a new business for a new environment

[Business](#), [Marketing](#)



Geek Squad is a company that was established after the changes in the technological sector created an opportunity for a new service firm. Many clients could not install their electronic products. In addition, majority of them opted to return the electronic products because they could not get after sales services. Therefore, Geek Squad took this opportunity and combined it with other services such as repairs to penetrate the competitive market.

#### Question 1

Changes in technological environment played a significant role in the establishment of Geek Squad. This is because many customers were not conversant with the modern technology. As a result, they could not operate these technologies, an aspect that made many of them to be dissatisfied and even request for a refund. Many of these clients could not have adequate time to read manuals on how to install the electronic products.

Changes in social environment played a critical role in creating an opportunity that led to the establishment of Geek Squad. Initially, men were the main target for many electronic companies. However, the change in the income of women changed this trend. Women started purchasing electronic products, an aspect that created an opportunity for Geek Squad to segment this market. These were women with disposable income which they were willing to spend it on high quality products and services.

#### Question 2

Consumers changed their purchasing patterns towards modern technology (Fernando 89). A large number of customers started purchasing computers, Televisions, and other electronic products that required repairs. Therefore,

Best Buy wanted to satisfy the interests of their customers by ensuring that once they purchase the products, they can get after-sales services. This is to attract their loyalty towards their premises.

Women forms one of the largest market segments for Best Buy. As a result, with their changing interests on electronics, Best Buy had to acquire Geek Squad in order not to lose this segment to the competitors.

### Question 3

#### Social Environment

With the current consumerism culture, the number of electronic consumers is likely to increase (Prasad 57). This will increase the demand for Geek Squad services. However, Geek Squad is likely to change its strategy in the near future and focus on the young people. These form the largest market segment. This will increase the performance of the firm in the market.

#### Economic Environment

With the increasing levels of globalization which has led to integration of economies, Geek Squad is likely to face economic risks such as inflation and high interest rates. These are likely to change the consumption behavior of the target market.

#### Technological Environment'

With the changing technologies in the market, Geek Squad will have to keep on evolving and training its employees on how to repair new electronics. This is in order to remain competitive.

#### Competitive Environment

With the current growth of the firm, more investors are likely to get interested in the same market. This is likely to reduce the market share of

Geek Squad. This aspect will reduce the market share of Geek Squad unless the management takes serious action to create a barrier of entry to other investors.

#### Regulatory Environment

With the increasing threat of terrorism and cyber crime, the governments are likely to regulate this sector in order to protect the members of the public. This is likely to affect the performance of Geek Squad. This is because it will have to comply with these regulations, an aspect that is likely to slower the speed of service delivery.

#### Question 4

Majority of the electronic users are literate and young (Fernando 59). As a result, Geek Squad should use advertising and direct marketing as promotional activities in order to encourage consumers to switch to their services. Advertising would involve the use of audio, visual, print, and social media. The use of the social media will create an opportunity for Geek Squad to interact with the customers directly, an aspect that enable the firm to understand different factors that make them change their behavior pattern. This will be critical in developing a campaign that will target the right market segment.

#### Works Cited

Fernando, A C. Corporate Ethics, Governance, and Social Responsibility: Precepts and Practices. Delhi: Pearson Power, Dorling Kindersley, 2009. Print.

Prasad, Vishwajeet. Business Environment. Delhi: genNEXT, 2010. Print.