

# Whole foods market

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Whole Foods Market: 2010 How to Grow in An Increasingly Competitive Market? Patricia Harasta and Alan N. Hoffman  
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## I. Introduction

Whole Foods Market is one of the biggest organic and natural wholefoodsuppliers in the world. They provide a wide variety of select foods that are without hormones or antibiotics and are stamped with the U. S. Department of Agriculture’s stamp of approval. They value the fact that they can provide people with access to healthy food and be identified with being socially and environmentally responsible. II. History

Whole Foods Market started off as being Safer Way natural grocery store in 1978. However they were not successful due to location and only being vegetarian. Eventually what made the company grow is when they combined with Clarsville Natural Grocery to become Whole Foods Market. Whole Foods Market’s strategy was to grow as big as possible. The first initiative they took was to own and operate several subsidiaries which were anything from coffee roasting to seafood processing. The next thing they did they took their company to new heights were mergers and acquisitions which the biggest acquisition was with Wild Oats which came under much criticism

from the FTC. Lastly Whole Foods has also grown into other markets around the globe which provides them with the potential to grow.

III. Strategic Analysis

a. SWOT Analysis

a. i) Internal Strengths and Weaknesses

Whole Foods Market has since its inception had great strengths. They were among only a few that provided natural whole and organic foods. One of their greatest strengths has been their location. They strategically placed stores in areas of affluent neighborhoods. They target people who have education

and who would be more knowledgeable and conscientious of healthy living.

They strategically designed their stores to be more inviting and warm for their customers. Another great strength that Whole Foods have is the strategic planning of placing as many stores as possible around the country.

A weakness that Whole Foods have is their reputation. A reputation for a grocer is key to its survival and they have the reputation of being very expensive or some call it “whole paycheck.”

a. ii) External Environment

One of the biggest external environmental threats against Whole Foods is increases in domestic competition. At its inception Whole Foods was one of the only providers of organic foods. However now there are many rivals who have taken apart of this ever going interest in our society for better living.

Stores such as Wal-Mart and Target have joined the bandwagon of providing their customers with organic foods. With many stores now offering organic foods this has put a dent in the availability of organic foods in other words has shorten the supply of organic foods to Whole Foods. Another external

environmental threat was the economy. When the economy went down during the recession many people had to make tough choices when it came to their finances and one of the biggest things that were changed was the amount that they spent on groceries. Many people just simply deemed natural organic foods as being expensive and not a necessity. A major opportunity that Whole Foods have embraced was that during the recession Whole Foods recognized that they need to make adjustments decrease the overall prices. Another major opportunity that they need to embrace is marketing the necessity of whole organic foods. Letting people know that eating right is vital to survival and their overall health. a. iii) Evaluation

The company overall is in a strong competitive position. With the acquisition of several subsidiaries it was able to expand their market even bigger. The stores' environment provides an exceptional shopping experience for the customers with a very clean environment and a helpful staff. Whole Foods has many opportunities to turn their threats into opportunities. One of their major threats are other organic whole foods competitors. Competitors like Trader Joe who offers organic foods at competitive pricing while still remaining at high quality standards. What Whole Foods can do is see what the

competition is offering and offer something even better to its customer base. Another threat that they can turn into an opportunity is do what they see competitors do such as offer specific products through sales which will attract a larger customer base.

a.	iv)	Financial	Analysis
Whole	Foods	financial	position

- IV. Corporate Level Strategy
- V. Business Level Strategy
- VI. Solutions
- VII. Recommendations.