KEY INSIGHTS AND RECOMMENDATIONS

After conducting extensive research, Fox MC offered the following insights:

• The Farmstand run rate of gross profit was projected to be insufficient to cover labor and fixed costs at their current levels.

• Sales data and customer penetration at Reading Terminal Market suggested that effective marketing could improve profitability at the existing location. The team determined that improving retailing efficiency and merchandizing at the existing Farmstand should be the first priority.

• As a secondary focus, the team identified an underserved neighborhood location with a large proportion of Fair Foods’ customer demographics. Fox MC recommended exploring a Farmers’ Market option as a lowcost, low-risk probe of the expansion’s potential.

RESULTS

Following the team’s recommendations, Fair Food chose not to invest in additional Farmstand sites. They are still in business, finding ways to support regional farmers and deliver fresh, local food to consumers.