

Mercadona – conservas ubago essay sample

[Business](#), [Marketing](#)



1. What is Mercadona Business Idea? Under what conditions does it make sense? = Their business idea was to be "Totaler", It means to satisfy the customer's necessities (the complete shopping cart). Under the conditions of total quality and to hear "the boss". Also, their business idea is based in the intersupplier concept, this means to find loyal supplier who will commit to the project and the philosophy related to the customer, and work together to achieve and guarantee the highest standards of quality on our products, the lowest price and long term stability of the supply.

2. What are the main policies about dealing with intersuppliers? Why are mercadona's branded products procured outside the firm? = There are 10 strategies that Mercadona pursued on a Intersupplier agreement, but I think there are 4 main that are: 1) Both supplier and Mercadona must know the expectations of the Boss 2) Mutual Benefits 3) Share training and information to improve the process and 4) Apply total quality. Because they have specialist in each product to assure experience and quality of them in order to give the best to "The Boss" but with Mercadona's brand.

3. What are the potential problems of Mercadona's organizational design? = Unsigned contract, based on faith and trust. They might have a crisis when having problems with problems of many intersuppliers at the same time. Explain the Mercadonas business model from the prespective of: *Regular Customer: will be a good point of view because they are getting good quality on a good price. *Conservas Ubago: they would not like to share their information because they think it is confidential and the customer should not know their costs, but working together they might reduce the costs (sells and marketing costs) for benefits of both. *Another competitor: they have a new

way in order to get back in business with their own product where Mercadona has been very successful.

4. Are there any coordination costs?

= Yes, minimum but there are; they have people that is assigned only to coordinate the intersupplier's agreements and continuous meetings to evaluate the progress.