First, we will look at an attempt by a national electronics retail chain to expand its market, and to align its people with that strategy. As you read this introductory case, ask yourself:

- What triggered the drive for change at Best Buy?
- In what ways did Best Buy need to align its people with the goal of expanding its market?
- What steps did Julie Gilbert take and how effective were they?

## EXPANDING THE MARKET FOR BEST BUY

Julie Gilbert, senior vice president at Best Buy, recognized an opportunity.[1] Women were showing a growing interest in shopping for electronics. That shift was due in part to the introduction of entertainment systems and flat screen televisions that attracted the attention of women shoppers. According to the Consumer Electronics Association, women now influenced 57 percent of the $140 billion annual electronics purchases made in the United States.

Best Buy stores were often seen as unappealing, even hostile, to women. Noted one female shopper, "I avoid Best Buy like the plague. I find it difficult to get the attention of an employee, and then they seem to be somewhat terse. They rarely have offered options or helpful advice. If I really need something from there and I can't find it elsewhere, I send my husband." Other women reported a preference for shopping on the Internet for electronics.

Given Best Buy's origins, its appeal to male shoppers was hardly surprising. The company began in St. Paul, Minnesota in 1966 and catered to young male consumers. As the business expanded, that focus remained unchanged. "Our stores used to have one primary customer in mind," agreed current CEO Brad Anderson. "That was the young, techno-savvy male."

It was Julie Gilbert who noticed both the problem and the opportunity. In 2005, she calculated that of the $90 billion annual purchases in the U.S. market influenced by women, Best Buy accounted for $10 billion. Not bad, she thought, but Best Buy could do much better. Gilbert also knew that return and exchange rates were 60 percent lower on purchases when couples were involved in a purchase than when they were made by men alone. Furthermore, couples tended to buy higher end (and higher margin) products than did men when shopping alone. Gilbert saw an opportunity to expand Best Buy's market dominance by claiming a larger share of women-influenced purchases.

But how?

Some of the changes were relatively simple. "We were a boy's toy store designed for boys by boys," noted Gilbert. Stores were to be retooled. Out went the loud music and stacks of electronic components. Personal shopping assistants were added, living rooms were set up to display home entertainment systems, and aisles were widened to accommodate children and baby strollers. Although it would take time and money to implement these changes in the chain's 700 plus stores, there was little resistance to the ideas.

The more difficult challenges involved people alignment. The first step required identifying new behaviors for the sales people, known in the company as