

5. Chipotle

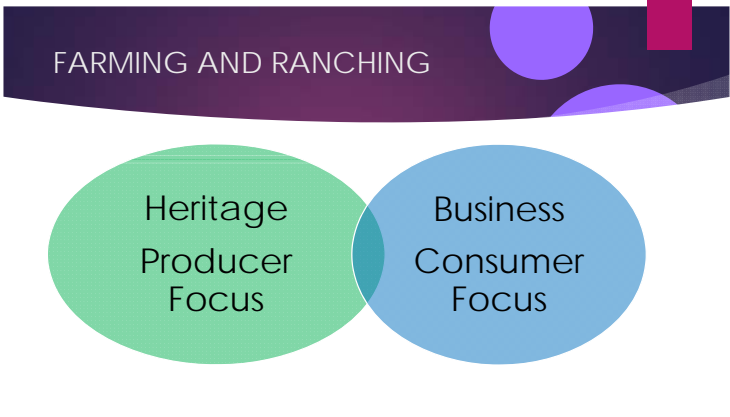
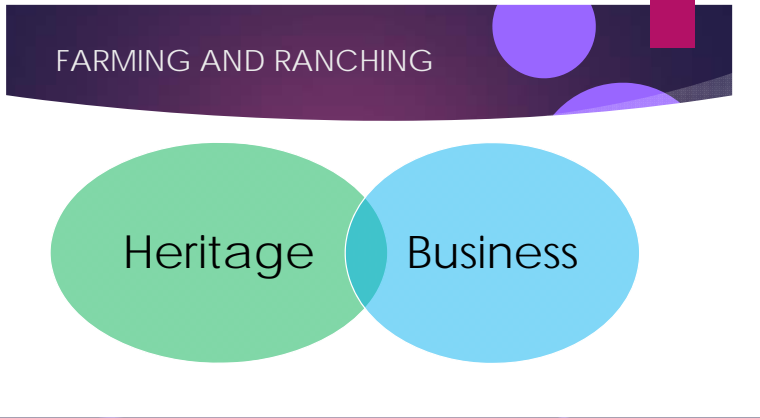
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Andrew Barkley's research interests are in the wheat industry, and the research of teaching and learning. He has taught courses in economics at the University of Chicago, Kansas State University, Quaid-I-Azam University in Islamabad, Pakistan, the University of Arizona, and the University of Cambridge in Cambridge, England. His 2015 book, "Depolarization of Food and Agriculture: An Economic Approach" forms the basis for this presentation.

Abstract/Summary

Chipotle's "Food with Integrity" marketing effort has caused controversy, anger, and claims of false advertising within the food and agricultural industries. Yet, Chipotle remains one of the most successful restaurants in history, with growing sales and stock market values. This apparent contradiction will be explored in this presentation. Economics will be used to explain why Chipotle is successful, in spite of angering numerous groups, and what we can learn from Chipotle's achievement. The presentation will also provide useful, forward-looking strategies and successful reactions to Chipotle's success.



ARGUMENT TWO

CHIPOTLE IS
GOOD FOR
AGRICULTURE

STORY ONE

WHY IS
CHIPOTLE SO
SUCCESSFUL?

STORY TWO

NATURAL
BEEF

Natural Beef:

▶ Good or Bad for the Beef Industry?

Product Differentiation



Natural/Organic Beef Data (NCBA)

- ▶ Share of total beef US dollar sales, First Quarter 2015: 6.3%
- ▶ Share of total beef US pounds, First Quarter 2015: 5.0%
- ▶ Average Price, conventional beef: 5.22 USD/lb
- ▶ Average Price, natural and organic beef: 6.61 USD/lb



STORY THREE

HOG
CONFINEMENT



CONCLUSIONS

ONE
THOUGHT
EXPERIMENT
AND SIX
QUOTES

