

Best Buy's rebrand, refresh aims to reverse its two-and-a-half-year slump

Article

The news: Best Buy is taking steps to compel shoppers to buy computers, TVs, and other consumer electronics from it rather than its broad array of online and offline competitors that

includes **Amazon, Costco, and Walmart.**

The differentiators: In addition to refreshed branding—complete with a new color palette, tagline, and holographic spokesperson it is calling Gram—Best Buy introduced several initiatives to improve the shopper experience, including:

- **Personalized features within the Best Buy app:** The revamped app includes a new home page featuring tailored content, a “Discover” tab where consumers can engage with new tech, a Shop with Videos section featuring a curated assortment of videos, and personalized push notifications that alert shoppers when items they’ve been eyeing going on sale.
- **A new video content library:** The retailer plans to roll out at least 500 videos by year end on its YouTube channel, app, and BestBuy.com—roughly three times more than last year. The videos will take several different forms including highlighting new products, fostering discovery, offering tech tips, and serving as a buying guide.
- **Unbiased editorial content:** The retailer earlier this year began integrating content from **CNET**—including product reviews and expert picks—on Best Buy channels, including its stores, website, and mobile app. [The partnership](#) gives Best Buy the opportunity to connect with shoppers early on in the research process and learn more about their behaviors and preferences. It should also bolster its retail media business.
- **Adding experiential spaces:** Hundreds of Best Buy stores will feature areas where consumers can interact with products from brands like **GoPro, Tesla, Lovesac, and Starlink**. The retailer is also carving out a significant portion of its stores to focus on [AI-powered PCs](#). It plans to stock over 40 **Microsoft Copilot+** models—about 40% of which are exclusive to Best Buy—and has trained over 30,000 Geek Squad tech support agents to conduct demos of the Copilot+ in hundreds of stores.

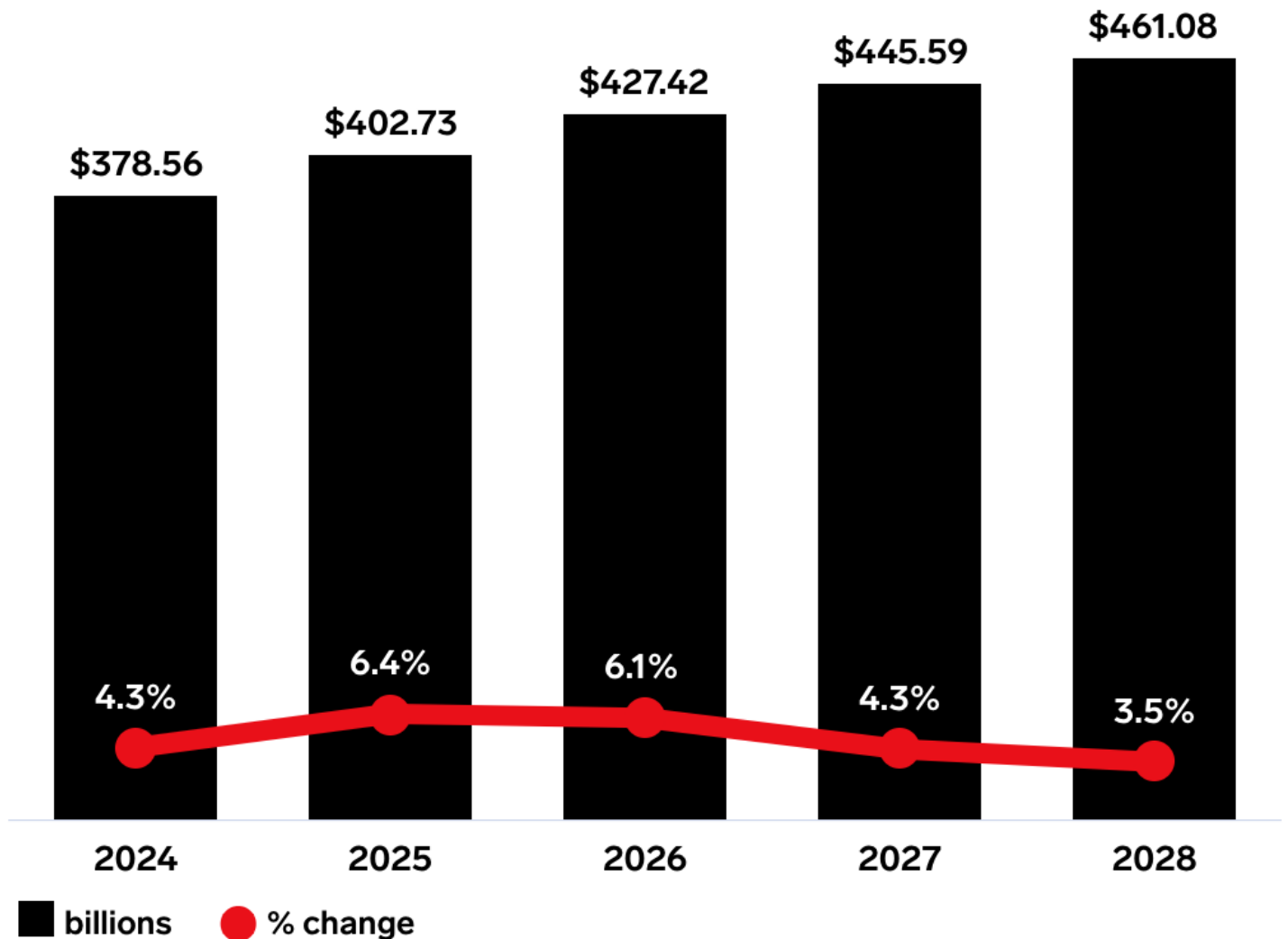
Why it matters: Best Buy operates in a tough space given that the entire consumer electronics category has experienced a post-pandemic hangover after consumers initially splurged on big-ticket items such as TVs and appliances. **After 10-straight quarters of declining same-store sales, the retailer needs to breathe new life into its brand.**

- The lack of must-have products over the past few years adds to the challenge and helps explain why **electronics and appliance store sales are up just 0.8% year over year (YoY) in the first six months of the year, [per](#) the US Commerce Department.**

- However, we expect computer and electronics sales to accelerate throughout the second half of the year. **Our forecast** expects sales in the category to grow **4.3% YoY**— a significant gain after sales fell 3.0% YoY in 2022 and rose just 1.1% YoY last year.
- A fresh marketing campaign should compel some shoppers to give the retailer a fresh look, which could drive sales if its online and offline efforts make for a better shopping experience.

Computer & Consumer Electronics Retail Sales

US, 2024-2028



Note: excludes travel and event tickets, payments such as bill pay, taxes, or money transfers, restaurant sales, food services and drinking place sales, gambling and other vice goods sales

Source: EMARKETER Forecast, July 2024