



From: gary.bennet@wholefoods.com
Sent: June 11, 2023 12:42 PM
To: teripotter@wholefoods.com
Subject: RE: Prepared Foods: Strategic Plan

Teri,

I've read your proposal on Whole Foods Prepared Foods Strategic Plan. Thank you for finishing this proposal so quickly. I just have a few notes for you regarding the proposal. We currently, have three concerns regarding our Prepared Foods Department: What is our plan, who are we targeting and how will we succeed? My concerns about your proposal will focus on these three issues.

In 2010, Whole Foods was the largest natural and organic food retailer.¹ We achieved this by marketing our brand as a company committed to community involvement and environmentally friendly initiatives.² The design of our stores attempts to recreate the grocery shopping experience that is dominated by big, unfriendly environments, harsh lighting, disorientation, long lines, poor service, etc. Instead Whole Foods Markets create spaces that focus on food and sharing.³

Over the past ten years, the ideology concerning food and sharing that Whole Foods has sold the consumer is now being coopted by the cottage food movement. One aspect of the cottage food movement that has been particularly harmful to our sales figures is meal sharing. Meal sharing communities have been rising steadily in urban areas in the United States since changes were implemented to the California Health and Safety Code regarding the selling of home-cooked products. Of course, at the time, we did not see the correlation between Cottage Food Operators (CFOs) and the current models of collaborative consumption that were first forming in the early 2010s. The way CFOs and meal sharing communities have banded together to change legislation and attitudes regarding alternative models of consumption and food sharing has had an impactful effect on our culture and more importantly, our sales figures.

In 2023, Whole Foods will move forward on our Prepared Foods Strategic Plan by implementing many changes storewide, but how will we be targeting consumers towards prepared foods purchases? Our demographics are still the same as they were ten years ago: Small households and Aging Baby Boomers are coincidentally are largest consumer groups and our largest prepared foods buyers.⁴ Unfortunately, as the Baby Boomer populations decrease, younger shoppers are turning to other consumptive models like farmers markets, coops, and frequently meal sharing communities.

¹ Packaged Facts. Prepared Foods and Ready-to-Eat Foods at Retail, 2nd Edition. The New Competition to Food Service. July, 1. 2010. 209.

² Ibid.

³ Ibid, 214.

⁴ Ibid, 37-38.



The largest percentage of our target audience is consumers who feed only themselves and are interested in eating in a way that is healthy cost-effective and convenient. In the past we have used flexibility as a selling point to target this demographic, but I like your proposal that we retarget this demographic by focusing on the individuality of the consumer the way Pepsi, Nike, and many other brands did in the 1990s. We must appeal to the ego that has been clouded by interests in the greater good of the group rather than self-interest. We must reframe the discourse surrounding health and the body. To take care of one's self, to be health conscious is both a selfish and meaningful act. We can regain our demographic by proposing that Whole Foods is a kind of guilty pleasure of selfishness. Caring about one's body, caring about one's health, a desire to live longer, take up more space, use more resources are things we should feel good about and feel bad about. We can play with desire. It is healthy to buy a \$4 bottle of Coconut Water, but it's also beautiful and extravagant as well.

At the same time that we are attempting to compete with the meal sharing communities, we must also cater to them. Unlike Trader Joe's, who is our competitor on many fronts, Whole Foods sells ingredients needed to cook. Trader Joe's isn't a store for consumers shopping from recipes. Meal Sharers cook and Whole Foods can target this new demographic by offering aisles with cooking supplies, spices, oils, actual ingredients, that won't necessarily make a meal, but will make a meal better.

Finally, I'm interested in how this plan will succeed. In the early 2010s, meal sharing communities offered variety and community in exchange for consistency and trust. How times have changed. No longer are big corporations the site of trust. Processed foods are feared more than CFOs. Both the rise of processed and fast food responded to a post war information problem related to how quickly the world was expanding. How else were we going to feed it? But that no longer seems like the only solution nor does it seem like the best solution. Communities, farms, and foodies are all responding to the question of how we are going to feed the world not with food, but with information. They're using coordination and data about what we eat, how we eat and sharing what we need to know about what we eat. All of these innovations have led to a better understanding of our relationships with food. Whole Foods still has a viable stake in this industry. We can do this by targeting both the individual and the community. The individual wants to be catered to and the community understands that they can't do it alone, by the very definition of a community. Whole Foods is here to help.

Please send me your thoughts,

Gary Bennet
Prepared Foods Department
Whole Foods, Inc.