Wawa Extra Credit – Jacob Andrew

1. My first impression walking into the newly redesigned Wawa was that it was abundantly clear how much they want to dampen the impact of theft. It gives me the impression that it is a more dangerous location to go to because they cannot trust their customers with leaving inventory out on the shelves. I also thought that it made the store less convenient, which goes against what they are as a business.

2. I’ll classify the rent that Wawa pays for that location as well as the insurance that they pay on the locations as fixed costs.

3. I’ll classify the cost for the amount of coffee they buy and the cost for utilities they pay for as variable costs for that Wawa.

4. The depreciation of grills and cooking equipment should be considered a product cost because they are directly attributable to the production of products.

5. Period costs can include the marketing that Wawa pays for to market that location or products, and the cost to install and maintain the self-checkout kiosks because neither are involved in the creation of the products they sell.

6. I think that this new design is temporary as it is only meant to deter theft. There has been an endemic problem for that Wawa with the kind of people that hang in and around it for some time and it seems to be getting worse. There have even been occasional assaults or robberies committed against students outside that store in recent months. It seems to be a profitable location given its central location to Penn and Drexel, as well as the fact that its right on the El and Market St, so it would also seem to me that it would be beneficial for them to keep the store open. Perhaps Drexel requested that Wawa make a change to try and protect its students, and once some metric has dropped they will subsequently drop the walls inside and go back to normal. If that’s the case, then I’d say in the end it would be a successful change.