

Mercadona

Mercadona (Valencian: [meɾkaˈðɔna], Spanish: [meɾkaˈðona]) is a Spanish supermarket chain. Mercadona has 1,636 stores in all the 17 Spanish regions, Ceuta, Melilla and in Portugal.

Mercadona was ranked the 9th most reputable company in the world in 2009, by the Reputation Institute as listed in \underline{Forbes} magazine. [2]

Francisco Roig Ballester and his wife, Trinidad Alfonso Mocholi, founded the company in 1977, which began as a small butcher shop in Tavernes Blanques, a village in Valencia. Juan Roig assumed the role of CEO in 1981, and the company has since expanded nationwide.

In the 1990s, Juan Roig oversaw a series of changes companywide and revealed the new façade of Mercadona which was able to compete with its <u>French</u> competitor <u>Carrefour</u> and the co-operative Eroski.

History

Since its days as a butcher shop in 1977, [6] Mercadona expanded to eight stores in 1981, and 1,148 stores as of October 2013, with more on the way. The chain has had an online shop since 2001, which accounted for one percent of total sales in 2010. [7] Today it holds 13.5% of Spain's total food retail space [8] and brought in more than ξ 508 million in profits for the 2012 fiscal year. [9]

CEO Juan Roig plans to bring Mercadona to <u>Italy</u> or France but may modify his Spanish model of business to compete in the new markets. [10] He was quoted in the Economist saying, "We must learn everything from everyone". [11]

The Mercadona Management Committee approved in 2016, the start of the expansion in <u>Portugal</u>, the first supermarket in Vila Nova de Gaia opened their doors in July 2019. [12]

Ownership

Mercadona, S.A.





Туре	Sociedad Anónima. Private.
Industry	Retail
Founded	1977
Founder	Francisco Roig Ballester
Headquarters	Tavernes Blanques, Valencian Community, Spain
Number of locations	1,636 stores (11.9.2019) ^[1]
Area served	Spain, Portugal
Key people	Juan Roig (Chairman & CEO)
Products	Grocery
Revenue	€ 25.5 billion (US\$ 28 billion) (2019)
Total assets	8,194,637,000 ±1000 euro (2016)
Owner	Juan Roig (50%)
	Hortensia Herrero (30%)
	Fernando Roig (9%)
	Rafael Gómez Gómez and family (7%)
Number of employees	85,800 ^[1]

Juan Roig is the CEO and major shareholder (50%), his wife Hortensia Herrero owns 30%, and his brother Fernando Roig owns 9%. They are all billionaires. [3] There is another partner, Rafael Gómez Gómez, which holds 7% of the company.

Website

www.mercadona .com (http://www. mercadona.com)

Business model

Mercadona dedicates much of its resources to eliminating unnecessary costs in its packaging. According to the Economist, the chain has saved €2.2 billion by reducing packaging materials. [11]

Mercadona does not spend capital resources on advertising or marketing campaigns, yet another method of cutting costs. [11] It instead relies on their <u>Twitter</u>, <u>Facebook</u>, and <u>YouTube</u> accounts to share pictures and videos of products and company practices.

HETCU

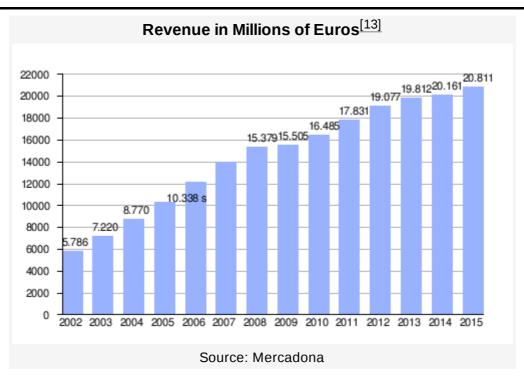
Factory in <u>Guimarães</u> demolished to build a Mercadona shop

Modern changes

Mercadona was the first Spanish company to use <u>barcodes</u> in its stores. The system has since permitted greater monitoring of

product movement in addition to an increase in the speed of customer checkout times. $^{[9]}$ Mercadona also has an automated distribution center on the outskirts of $\underline{\text{Madrid}}$, where computer monitors keep track of orders while robot arms do all the work. $^{[11]}$

Revenue



Employees

Mercadona employs more than 90,000 workers, all on permanent contracts. Upon hire, workers are required to complete four weeks of training. Employees must also go through twenty additional hours of training each year. Employees receive salaries above the national average of workers in the grocery store industry and the majority of employees receive a bonus each year. Leaders of Mercadona believe this combination of training and payment creates employees who are dedicated and flexible when it comes to meeting customer needs. It is also believed to have helped the company to maintain a relatively low level of employee turnover, only 5% in 2012. [5]

Gluten-free products

Gluten-free products were hard to come by in Spain, which prompted Mercadona to create a whole line of gluten-free products at very affordable prices. [14] Mercadona offers over 850 products for the wheat-intolerant. Mercadona has received over 750 comments, suggestions and requests from wheat-intolerant customers and coeliac associations in 2013, and has acted on these by passing them onto distribution companies and food manufacturers, as well as the store's own factories.

Customer service

The website caters to speakers of Spanish, Catalan, Galician, Basque.

References

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External links

Official website (http://www.mercadona.com)

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