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**CST 2406: Project**

The company that I have decided to choose is Costco. Costco is an American membership-only warehouse club that provides a wide variety of merchandise. Costco is the second largest retailer in the United States after Wal-Mart with more than 680 stores nationwide and consisting of more than 200,000 full time and part time workers.

Scope Definition I have come up with a design to help Costco monitor and track the age category of its customers who -comes to shop on a regular basis. Costco has been very strong in its market fending off its competitors and giving Wal-Mart a run for its money. Furthermore due to the recent growth of Whole-foods and now Amazon venturing into the Food world, this could hamper Costco’s tenure in the market. This project could vary from six months all the way up to two years. The system design is pretty straight forward. As Costco is a membership run company, the member’s info could be saved before every purchase. Costco requires its members to be present their ID before their transaction. This will allow the Cashier to swipe the member’s ID into the system that gets stored and is then sent to the main Database. The installation cost would be fairly affordable which isn’t going to break Costco’s bank and the people required to build this system would only be a handful.

Problem Analysis Costco has been very popular with the baby boomers and I have firsthand witness the type of members Costco attracts. As baby boomers retire, they won’t be the main driver of American consumption which will have a direct impact on Costco. The millennial generation which equates to 25% of America’s population will soon be the main driver of American consumption. By implementing the information system, it allows the company to gauge the age group the company is attracting. Costco can make amendments although ensuring that the changes aren’t so drastic that it will hamper its present clients. In order to break away from its aging client based, Costco can accommodate a change in the types of items and foods that are being offered and expand its inventory which could help bolster its sales and revenue but more importantly attract a younger client base. The data retrieved could also allow the company to plan its next demographic expansion as it gives them knowledge about the type of people that live around the location. By obtaining the client’s information, this will allow Costco to asses if doing a home delivery would be beneficial and more profitable as the newer generation of consumers prefer online shopping.