

Case Title: Best Buy Co., Inc.

Unique ID: MHE-FTR-052-1259927628

Year: 2017

Abstract: CEO Hubert Joly has successfully tackled BBY's two main problems – declining comps and margins – and engineered a financial turnaround within his first five years on the job. Now Joly must develop and implement a strategic plan to create a sustainable competitive advantage for Best Buy in the highly competitive, electronic retail industry. With less than 20 percent of revenues coming from online sales, Best Buy is still predominantly a bricks-and-mortar store with an online presence and has not yet transformed into a “bona fide, multi-channel retailer.” The case provides an overview of Best Buy's main competitors: Circuit City (now defunct), Walmart, Target, Apple, and Amazon.com. It further highlights the threat emanating from the continuous shift to online retailing.

Concepts: Stakeholders, Strategic Planning, External Analysis, Competition, Internal Analysis, Competitive Advantage, Business Strategy, Technology, Corporate Strategy, Strategic Alliances, International Strategy, Strategic Leadership

Context:

- Protagonist: Hubert Joly, CEO
- Country: USA
- Sector: Retail trade, Household appliance stores, Electronics stores
- Company Employee Count: 125,000
- Company Revenue: \$40 billion
- Ticker Symbol: BBY
- Event Year Begin: 2012
- Event Year End: 2017

Teaching Note: Available