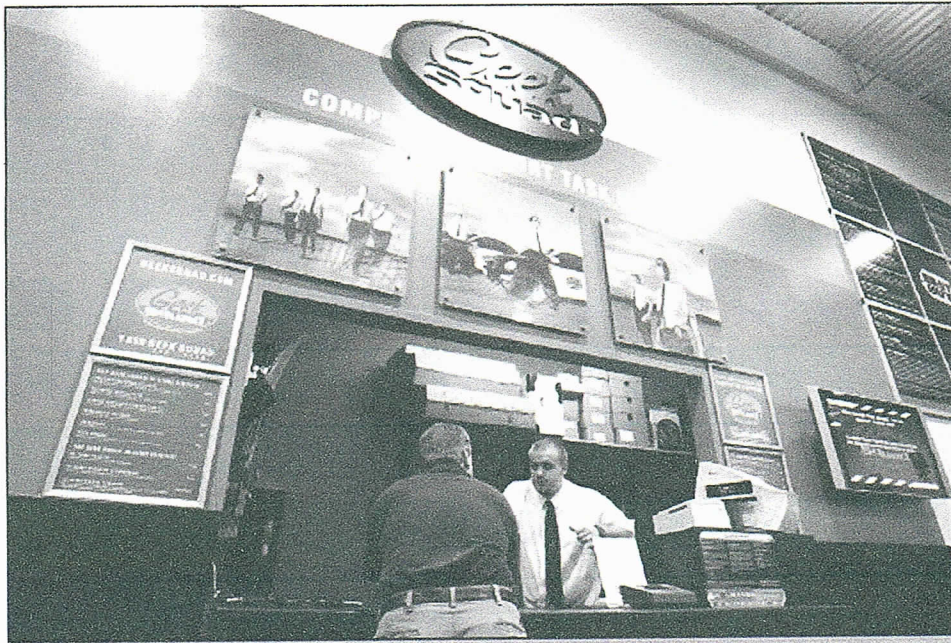




Geek Squad set out to provide timely and effective help with all computing needs regardless of the make, model, or place of purchase. Geek Squad employees were called “agents” and wore uniforms consisting of black pants or skirts, black shoes, white shirts, black clip-on ties, a badge, and a black jacket with a Geek Squad logo to create a “humble” attitude that was not threatening to customers. Agents drove black-and-white Volkswagen Beetles, or Geekmobiles, with a logo on the door, and charged fixed prices for services, regardless of how much time was required to provide the service. The “house call” services ranged from installing networks, to debugging a computer, to setting up an entertainment system, and cost from \$100 to \$300. “We’re like ‘Dragnet’; we show up at people’s homes and help,” Stephens says. “We’re also like *Ghostbusters* and there’s a pseudogovernment feel to it like *Men in Black*”

In 2002, Geek Squad was purchased by leading consumer electronics retailer Best Buy for about \$3 million. Best Buy had observed very high return rates for most of its complex products. Shoppers would be excited about new products, purchase them and take them home, get frustrated trying to make them actually work, and then return them to the store demanding a refund. In fact, Best Buy research revealed that consumers were beginning to see service as a critical element of the purchase. The partnership was an excellent match. Best Buy consumers welcomed the help. Stephens became Geek Squad’s chief inspector and a Best Buy vice president and began putting a Geek Squad “precinct” in every Best Buy store, creating some stand-alone Geek Squad Stores, and providing 24-hour telephone support. There are now more than 20,000 agents in the United States, Canada, the United Kingdom, and China, and return rates have declined by 25 to 35 percent. Geek Squad service plans are also being sold on eBay and in some Target stores. The Geek Squad website proclaims that the company is “Serving the Public, Policing Technology and Protecting the World.”

THE CHANGING ENVIRONMENT

Many changes in the environment occurred to create the need for Geek Squad’s services. Future changes are also likely to change the way Geek Squad operates. An environmental scan helps illustrate the changes.

The most obvious changes may be related to technology. Wireless broadband technology, high-definition televisions, products with Internet interfaces, and a general trend toward computers, smartphones, entertainment systems, and even appliances being interconnected are just a few examples of new products and applications for consumers to learn about. There are also technology-related problems such as viruses, spyware, lost data, and “crashed” or inoperable computers. New technologies have also created a demand for new types of maintenance such as password management,