



CarMax Harvard Case Solution & Analysis

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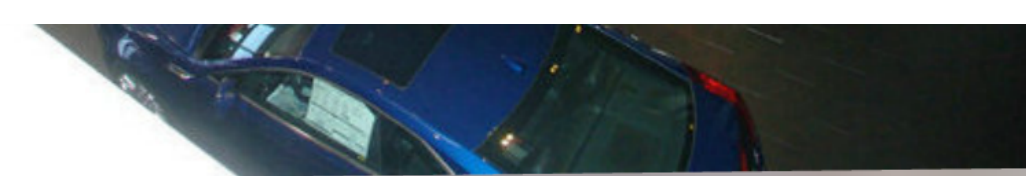


The Way Car Buying Should Be

Travis, Cristian, Jenna, André, Gray
Organizational Management
Dr. Valentine



You **Tube**



Introduction

Many of the industry's analysts were skeptical about the ability of the new kid on the block in the early 1990s. By the late 2000s, CarMax had in fact made a positive impact,

The CarMax way is to emphasize ethical business dealing, no-haggle pricing, and customer service. These are the three pillars of the company's success.

CarMax Staying in the Game

- The automotive industry in the United States had two very difficult years during 2008 and 2009, possible the worst in industry history.
- Government helped General Motors and Chrysler financially and they still went bankrupt.
- By cutting \$100 per vehicle in reconditioning costs, CarMax would save \$30 million annually on 300,000 or more cars they sell. This helped the company realize they can take a hit in the stomach and stay strong enough to still come out on top.

Training and Employees:

- Ranked in the top 125 best company for associate training
- Strong training exercises and values emphasis expressed during training

Quote by CEO Tom Folliard:

“As we grow as a company, associate development is a top priority at every level.”



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