



# Best Buy Co., Inc.

## Corporate Profile

Best Buy Co., Inc. is North America's leading specialty retailer of consumer electronics, personal computers, entertainment software and appliances.

## Business Challenge

### Increase Customer Satisfaction and Reduce Errors with Better Data Quality

Best Buy US determined that between 30 and 60 percent of the item data in their item master files contained errors, leading to significantly increased costs in their supply chain. In an analysis of the accuracy of out-of-box dimensions, Best Buy found that all sources of that data, including vendor websites, product manuals and SKU setup sheets provided to Best Buy, contained errors. The SKU setup sheets, which most suppliers manually completed to introduce new items to Best Buy, had dimensional error rates in excess of 20 percent! Industry studies estimate that an average of 260 hours per week per retailer are spent resolving discrepancies around item data.

The effect of these types of errors is profound. For example, a customer orders a television or major appliance and finds upon delivery that the dimensions were incorrect and because of that the item does not fit in its intended space. They return the item, and the result is an unhappy customer—a lost sale for the supplier and additional work and cost for Best Buy. In other words, everybody loses.

Best Buy also recognizes that a number of initiatives that are currently underway, including RFID, CPFR and other supply chain optimization strategies, are dependent on accurate and complete item data.

## The Solution

### Master Data Management Program with GXS PDQ

Best Buy has embraced data synchronization along with an internal product information management (PIM) tool to address internal and external governance of item data. Best Buy selected GXS Product Data Quality (PDQ) as the solution for cleansing their item data. Suppliers pass their data to GXS PDQ to verify accuracy and validate that the data is complete in terms of the attributes expected by Best Buy. The data is passed through business rules for validation with exceptions being addressed by the GXS Data Quality Center of Excellence. Working with suppliers, when necessary, the GXS staff manages the process of ensuring questionable data is reviewed and corrected before sending the complete data back to the supplier for subsequent submission to Best Buy via the Global Data Synchronization (GDS) network.

A significant benefit of PDQ is that suppliers can leverage GXS for their data quality assurance but still use the data pool of their choice. Best Buy's data pool of choice is SA2 Worldsynchron, formerly known as Agentrics.

## The Benefits

### Significant Supply Chain Efficiency Gains, Happier Customers

Best Buy anticipates significant outcomes from this investment—in the form of a material reduction, improved product availability, a reduction in inventory, increased sales and improved supply chain and employee efficiency. All of these combined will deliver the ultimate goal of increased customer satisfaction and will extend Best Buy's position as innovator and industry leader.

## About Best Buy

Best Buy Co., Inc. (NYSE:BBY) operates a global portfolio of brands with a commitment to growth and innovation. Our employees strive to provide customers around the world with superior experiences by responding to their unique needs and aspirations. We sell consumer electronics, home-office products, entertainment software, appliances and related services through more than 1,150 retail stores across the United States, throughout Canada and in China. Our multi-channel operations include: Best Buy (BestBuy.com, BestBuy.ca and BestBuy.com.cn), Future Shop (FutureShop.ca), Geek Squad (GeekSquad.com and GeekSquad.ca), Pacific Sales Kitchen and Bath Centers (PacificSales.com), Magnolia Audio Video (Magnoliaav.com), Speakeasy (Speakeasy.net) and Jiangsu Five Star Appliance Co. (Five-Star.cn). Best Buy supports the communities in which its employees work and live through volunteerism and grants that benefit children and education.

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#### About GXS

GXS is a leading global provider of B2B e-commerce solutions that simplify and enhance business process integration, synchronization and collaboration among trading partners. Organizations worldwide, including 75 percent of the Fortune 500, leverage the GXS Trading Grid® to extend supply networks, optimize product launches, automate warehouse receiving, manage electronic payments and gain supply chain visibility. With an unmatched global presence, proven trading partner management and B2B outsourcing services, GXS's on-demand solutions maximize the benefits of integration for businesses. Based in Gaithersburg, MD, GXS's extensive global network serves customers throughout the Americas, Europe, the Middle East and Africa and Asia Pacific regions. GXS can be found on the Web at [www.gxs.com](http://www.gxs.com).