

# Whole foods assignment



Case Study assignment 1. What are the chief elements of the strategy that Whole Foods Market is pursuing? Fresh natural and organic foods and products with no preservatives or artificial ingredients. Promote healthier eating/lifestyle and increasing consumer knowledge/education of food safety, environment and how pesticides affect the land as well as the human body.

2. Is the strategy well matched to recent developments and conditions in the natural and organic foods segment of the food retailing industry?

Yes the Whole Foods strategy has worked well for the company. They have good products and seem to have happy employees who also obtain shares in the company. They do not have much competition only on smaller scales or small areas in existing regular food markets. The company is still expanding even in this poor market and acquiring new stores and companies. 3. Do you think John Mackey has a good strategic vision for Whole Foods? Why or why not? What do you like or dislike about the company's motto " Whole Foods, Explain.

Yes, looking at the company's profits and growth I believe John Mackey has an excellent strategic vision for this company and employees. He has managed to maintain a top quality product, expand stores all over the country, offer good employee incentives and expand his food store chains all over the USA and some locations abroad, while still making good profits. The motto to me isn't too impressive it is just a play on words to somehow match the stores name " Whole Foods" the Motto Whole Foods, Whole People, Whole Planet.

If I didn't know we were talking about Whole Foods I would have no idea what message that motto was trying to convey. 4. Do Whole Foods Market's core values as presented in case exhibit 3 really matter? Are they "real" or just cosmetic window dressing? What evidence can you cite to support your answer? Have Whole Foods' core values contributed to the company's success? Why or why not? Core values do matter as long as the company and its management practice what they preach. If employees aren't behind the managers then the companies success will either be poor or non-existent.

Also customers can be tough, if they see words on a wall, look around a see poor displays, moldy food and unhappy/unfriendly store associates, customers won't come back, especially if the products being sold are high end. Whole Foods Market's Core Values are good, but are very extensive and should probably be trimmed down a little and still able to convey the message the store wants to express. From my own shopping experiences there they do seem to follow their Core Values the store is clean, colorful and the food is excellent. 5.

How well is Whole Foods Market performing from a financial perspective? Do some number-crunching using the data in case exhibits 9 and 10 to support your answer. Use the financial ratios presented in "A Guide to Case Analysis" as a basis for doing your calculations. Based on Exhibit 9 financial their sales doubled in 4 years but so did their cost of goods sold. Based on the figures in Exhibit 10 the store is in the positive for working capital having assets of \$1.3M over its liabilities. The store is in the black and expanding their operations and in today's economy that is a good thing. . How well is

Whole Foods Market performing from a strategic perspective? Does Whole Foods enjoy a competitive advantage over its three chief rivals—Wild Oats, Fresh Market, and Trader Joe’s? Does the company have a winning strategy? From the reading I would say that Whole Foods Market is performing better than the other three companies. Web searching I performed on the two companies I was not familiar with Wild Oats and Fresh Market, I found out that Whole Foods Market purchased the Wild Oats chain expanding the Whole Foods Market enterprise even further.

I have never been in a in a Fresh Market, but it doesn’t seem as wide spread as Whole Food Markets. Trader Joe’s, I went once to a store local to where I work and was not impressed by their store or their food. I actually walked out without buying anything. The store was small, the selection minimal and the prices were high. It seemed like the 7 Eleven of the organic food stores. These other stores provided from comparison also do not seem to have as many stores and/or the square footage that Whole Foods Market has.

Whole foods seem to be on a much larger scale in location, product and store size than the other stores. And Whole Foods has also expanded to a few locations outside of the United States, where I saw no evidence of the other stores anywhere but a few locations in the USA. The company does have a winning strategy many people are willing to spend a few extra bucks to shop there for the better quality items that you get; the store outside of where I work is always crowded and many people I know shop there on a regular basis.

I think the prepared foods and bakery is a big draw for people especially single people that want to eat good healthy/natural food, but do not have the time or need to cook the food themselves. Whole Foods prepared food section is an excellent option for them. Whole Foods Market® and Wild Oats Markets® are merging to better serve our shoppers who are seeking the very best in natural and organic products. [www. wholefoodsmarket.com/stores/wildoats/](http://www.wholefoodsmarket.com/stores/wildoats/) 7 Sep 08 7.

What recommendations would you make to John Mackey regarding the actions that Whole Foods' management needs to take to sustain the company's growth and financial performance? Appeal to a larger market and bring down the prices at Whole foods, so that more people could afford to shop there. I went there once for lunch and decided to purchase my lunch from the salad and hot bar. Just a small salad and two scoops of two different dishes they had on the bar it cost me \$18. Lunch for one person in a take out setting \$18 was much too expensive.

Everyone wants to have a healthier lifestyle and to me organically grown items should be cheaper not more expensive after all you are not dousing them with expensive pesticides and fertilizers. I feel when companies put organic on their products they automatically feel they can gouge the customer in prices. I am a single parent of three children; I could not shop at whole foods on a regular bases, because the cost would be astronomical. When I go to Whole Foods I go there for are specialty items for special occasions and that is unfortunate, as it would be nice to be able to shop there for my families daily food needs.