

Costco wholesale mission

Business



**ASSIGN
BUSTER**

Mission, Business Model and strategy A retailing company with a mission to continually provide members with quality goods and services at the lowest price possible, Costco Companies, Inc. 's business model was to generate high sales volume and rapid inventory turnover by offering members very low prices on a limited selection of nationally branded and select private-label products in a wide range of merchandise categories.

It is very much appealing as small businesses are the definite target customers. Low price definitely attracts more customers, and is strategically advantageous to this kind of industry. Costco's low price strategy is the highlight of the company's strategy and is very powerful and keeping the business hot to the customers. Its merchandising strategy in limiting selection to only about 4000 items is also good keeping in mind that the mission is to provide low price items, thereby lowered operational cost in stocking of these items.

Treasure hunting balances the " routine-news" of Costco and adds a state of excitement to buyers so they would regularly check out what's new.

Its low profile marketing and advertisement is being kept at minimum cost which is strategically aligned with the mission. Website sales also increases sale as it is convenient to the customers. Jim Senegal is the key contributor in most of the success being celebrated by Costco. For instance, it is dubbed as the fourth largest retailer in the United States and eight largest in the World.

Overall, he has the leadership, motivation and unparalleled concern for the company.

His skills in retailing business are certainly superior but the true measure of this would be the overall performance of the company and how it will be able to sustain its progressive performance. He seems to lack a stronger urge to please stockholders by not aiming to maximize the profitability of the company. Costco's strategic high sales volume and rapid inventory turnover generally give Costco a competitive edge using early-payment discounts given by merchandise vendors.