Costco Conversation Starters

What? I love Costco! The ____ are the best ever!
Costco, I can never leave without spending $300!
My spouse is at Costco all of the time!
All the employees seem so happy!?
Why don’t you carry ___________ anymore?
When are you going to put one in my town?
How come I can’t get ______ at Costco?
Can a person really return anything?
It’s so hard to get a job at Costco because no one ever leaves, why?
Costco Culture

Strategic
“Doing the Right Things”

Tactical
“Doing Things Right”
What? I love Costco! The ____ are the best ever!
- Taking Care of the Member
Costco, I can never leave without spending $300!
- Rewarding Shareholders
My spouse is at Costco all of the time!
- Taking Care of the Member
All the employees seem so happy!?
- Taking Care of the Employees
Why don’t you carry ___________ anymore?
- Taking Care of the Member
- Respect Suppliers
When are you going to put one in my town?
- Taking Care of the Member
- Taking Care of the Employees
- Rewarding Shareholders
How come I can’t get ______ at Costco?
- Taking Care of the Member
- Respect Suppliers
Can a person really return anything?
- Taking Care of the Member
It’s so hard to get a job at Costco because no one ever leaves, why?
- Taking Care of the Employee
Growth Curve

Warehouse Growth
746 Warehouses open as of 12/15/2017
Future – Culture is the Key

- Planning
- Technologies
- Products
- Partners
True to Costco tradition, “Top Dawg” Al Bry doesn’t skimp on the extras.
Food Court Power Evolution

- Started with minimal electric power to run the steam heat baths
  - 1 external power source of a 110v outlet
- Evolution of offerings, created consistent increases in energy footprint (soda fountain, pretzel case, churro)
- Current Food Court design is internal power source: multiple pieces of equipment, diverse voltages, consuming 270 KVA
Fresh Products

- Produce
- Meat
- Bakery
- Service Deli
- Food Court
Produce

We Tried a U-Pick Program

- Loose Fruit
- Member “Scaled Their Own”
- Honor System
Produce
Conventional Upright Cooler

- Limited Space
- Front Loading
- Limited Storage
8% Lighting
6% Receptacles
47% Refrigeration/Motors
3% Equipment Charging
25% HVAC/HEAT
10% Cooking
100% Total
Cookies...
Kirkland Signature

The Costco private label concept was originally proofed as: “Seattle Signature”

“The brand that COSTCO built. Your guide to the Kirkland Signature private label.”

“...all Kirkland Signature products must be equal to or better than the national brands, and must offer a savings to our members.”
—Dick DiCerchio, Costco COO
5. NO, THEY DON'T THINK THEIR CLOTHES ARE TRENDY, EITHER.

But they do stand by their quality. Jelinek admitted that the pants and shirts are mostly impulse buys. "Your purpose wasn't to come to Costco to look at clothes," he told Clark.com.
In fact KS is so good...
Aussie
Costcogeeks.com
The original unofficial Costco fan community.

Costco Australia Geeks
@costcoaustraliafans

Home
Posts

Like Follow Share

Arnott's Tim Tam
Original

Aussie Chunky Meat Pie
100 Day Grass Fed Beef
3.49

Vegemite
B Vitamins For Vitality

There is no substitute
Made with irresistible real chocolate

11 biscuits NET 280g
Iceland’s first Costco is so popular that one-fifth of the population has joined its Facebook group
Our aim is that our business remains responsible, resilient and relevant in accordance with our Mission Statement and Code of Ethics.

**Code of Ethics**
- Obey the law
- Take care of our members
- Take care of our employees
- Respect our suppliers
- Reward our shareholders

**Mission Statement**
To continually provide our members with quality goods and services at the lowest possible prices.
Costco Movie Trivia

- Ben Stiller portrayed a Costco Manager in the 2012 film “The Watch”
- No filming was completed in a Costco facility
2006 movie “Employee of the Month” was filmed at a Costco facility in Albuquerque, New Mexico.
What you may not know?

- 2nd largest Auto Dealer with 520,000 vehicles sold in 2017
- Still the largest seller of fine wines in the US
- In 2017, Costco sold more than:
  - 229 million croissants
  - 159 million muffins
    - 59.7 million pounds of muffins (at an average weight of 6 ounces each)
  - 147.5 million individual bagels
- Talk about BIRDS... in 2017 it was 61 million rotisserie chickens
- Our Pharmacy fills over 30 million prescriptions annually
Members... on the road to Costco!

It’s a long drive... so I am bringing my trailer.
Thank you!

Disclaimer: The opinions expressed in this presentation are solely my own. My crystal ball is similar to the electric grid, reliability is not 100% guaranteed. Based on my age, I need eye glasses to read anything and often lose them, so ignoring the fine print may have occurred during the writing of this presentation. Challenging my opinion will result in unpredictable dialogue that is possibly dependent on my caffeine consumption.