

ADPR 4600-101 International Advertising and Public Relations Final Project:

International Strategic Communication Plan for Costco in Germany

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Group A

Part I: The Product/Brands

Price

Costco is known for “continually providing our members with quality goods and services at the lowest possible prices” (Costco, 2025). The brand is recognized for offering high-quality products in bulk sizes at competitive prices, making it an affordable option rather than a luxury. This model could be successfully adapted in Germany, which already has a highly competitive market. Retailers such as Aldi, Edeka, Lidl, and Rewe also provide high quality as well. Aldi and Lidl are known for their competitive pricing without a membership fee. To compete, Costco would need to adapt and emphasize the value of bulk items and provide a better value per unit. Germany’s grocery market is saturated with price sensitive consumers, especially in the urban areas where Aldi and Lidl dominate the market share (Statista, 2024). To succeed, Costco’s pricing strategy needs to match these companies on value, but also demonstrate the added benefit of product exclusivity and premium imports unavailable at traditional grocery stores. The average German household includes 2 people, with dual-income families earning an average disposable income of €28,300 annually (Eurostat, 2024). Many urban households show a higher willingness to pay for premium imports when there is per-unit savings. This suggests Costco should highlight comparative pricing info, clever taglines emphasizing more for less, and bundle offers for high demand products in the advertising campaign. This targeted approach leverages Germany’s price sensitivity while still appealing to consumers desire for quality and exclusivity through bulk purchasing. Additionally, as of 2025, a Costco Gold Star Membership in the United States costs \$65 per year. Based on the average annual salary in Germany of €60,661.62 (Oyster, 2025), and in the U.S. of \$66,622 (Demand Sage, 2025), a similar membership fee in Germany would be approximately €59, reflecting a proportionally equivalent cost. Given that Costco can offer 10-25% savings per unit compared to traditional stores, it would be an affordable option for

German consumers. While smaller households might prefer fresh fruits and vegetables from local shops, essential items like toilet paper, soap, and paper towels are always in demand. These essentials will provide consistency for Costco overseas and will keep driving customers to come back at such good prices.

Product Usage

The usage of Costco products in Germany will be the same as the United States. Products sold at Costco can vary all the way from fresh produce, meats, dips, water, shirts, pants, diapers, toilet paper, shampoo, and much more. According to the Reputation Management Company (2025) “With a membership renewal rate of over 90%, Costco has built its success on customer trust, positive Costco reviews, and handling Costco complaints proactively.” The company emphasizes savings, bulk purchasing, and high-quality products from trusted suppliers to rigorous quality control standards. Whether Costco is in Wisconsin or Germany, customers can expect the same quality and experience. The product usage would remain consistent, fulfilling the same household and personal needs across both cultures. Despite similarities in product utilization, shopping habits do vary between the different countries. German consumers tend to shop more frequently and in smaller quantities. This is due to the smaller household sizes, limited home storage space, and a cultural preference for freshness. Given this, and Costco’s emphasis on bulk shopping, the strategy will need to adjust slightly for the German market. In addition to the large bulk options for meats and fresh fruits and vegetables, they could also offer smaller bulk packages to appeal to more consumers. This strategy worked well in the U.K. market, where Costco has already entered. However, for dry goods, beverages, and toiletries, Costco could target younger working professionals who would benefit from the ease and convenience of bulk products.

Demographics

Germany has a population of over 84 million people (Worldmeter, 2025) and that presents a strong opportunity for Costco to reach a diverse, educated, and economically stable customer base. Germany has a high median age of 45.5 years, with a significant part of the population being between the ages of 25 and 54, the primary age for warehouse retail stores (Statista, 2025). This age often includes working professionals and families who seek convenience and savings by buying in bulk. This segment is especially relevant to Costco's advertising campaign because they value quick and efficient shopping. They will respond to messaging about one stop shopping and bulk discounts (Euromonitor International, 2024). Marketing to this group could highlight Costco's ability to combine value with quality and offer time saving with a bulk shopping experience. In addition, Germany has a growing population of older adults (65+), which may increase the demand for health-conscious food choices, easy to prepare food, and mobility friendly store layouts. In order to connect with this segment, Costco's instore samples and ready to eat items will be key. This older demographic also consumes traditional media like newspapers or television more frequently than the younger demographic (GfK, 2024). This means while targeting this group, advertising campaigns should leverage both print and television channels. Most German households are dual-income and relatively small in size. The average household is 2 people and around 47% of households are childless. However, households with children are generally more price sensitive and that makes the Costco bulk buying model more approachable and appealing to them. For example, a typical German consumer for Costco could be a woman named Emma, she's a 36 year old working mom of 2 kids, lives in Frankfurt and has a monthly household income of €5200. She is college educated and values healthy food, sustainability, and cost savings. Emma shops online and in stores, she follows social media ads, and she checks for promotions before shopping. Including similar

personas like Emma in the advertising campaign efforts will help Costco connect with the target audience.

Additionally, the average incoming for households a month is €4,323 (Oyster, 2025) with higher incomes in urban regions like Munich, Frankfurt and Hamburg. Costco should target middle to upper-middle class households, who can afford bulk purchases and are looking to save money in the future. Furthermore, women makeup around 60-70% of consumer purchasing decisions. Costco's strategy in Germany should reflect this by emphasizing benefits for children, household savings, and efficient shopping trips. Lastly, Germany has an increasingly multicultural society with 27% of the population having a migration background. The largest groups are Turkish, Polish, Romanian, Syrian, and Italian communities (OECD, 2025). This diversity should be reflected in Costco's products by offering international food with multilingual product labels. They can also put emphasis on sustainability which is valued in Germany. They can have ecofriendly products with reusable bags, energy-efficient stores and organic options.

Purchase Point

Costco operates primarily through large-format warehouse stores. As of 2025, “Costco boasts 904 warehouses globally across 14 different countries. Unsurprisingly, the United States and Puerto Rico contain the highest number of locations, with 623 total between them. The North American continent is full of Costco's, with Canada being home to 109 locations” (Costco Investor Relations, 2025). In addition, while the warehouse style and layout and experience is largely standardized globally, the product selection varies and adapts to the local cultures and preferences. In Germany, Costco would stock familiar items to American members, like bulk snacks or cleaning supplies, while incorporating local preferences such as German bakery items and traditional foods. According to GfK (2024), 72% of German consumers prefer retailers that offer locally sourced products, suggesting Costco’s messaging should highlight partnerships with

German suppliers. To accommodate smaller households and budget-conscious consumers, Costco could offer flexible package sizes on select non-essential items. This aligns with Euromonitor International (2024) findings that German shoppers value both convenience and portion control, which can be demonstrated in Costco's targeted advertising campaigns. These culturally sensitive adaptations would allow Costco to maintain its global brand identity while tailoring the needs of local markets.



Part II: The Country

Location and Size

Germany is located in central Europe; its location is perfect for trade and access to major markets. Germany, as a country, is much smaller than the United States of America. Germany is only 137,874 square miles, and the United States of America is 3,791,400. Germany is quite small, and if put on the map of the USA, it would be about 85% of the size of California (*How Big Is Germany Compared to the United States?*, 2017). For European standards, though, Germany is doing incredibly well. It is Europe's largest economy and the second most populous nation. Germany's central location and high population density make it a perfect candidate for implementing a Costco. Its location also offers access to over 450 million consumers in the European Union, which also opens up the opportunity for marketing opportunities beyond borders (European Commission, 2024). It has a great economy and borders nine countries, which

makes it very easy to access. We would suggest putting a Costco in one of Germany's major cities, like Berlin, Munich, or Frankfurt. Berlin being Germany's capital and largest city, would be the most ideal location to start with because of its international presence and suburban growth.



Political climate

Germany has a Federal Government made up of 16 federal states. The head of the Government is the Federal Chancellor, but the Federal Ministries are the most senior heads in each area. Each Federal Minister makes decisions for their state, but they also must follow the Federal government's laws. Together, the Federal Ministries and the Federal Chancellor make up the Federal Government (The Federal Government, 2024). Since the Federal Government has been in action, Germany has been politically stable. As of 2023, on the Political Stability Index, Germany was ranked .59 (Global Economy, 2024). To maintain stability, the Government invests in a lot of security research and prevents the abuse of power and legal security (The Federal Government, 2024). Germany generally poses few formal barriers to U.S. trade or investment beyond standard EU regulations. However, Germany has strict safety, environmental,

and agricultural standards which can create difficulty for foreign companies (International Trade Administration, 2022). The regulatory environment is complex and may favor established local suppliers, meaning U.S. companies like Costco must ensure full compliance with German and EU testing and certification requirements. Emphasizing Costco's compliance with these regulations in their PR messaging will help to build trust with consumers, as German's value safety and quality assurance (Kantar, 2024). While these rules are not discriminatory, they can increase the time and effort needed to introduce and promote new products.

Economic factors

Germany is a highly developed economy with industry contributing 26.6% of its gross value added. This is the highest among G7 countries. It is one of the world's top three exporters, with foreign trade accounting for nearly its entire GDP (Orth, 2023). The economy is driven by innovative medium-sized enterprises, many of which are global leaders in their sectors. Germany's strong economic hubs and status as the world's top location for international trade fairs further highlight its advanced development (Glunz & von Prittwitz, 2025). German Federal Ordinance states that the minimum wage in Germany is €12.82 an hour. The gross median income in Germany is €51,876 per year, according to statistics from the German Federal Statistical Office (Oyster, 2025). Germany has a 3.8% unemployment rate, and as of May 2025, about 45.8 million people were employed (*Employment Continued to Stagnate in May 2025*, 2025). Employment levels have stayed mostly stable since December 2024, with only small month-to-month changes, such as a drop of 14,000 in January and slight increases in February and March. April and May saw virtually no change. This stability suggests that Germany's labor market is steady, reflecting a relatively stable economic environment (*Employment Continued to Stagnate in May 2025*, 2025). German foreign trade is facing challenges due to tariff uncertainty with the U.S., leading to a 7.7% drop in exports to the U.S. in May 2025, the lowest since March

2022 (*Employment Continued to Stagnate in May 2025*, 2025). Overall exports fell by 1.4% and imports by 3.8% compared to April 2025, though exports are slightly higher (+0.4%) than a year ago. Despite these declines, Germany still recorded a strong trade surplus of €18.3 billion in May 2025, up from €15.7 billion in April (*Employment Continued to Stagnate in May 2025*, 2025). Manufacturing orders dropped by 1.4% in May but remained up 2.1% in the three-month average, showing underlying strength in the industrial sector. For Costco, this indicates that Germany's domestic market remains resilient even with external trade tensions. The strong trade surplus and stable industrial activity suggest solid consumer purchasing power, making Germany an attractive market for Costco's expansion.

Regulatory factors

Germany's advertising and media are heavily regulated, primarily through a combination of government legislation and industry self-regulation. The legal foundation is rooted in federal and European Union regulation, while ethical oversight is maintained by independent industry bodies. The Law Against Unfair Competition (UWG), passed in 2004, prohibits misleading, aggressive, or deceptive advertising and requires transparency in promotional claims (Kanzlei Herfurtner, n.d.; The Legal 500, n.d.). For Costco, this means that promotional materials, whether digital, print, or in-store, must be factual, clearly worded, and free from exaggeration or ambiguous strategies. Exaggerated claims like "lowest price ever" or vague membership benefits would not be acceptable under UWG. Instead, Costco should emphasize verifiable value propositions, such as "saving an average of 20% on bulk purchases." By supporting claims with credible data, Costco can comply with regulations while still appealing to cost-conscious consumers. (Kanzlei Herfurtner, n.d.; Ferner, 2024).

The General Data Protection Regulation or GDPR is also crucial. Costco must obtain explicit consent from German consumers for any email marketing, membership sign-ups, or

personalized offers. As Costco relies heavily on data-driven marketing, especially through its memberships, having GDPR compliant data privacy policies will be essential to gaining trust in Germany. Luckily, this aligns with Costco's existing Consumer Health Data Privacy Notice, effective June 17, 2025, which emphasizes transparent data handling and customer control over personal information (Costco Wholesale Corporation, 2025).

What works in tandem with these legal frameworks is the strong value of self-regulation. The Deutscher Werberat, or German Advertising Standards Council, is a self-regulatory body that focuses on things related to taste, decency, social responsibility, and ethical conduct of advertising in Germany (Werberat, n.d.). For Costco, showcasing its sustainability efforts, ethical sourcing, and family-oriented values would resonate well, particularly since ethical business conduct is valued highly in Germany. Although the council's rulings are not legally binding, it can issue public reprimands or request problematic ads be removed (Globig, n.d.). Adhering to these standards will not only ensure compliance but also strengthen Costco's brand reputation in Germany.

Historical Factors

Germany is known to have a rich history that has shaped their marketing network. After World War II, the Marshall Plan was created to help rebuild Western Europe, including Germany. This plan helped rebuild Germany's economy (Wikipedia Contributors, 2019). Because of Marshall Plan, Germany was able to grow their marketing network and become a contributing country to the world's market. They were able to reestablish industrial capacity, expand trade, and build consumer trust in global brands. These are all factors that continue to influence buying behavior today and will provide a foundation for Costco to introduce an American wholesale model that aligns with Germany's post-war consumer values.

Next, fast forward to COVID-19, Germany's digital marketing strategies grew to reach a broader audience during lockdown. This facilitated the marketing activities of Germany today as it allowed for them to expand their strategies and reach consumers from all over the country through the media. For Costco, this means campaign this means it will be beneficial to emphasize the omnichannel membership model and digital convenience of online shopping to consumers who became accustomed to it during the pandemic. According to LinkedIn, Germany's online digital marketing platform was valued at \$50 billion in 2024 as they begin to take advantage of emerging trends such as AI, hyper-personalized campaigns, etc. (Co, 2025).

On the other hand, the German advertising rules and regulations are known to be uncompromising, which may cause their campaigns and advertisements to be badly received. An example of this is when a German company claimed its product could improve mental focus, when it was not proven in research. This resulted in legal action which gave the German's marketing activities a bad reputation (Generis Legal Intelligence, 2024). This means Costco must be sure all promotional claims, especially those focused on savings or quality, must be backed by verifiable data to maintain credibility and comply with legal and cultural expectations.

Population data

Germany's population is estimated at approximately 84 million people as of July 2025, according to the United Nations Population Fund (UNFPA, 2025). The country has a population density of about 241 people per square kilometer, indicating a moderately high concentration of residents within its territory (US Census, 2025). With a median age of around 45.5 years, Germany is among the nations with the oldest populations globally, highlighting ongoing demographic challenges related to population aging and its social-economic implications (Statista, 2024). Costco campaigns should cater to the Generation X and Y cohort, emphasizing value, convenience, and quality health products. Approximately 78% of the population lives in

urban areas, reflecting a moderately high level of urbanization characteristic of a developed nation (World Bank, 2024). Urban concentration favors Costco's large format retail model, especially if the stores are strategically placed near metropolitan areas. The average household size stands at about 2 persons per household, which is considerably low compared to many other industrialized countries, underscoring trends toward smaller family units and favorability towards nuclear family orientation (OECD, 2024). This supports offering smaller portion sized and flexible packaging for perishable items while still promoting bulk value for non-perishables. Currently, around 33% of Germans aged 25 to 64 hold a college degree (OECD, 2023). This higher level of education suggests German consumers will respond well to fact based, transparent advertising messages.

Language(s)

The native language in Germany is German. 95% of Germany speaks standard German, which is the main dialect that is spoken (*Languages of Germany*, 2021). According to a Pew Research survey from 2020, German is spoken in 90% of the households, followed by 2% speak Turkish, 1% speak Arabic, and 6% speak other languages. Considering that Germany has a large immigrant population, many immigrant languages are spoken, English being the main one. The next most common spoken language is Turkish which approximately 2,128,000 speakers. The largest family of languages that immigrants in German speak is the Indo-European language family. This family includes languages such as Russian, Polish, English, Romanian, Ukranian, Albanian, etc. (*Languages of Germany*, 2021). This means for Costco's messaging strategy, multilanguage materials could be beneficial.

Religion

The predominant religion in both rural and urban regions of Germany is Christianity, with Roman Catholicism being the most widely followed denomination. Recent data report

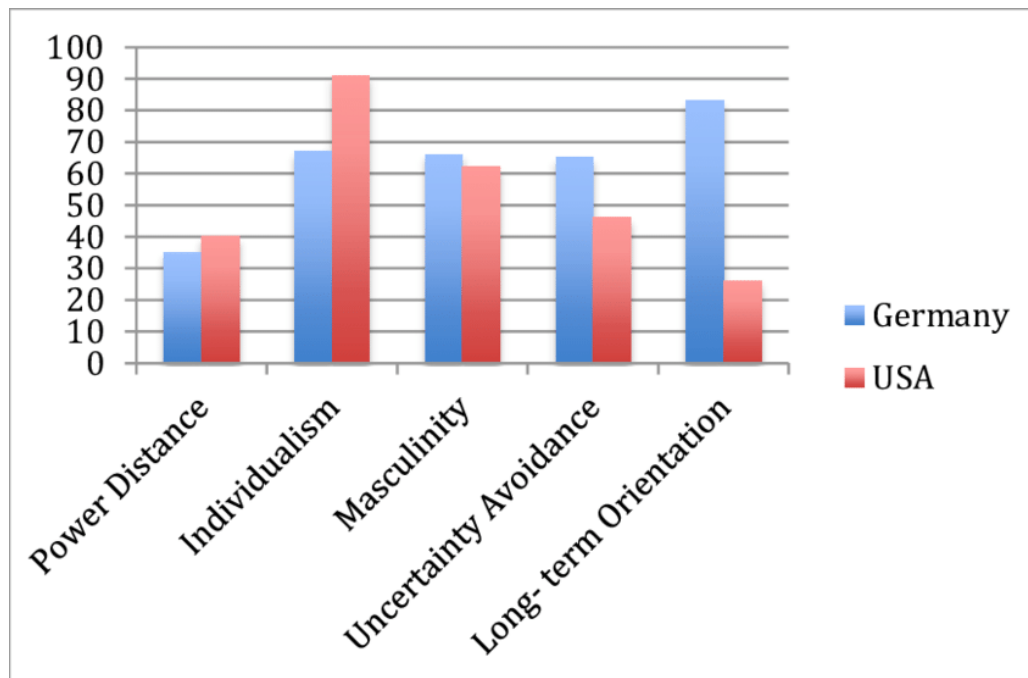
shows 24% of the population identify as Roman Catholic, while Protestantism, rooted in Germany as the birthplace of Lutheranism, remains the second most followed denomination, comprising 21% of the population (Omnes, 2025). There are few to no behavior restrictions imposed directly by the religion in Roman Catholicism or Protestantism today. As with any country, campaigns should be respectful of the host country's beliefs. It also provides an opportunity for Costco to offer seasonal promotions geared toward the holiday celebrations.

Cultural values

Drawing from Hofstede's cultural dimensions, we gain a comprehensive understanding and strong insights of Germany's population as a whole, Germany demonstrates significant scores in several areas, all of which reflect unique societal values and cultural patterns of the place. The country scores relatively low on Power Distance, approximately 35, meaning authority figures in the workplace are easily accessible. Bosses are more likely to ask employees for input, and employees are expected to actively participate in discussions to share their feelings and ideas with top management (Boeing, 2013). Employees in low Power Distance societies are not afraid to openly disagree with their boss. While the country exhibits a low on Power Distance it scores high on Individualism at about 79. This score means that employees are expected to make valuable decisions on their own for the organization, without needing top management's constant oversight, outlining the importance of independence, personal responsibility, and self-direction in the workplace. In everyday life Germany has a strong focus on small families and self-actualization (Boeing, 2013). Therefore, advertising campaign visuals and messaging theme should revolve around independence and highlighting the individual's ability to make meaningful contributions and autonomous decisions in the workplace to align well with this market. Avoid messaging that suggests dependence on authority or group thinking. Germany has a moderate Masculinity score of 66 suggest a balance of competitiveness and consensus

orientated. Societal expectations regarding gender roles here tend to be neutral. Marketing campaign messages can be more interchangeable and flexible to include and target gender roles expanding consumer demographics. Uncertainty Avoidance and Long-Term Orientation scores at 65 and 57 respectively. Additionally, Germany's Indulgence score of 45 points suggests the German culture have favor restraint over indulgence. Consequently, advertising content must not follow a hard-selling format that promotes excess consumption and instead stress how Costco products improve quality of life with storytelling comparing life with and without it (Okazaki, Mueller, & Diehl, 2013). Cultural dimensions such as Power Distance, Individualism, and Indulgence are particularly notable in characterizing German culture and play role in communication. Germany's low-context culture, where communication is characterized by direct, explicit, and unambiguous verbal expression. Therefore, advertising campaigns should not rely on emotional persuasion; ambiguity will not resonate and instead give full product details. Germans tend to avoid fluffy or superficial conversations and prefer detailed and substantive ones. They are not fond of small talk and value genuine, meaningful conversations. Alongside this, the monochronic cultural orientation places high value on punctuality and structured approaches, underscoring the need for clear and well-organized messaging in Costco's campaigns (Kaufman, 2022).

These cultural patterns suggest Costco should use direct, fact-based messaging that takes a soft sell approach to align with German consumer preferences. The PR campaign should include transparent communication and that is consistent and encourages media engagement, while the advertising component should emphasize practical benefits, sustainability, and efficiency across both digital and traditional media channels (Fisher, 2024).



Advertising and Public Relations

The consumer culture of Germany really values high-quality products, sustainability, and efficiency. German shoppers often prefer smaller, more frequent shopping trips to local stores or markets, rather than bulk purchases (Dispatches Europe, 2024). Advertising in Germany needs to emphasize transparency, product quality, and sustainability because research has shown that Germans are often more skeptical of flashy advertising (Okazaki et. al., 2013). From a PR standpoint, Costco would need to build trust and credibility to become a thing in Germany. Some things they could do would need to comply with EU and German-specific consumer protection laws (European Commission, 2024; Federal Ministry of Justice, 2021). These laws cover areas like product safety, unfair contract terms, and digital content aiming to safeguard consumers' health. Due to consumer behavior differences, Costco in Germany would require a more specialized approach to succeed. Additionally, a soft-sell advertising approach would be more effective. The German consumers value logic and clarity in terms of advertising. Costco would need rational advertising appeals. They could emphasize practical benefits such as cost-

efficiency, product quality, and sustainability, to name a few. Their ads are more informative and straightforward. The German shoppers do not want to feel pressured to buy anything.

Sustainability is also a major value among German shoppers. According to a 2023 report from Statista, over 65% of German consumers consider environmental responsibility a key factor in their purchase decisions (Statista Research, 2023). Going with a hard-sell approach of being overly emotional or aggressive would be a technique that is mistrusted in this culture. In Germany, business practices are governed by strict ethical standards. Bribery is forbidden under national and EU laws. According to Transparency International's 2023 Corruption Perceptions Index, Germany ranks 9th out of 180 countries. This basically means there is a low level of perceived public sector or government corruption. German criminal code criminalizes bribery and corruption on public and private sectors. These laws apply to both individuals and corporations. For Costco to enter Germany, they would have to adhere to these standards. Any perception of unethical behavior would damage Costco's brand reputation in a country where the culture prioritizes trust. Having responsible business practices would be a great way for Costco to build trust with German suppliers and consumers. PR practices would have to be transparent and informative. Popular PR tactics such as press releases, press conferences, and informational interviews are widely used in Germany (*German Press Code*, 2023; *The German Communication Code General Section*, n.d.; *The Relationships between PR and Journalists in Germany – Journalism Research News*, 2017). Press releases should be detailed and free from excessive promotional material. The consumers just want the facts, no fluff. If Costco opened its first German location, a press conference would be good to showcase honest and well-prepared answers. Fundraising and Corporate Social Responsibility related initiatives are valued- especially if they are tied to a social cause or environmental efforts. Must be clearly communicated though to avoid being perceived as a company that is greenwashing. TV, print,

radio, and online platforms are all commonly used to advertise (*Germany*, n.d.; Transparency International, 2024). Social and digital platforms are rapidly growing in popularity. TV remains one of the largest advertising media in Germany. Over €4 billion was spent on tv advertising in 2023, but digital ad spending has surpassed it, reaching over €14 billion (Fisher, 2024). So online advertising is the dominant medium, especially among younger consumers. Facebook, Instagram, and LinkedIn are widely used for brand engagement. There are strict GDPR laws requiring transparency and consent in data collection (European Commission, 2024). TV advertising rates are high, with a 30 second primetime commercial on a national channel such as RTL or ZDF costing around €20,00 to €60,000, depending on reach and frequency. By 2028, digital will account for 67.1% (eMarketer, n.d.).

As a result, given Germany's cultural preferences and media environment, Costco's advertising should focus on transparent, factual messaging with clear value propositions that avoid exaggeration and pressure sales. A localized creative approach is recommended, integrating both the German language and multilingual materials to reach a broader audience. PR tactics should include quarterly media briefings, sustainability reports, and community focused CSR initiatives to reinforce trust in the brand with the locals. Digital advertising should be the primary spend focus, particularly on social media platforms, to encourage brand engagement. Additionally, select traditional media like television and newspaper outlets should be included to reach a broader demographic. This multi-channel approach aligns with the German consumers high digital consumption rate while still incorporating visibility in traditional media to ensure Costco's entry strategy is culturally aligned and effective (Okazaki et al.; Fisher, 2024).

Attitudes/Nation Index

Costco may face some mild anti-American sentiment in Germany, tied explicitly to concerns about consumerism. According to Pew Research Center, 65% of Germans view the

United States positively, but there is concern regarding consumerism and waste, which can impact how American retailers are perceived overall (Beshay, 2024). On the other hand, many American brands are popular in Germany, especially when they offer r quality and value. To avoid any controversy, Costco should emphasize shared values, such as efficiency, and affordability rather than highlighting American roots. By localizing campaigns featuring German employees, customers and suppliers could create a sense of community. This idea should be on how Costco fits into lifestyles, not just as American success. A large concern with Costco's entry into the German market is the perception of excess. Costco has a signature bulk buying model which could potentially clash with Germany's cultural values of moderation and sustainability. Euromonitor International (2024) states that 72% of German consumers tend to favor smaller shopping trips where they can get fresh products almost every day, rather than making a single trip once a week to stock up on products. If Costco chooses to overly advertise the idea of "bigger is better," it could seem like it is "too American" or promoting wasteful consumption. Walmart's failed entry into the German market in 2006 demonstrates the risk of not aligning with local preferences. They failed to meet the cultural expectations of the country and ultimately chose to withdraw from the market (Landler, 2006). There is also a high risk of perceived cultural imperialism, especially if Costco appears to be ignoring or replacing German traditions and shopping norms. For instance, if PR efforts are focusing too much on American success stories or leadership practices, it could alienate the German audience of Costco. Advertising should tend to stay away from flashy or aggressive messaging, in place of a respectful tone that aligns with German culture. To avoid any negative impact, Costco could highlight strongly the values that resonate with German consumers, such as environmental responsibility, smart spending, and quality. A study by NielsenIQ (2023) found that 57% of German consumers are more likely to purchase brands that are actively participating in local

community initiatives. This suggests that Costco's current practices of environmental cleanups, food drives, and charity partnerships could improve their brand perception in Germany. PR campaigns could also emphasize local suppliers, eco-friendly packaging, and cost-effective ways to stock up without wasting money. Positioning Costco as a practical, value-oriented option will help trust and earn long term loyalty throughout Germany. To further explain this idea, Costco should also collaborate with German organizations and part in community initiatives. If Costco were to sponsor environmental cleanup events, food drives, and donations to those in need, this would prove to German citizens how Costco is invested in the well-being of its new community. These efforts could be promoted through social media, press releases, local news features, and other channels in a way that feels genuine and authentic rather than promotional. If they are showing involvement in regional issues, this builds credibility, which positions Costco as a respectful neighbor rather than just an intrusive corporation. Finally, it would be a bright idea to feature German voices in a promotional way. This could include local farmers, employees, or local customers. This content could be interviews, or employee spotlights which can make the sale localized and personal. By turning the focus away from flashy to community engagement and sustainability, Costco can endure the brand identity which can move in a way that is natural to the German Market.

Part III: The Campaign

SWOT Analysis

Strengths

Costco's primary strength lies in its unique membership business model, which generates a stable revenue stream and fosters strong customers loyalty. Internally, Costco benefits from a highly efficient inventory management system, enabled by its limited product selection, which reduces operative only complexity and supports competitive pricing. They have a notable house

brand “Kirkland Signature.” Kirkland products consistently outperform competitor offerings, which reinforces customer trust and brand loyalty (Sheridan, 2025). Additionally, Costco’s strategic decision to avoid traditional advertising minimizes overhead costs, relying instead on word-of-mouth promotion, which has proven effective in sustaining customer engagement, (Li, 2022). These internal factors and strength position Costco well for entry into the German market.

Weaknesses

Internally, Costco’s limited product assortment can deter potential customers who seek a wider variety of brands and specialty items, limiting appeal amongst diverse consumer preferences (Sheridan, 2025). The membership fee model, while profitable, may restrict access to a broader customer base unfamiliar with or unwilling to commit to membership, practically in a new market like Germany. This would limit them to possible new markets that they haven’t reached. Another internal weakness is Costco’s relatively slow adaptation to emerging digital retail tools in comparison to their competitors. Aldi and Lidl both have mobile ordering, click and collect, and loyalty app capabilities (Statista, 2024). While Costco has a strong e-commerce platform in the United States, it will require a more localized digital engagement options to match the market expectations in Germany. In our economy, there are rising labor costs which could impact profitably. As the company is investing in better wages and benefits to keep employees. The increased cost can affect overall margins which would be an economic downturn. Adapting to local customer preferences and regulatory environments may also require changes to Costco’s standard operation procedures, representing an internal challenge to its current business model.

Opportunities

Costco has multiple opportunity to expand in Germany. One of the opportunities they could maximize is e-commerce. E-commerce is a rapidly growing channel in the country, with

over 80% internet penetration and increasing consumer preference for online shopping, especially post-pandemic (Statista, 2025). Launching a robust online platform would enable Costco to reach new customer segments seeking convenience. Furthermore, expanding the Kirkland Signature product line to include items tailored towards Germany's culture and taste, such as organic and regional goods can enhance brand loyalty and sales (Sheridan, 2025). Additionally, they could tap into Germany's fast growing organic and sustainable food divisions, which generated €17 billion in sales in 2024 (*Bioplaces · Germany Organic Food Market: Trends, Analysis & 2025 Sector Report (€17B)*, 2025). They could partner with German suppliers to highlight products that are made in Germany to align with consumer preferences for locally sourced products, while leveraging Costco's food court model to introduce fast and affordable, quick service meals to consumers looking for value and convenience (GfK, 2024). This would be a way to capitalize on its reputation while still maintaining customer loyalty. In addition, expanding into Germany will help them maintain revenue growth, without having competition close. Their model would adapt to suit different cultures and shoppers' behaviors. Germany's demographic trends, including a significant amount of the population is dual-income families in suburban regions, offering fertile ground for bulk purchasing models. As well as partnering with local suppliers to offer German products can further increase market acceptance and compliance with consumer preferences for sustainability and local sourcing.

Threats

Costco has a few threats that we need to be aware of. While they operate with discount retailers and traditional supermarkets, they often try to undercut prices which is a threat to Costco's position, (Sheridan, 2025). They must maintain the low prices while avoiding losing any customers. The external factors of economic downturns could also impact profitability. If there were to be a recession or spending decrease amongst consumers, this would lower

membership and sales. On top of that, supply chain disruptions, created by global events, could hinder the product availability and costs to consumers. They would have to maintain meeting customers' needs and keep the business model while adapting to challenges like these.

Additionally, there are a multitude of competitors in the German market already, including Aldi, Lidl, Edeka, and Metro AG. These retailers dominate the market with established supply chains, strong brand loyalty, and competitive pricing strategies that could challenge Costco's value proposition (Euromonitor International, 2024). Continuing, Germany's strict environmental regulations and growing consumer demand for sustainable packaging may require costly adjustments to Costco's bulk packaging model.

Target audience

Our primary target audience for Costco in Germany is middle to upper-class families aged 30-55 residing primarily in suburban and urban fringe areas near major German cities such as Berlin, Munich, Hamburg, and Frankfurt (World Bank Open Data, 2025). These households typically have an annual income exceeding €60,000 and consist of three or more family members. These families could benefit from Costco's bulk buying model, which offers cost savings on high-quality products, including well-regarded Kirkland's Signature brand. The suburban focus is strategic, as these households often own vehicles capable of transporting bulk items and value convenience and quality. Being in the suburbs it is also easier for customers to access large stores in an efficient way. These demographics include dual-income earners who prioritize efficiency in shopping and value premium important and organic foods. The secondary audience comprises small business owners, including cafes, restaurants, small retailers, and office managers primarily located in economic hubs such as Düsseldorf, Cologne, and Stuttgart. These customers often seek affordable, bulk supplies for food, office materials, and cleaning products, (Statista, 2025). Costco can target these businesses because they align with the

wholesale pricing and product quality that Costco values. This would allow them to have a reliable source for inventory. This segment benefits from Costco's capacity to offer diverse product categories in one location, optimizing procurement efficiency in competitive German markets.

A persona example that fits our primary target audience is the Ludwig family. The Ludwigs live just outside of Berlin, they have two working parents in their late 30's that are both college educated, and they have two children in school. The family has a combined household income of €85,000 and they prioritize sustainable and healthy eating. They typically shop 2-3 times a week at Lidl and local farmers markets. The Ludwigs are active on social media platforms and they stream the daily news on their television daily. This persona is a perfect example for our target market of a middle-class family with an incredibly busy lifestyle that values bulk savings without compromising quality. Costco's membership benefits, premium imports, and sustainability initiatives are directly aligned with the needs of the Ludwig family (Euromonitor International, 2024).

Germany has a distinct consumer culture based on valuing transparency, sustainability, and practical benefits over emotion and aggressive selling tactics. In order to successfully introduce and establish Costco in Germany, a specialized campaign is necessary. The core message would position Costco as a sustainable, high-quality, and cost-effective shopping destination that aligns with German core values of efficiency and environmental responsibility, while introducing the benefits of a membership-based, bulk-purchasing store.

A persona example that represents our secondary target audience is Cafe Weis. This cafe is a mid-size coffee shop in Munich that has around 12 employees. The cafe sources their pastries locally, but purchases coffee beans, paper products, and cleaning supplies from Metro AG. The cafe owner is a 45-year-old female that is incredibly active on social media. She uses

the medium to promote daily specials. She is also very active in local chamber commerce events for community promotion. This persona example represents a perfect target audience for Costco. Costco's bulk offerings could help Cafe Weis reduce per unit costs of their non pastry supplies, while providing them access to unique imported goods that are not currently available at traditional wholesalers (GfK, 2024).

Campaign Goal

The goal is to build trust and awareness by positioning Costco not just as a retailer, but as a partner in helping German households and businesses save money, reduce waste, and access exceptional products from the Kirkland brand.

Objectives/Strategies/Tactics

Objective 1: Increase Brand Awareness and Positive Attitudes Among German Middle to Upper-Class Families

Achieve at least a 20% increase in brand awareness and 15% improvement in positive attitudes for Costco among middle to upper-class families, with parents aged 30-55 and households of 3 or more, in the targeted regions of Berlin, Munich, and Frankfurt by December 2025. This data will then be measured by pre- and post-campaign surveys and social listening analytics.

Strategy 1: Public engagement and Partnerships

Build trust with credible partnerships with respected local voices, community influencers, and subject matter experts. Costco can introduce its brand through a culturally relevant, authentic, and non-intrusive way that aligns with Germany's values of fact-based and transparent communication.

Tactics 1: Launch "Kirkland Kitchen," with 12 monthly recipe collaborations with respected German food bloggers, nutritionists, and chefs to share German recipes featuring Kirkland products. Releasing short-form recipe clips across

TikTok, Instagram, YouTube, and Facebook. The clips will highlight how to utilize Kirkland products with popular German dishes and more, while showing the price-to-portion size ratio to show they are getting the best deals. The last aspect of this tactic will be held on Costco's website, where full-length videos will be available, as well as reactions from members who have tried those recipes and their own versions of the dishes. This will create engagement with Costco and push people to shop and become a member, aiming for at least 500,000 combined views and 5% click-through rate by December 2025.

Tactic 2: Host live cooking events in targeted German locations of Berlin, Munich, and Frankfurt. Each cooking event will feature a well-known German Chef and local influencers with a combined reach of at least 500,000 followers. Attendees will sample dishes, receive recipe cards, and have the opportunity to sign up for memberships on-site. Events will be live streamed on TikTok and Instagram to reach at least 50,000 online viewers per event. Receive attendee feedback through post-event surveys and track social media metrics from live streams to measure satisfaction and engagement.

Strategy 2: Direct experiences

Create memorable, hands-on customer interactions that allow German consumers to experience Costco's value, product quality, and sustainability initiatives firsthand. And reinforced by a high-visibility media presence.

Tactic 1: Organize a grand opening celebration at the Berlin store. This opening will have guided tours, live cooking demos, and Kirkland product tastings. Follow with monthly themed workshops, such as the cooking events. With a target of at

least 5,000 total participants across all activities. This will help capture the coverage in local media/news outlets or national outlets.

Tactic 2: Create out-of-home advertising including digital billboards, transit ads, and posters in high-traffic commuter routes in Berlin, Munich, and Frankfurt. Rotating visuals that feature Costco membership benefits tied to family and sustainability. The performance will be tracked by ad impressions and QR code scans, aiming for a minimum of 20,000 QR interactions by the end of the campaign.

Measurement: Administer pre and post campaign brand recall surveys and conduct focus groups with a sample of German consumers to measure awareness change and brand perception. Utilize social media analytics to assess engagement through shares, comments, and hashtags.

Objective 2: Promote Sustainability and Drive CSR Participation

Increase the percentage of the target public who perceive Costco as an environmentally responsible brand by at least 15% by December 2025. This will be measured through pre- and post-campaign surveys, social media analysis, and the tone of press coverage.

Strategy 1: Corporate Social Responsibility programs

Show Costco's commitment to sustainability and community engagement to connect with local values.

Tactic 1: Implement the "Green Rewards" program, where members earn points for returning recyclable packaging such as bottles, cans, or other packaging so Costco can ensure proper recycling practices occur. In exchange, the customer will receive points or discounts. Aiming for 10,000 participants by the end of 2025.

Tactic 2: Partner with at least 5 local environmental organizations to host quarterly events such as recycling drives, food and clothes donations, and environmental clean-up initiatives. This will give the chance for customers and employees to help, giving opportunities and spaces for people to volunteer and give back.

Strategy 2: Transparent PR Communication

Leverage earned media to reinforce Costco's commitment to the environment and sustainability.

Tactic 1: Distribute five strategically timed press releases to top-tier national news outlets such as *Die Welt*, *Bild*, and *Süddeutsche Zeitung*, as well as local TV stations. The press releases will focus on tangible sustainability milestones for Costco, such as measurable reductions in packaging waste, participation count in the "Green Rewards" program, and partnerships with local environmental organizations. Each release will be fact-driven and adapted to the German audience and supported by accurate data to ensure compliance with Germany's advertising regulations. Track total earned media placements, reach, and sentiment, aiming for at least 10 positive articles or segments about Costco.

Tactics 2: Host a press conference and the Grand opening of the Berlin store in August 2025. At least 20 media representatives to tour the warehouse and learn about Costco's sustainability practices, as well as a demonstration of the new "Green Rewards" program.

Measurement: Track conversion rates from the campaign specific landing pages using Google Analytics. Match in-store membership sign up logs with campaign coupon codes to match registrations with advertising touchpoints.

Objective 3: Membership Growth

Achieve 15,000 new memberships within the first six months of the launch (August 2025 to February 2026).

Strategy 1: Launch Promotions and Direct Engagement

Use in-store experiences, targeted incentives, and direct community engagement to drive immediate and long-term membership sign-ups.

Tactic 1: Offer an exclusive launch bundle for memberships for people who sign up from August to October 2025. With this, they can get a discounted annual fee at 10% off as well as a 20 Euro Costco shop card.

Tactic 2: Place membership sign-up kiosks at high-traffic community events like Oktoberfest and German Unity Day. As well as in-store trained brand ambassadors who will easily help members with the sign-up process. Get at least 4,000 membership sign-ups through these methods by February 2026.

Strategy 2: Community and Loyalty Building

Foster long-term relationships by embedding Costco into local communities and creating loyalty programs that encourage repeat visits and membership renewals.

Tactic 1: Partner and sponsor with local sports clubs, schools, and cultural organizations. Offer exclusive discounts and membership perks to those who participate in these events. This will drive brand loyalty and make customers feel a personal connection to the Costco brand and will be tracked by event attendance and new memberships linked to partners promo code generated from these partnerships.

Tactic 2: Introduce a loyalty program within the Costco membership app by November 2025. This will give rewards to members for the length of time they

have had their membership. After every six months of someone's membership, they get more points and rewards that can then be redeemed for special discounts or special products. Track reward redemption activity and renewal rates, aiming for a 10% lift in six-month membership retention.

Measurement: Use geofencing analytics to track store visits from advertisements on mobile devices. Track attendance numbers at media events to measure PR driven attendance.

Objective 4: Public Perception

Improve public perception of Costco as a socially responsible and transparent brand by 15%, by February 2026.

Strategy 1: Corporate Social Responsibility Communication

Reinforce Costco's brand reputation in Germany by transparently sharing their ongoing sustainability efforts and achievements.

Tactic 1: Distribute quarterly sustainability reports to national media channels and publish them on Costco's website.

Tactic 2: Host semiannual media days to showcase their waste reduction processes and supplier partnerships.

Strategy 2: Community Integration

Showcase active participation in regional causes and partnerships that directly benefit German residents and small businesses. ^[OBJ]

Tactic 1: Launch a social media campaign that spotlights local supplier partnerships stories weekly on Instagram and Facebook.

Tactic 2: Partner with 3 different German charities for co-branded donation drives with matched contributions from Costco.

Measurement: Administer surveys and focus groups after community events to collect CSR perception among attendees and followers on social media.

Digital Media: TikTok, Instagram, Facebook, YouTube, Costco website

Traditional Media: Die Welt, Bild, Süddeutsche Zeitung, RTL, ZDF, billboards, transit ads

In-Person Channels: events, workshops, cooking demos, kiosks

CSR/PR Channels: Press conference, sustainability reports, partnerships with non-government organizations

Timeline

January – March 2025: Research & Prep

- Cross into the German retail scene, see what local shoppers expect, what competitors are doing, and how Costco can upgrade itself. (Daily: Visit 1-2 competitor companies; Report on prices, and promos. Weekly: Create an analysis report.)
- Adjust the membership fee to fit local norms (around €59/year). (Monthly: Finish pricing by January 25.)
- Pick the first city (Berlin, Munich, or Frankfurt) and keep the location.
- Create a product lineup that blends Costco staples with German favorites, plus eco-friendly options. (Monthly: January: Create German favorites, meet with companies weekly about supplies; March: finalize orders.)
- Make sure everything is compliant with German and EU rules, from packaging to recycling requirements.
- Start translating and changing branding so it feels authentically German.

April – June 2025: Building Buzz

- Create teaser content on Instagram, Facebook, YouTube, and TikTok to introduce Costco's values, savings, and sustainability. (Daily: Reply to comments and users via

social media. Weekly: post over three times on social media, review analytics. Monthly: Create a plan for content and the performance rate of each.)

- Share the story with German media and explain why Costco's model is different.
- Launch collaborations with local suppliers and sustainability groups. (Weekly: meet with three or four creative partners.)
- Create packaging and store signage in both German and English.
- Hire and train local staff so they are ready to highlight the Costco experience.

July – August 2025: Official Launch

(Campaign launch date: August 9, 2025)

- Host an opening event for press and community leaders at the new warehouse.
(Countdown on social media about the event. Day 5: influencer spotlight; day 1; walk through.)
- Launch "Kirkland Kitchen" with German chefs, nutritionists, and influencers.
- Showcase Costco to commuters with targeted ads at bus stops, train stations, and billboards.
- Team up with recipe videos that mix Kirkland products with German cuisine.
- Create a special membership sign-up push with launch deals. (Track analytics on sign-ups during the launch of the first week.)

September – December 2025: Keeping the Momentum

- Post recipes and user-generated content from Kirkland Kitchen. (Weekly: Post 3-4 times; Monthly: highlight customer stories.)
- Spotlight Green Rewards participants on social media to keep the program fun.
- Tie promotions to German holidays like Oktoberfest.
- Release a sustainability update to maintain and build trust.

- Check sales and membership numbers, then adjust products if needed. (Monthly: Review data of each week.)

January – February 2026: Review & Next Steps

- Make a post-launch survey to see what is working and where to improve. (Daily: Gather responses.)
- Study campaign results, social engagement, memberships, and recycling program participation.
- Announce success stories with the press, especially local supplier partnerships and waste reduction wins.
- Start planning the next warehouse opening.

Media and Communication Coverage

The German culture highly focuses on trust and transparency when making a purchase; they also prioritize loyalty and culture (Johan, 2024). This means, for Costco's implementation in Germany to reach the largest audience, a mixed media strategy centered around digital advertising, out-of-home media, and social media marketing will be most beneficial. This approach should also integrate consistent messaging across all of the media platforms, to ensure consistency around the brand image. This strategy aligns with the structure of German media usage and cultural expectations (*Advertising Germany | How to Advertise Germany | German TV Ads*, 2020). With digital media currently being the most dominant marketing strategy in Germany, Costco would benefit from using social media platforms such as Instagram, Facebook, and LinkedIn to reach target consumers (*Advertising Germany | How to Advertise Germany | German TV Ads*, 2020). Out-of-home advertising will also be important to reach a broader audience because things like transit posters, billboards, and signage can help build local awareness and brand recognition in high-traffic areas like Berlin, Frankfurt, and Munich. The

campaigns should each incorporate culturally relevant images and language to ensure they resonate with local audiences, while still maintaining Costco’s brand identity. This strategic approach of advertising aligns with the German cultural preferences for fact-based, trustworthy visual communication, and supports Costco’s goal of establishing credibility in the local market while effectively reaching potential consumers (Johan, 2024).

Anticipated Budget

Category	Description	Amount (USD)
Digital Advertising	Social Media Ads	1320000
Influencer Collaboration	Mid-tier Local Influencers	220000
Out of Home Advertising	Billboards, transit ads, etc.	770000
Print Media	Magazines	165000
Television Commercials	Targeted commercials	550000
PR Campaigns	Stories, sustainability, etc.	110000
Content Creations	High quality visuals	132000
Translation & Compliance	Language & Legal Review	33000
Community Initiatives	Sponsorships & Partners	110000
Contingency	Reserve funds	110000
Total		3520000

Costco does not spend that much on advertising in the USA, but to form an audience in Germany we have allocated about \$3.52 million to spend on advertising (Ishikawa, 2025). We have broken down the budget to cover several media channels. First, we would like to allocate \$1.32 million toward digital advertising, such as social media ads. This outlet takes up the largest portion of the budget because digital media is the most common advertising outlet currently in German, and consumers prefer the option to research purchases and value fact-based messages (*Advertising Germany | How to Advertise Germany | German TV Ads*, 2020). The creative strategy for these ads should set apart Costco’s unique features while emphasizing practicality, sustainability, and quality over bulk purchasing. These messages will coincide with the local cultural preferences and resonate with consumers. Next, \$220,000 of the budget is reserved for influencer collaborations with mid-tier German influencers that focus on lifestyle, family, and

sustainability. Mid-tier influencers are preferred for this outlet because they are considered credible and more trustworthy than celebrities, which aligns with Germany's cultural taste (Johan, 2024).

Next, we have allocated \$770,000 to go toward out-of-home advertising, such as billboards, transit ads, and store-front signage in major cities. This form of advertising is considered trustworthy and provides a nonintrusive way to provide clear, visual communication in high traffic areas (*Advertising Germany | How to Advertise Germany | German TV Ads*, 2020). Additionally, \$165,000 will be reserved for print media such as culturally relevant magazines like *Der Spiegel* and *Süddeutsche Zeitung*. This will allow Costco to reach older or highly engaged consumers who value detailed product information and brand credibility. Print media is an effective way to deliver fact-based information to readers and is appreciated by German consumers (Johan, 2024). Further, in order to reach older audiences and families, a key demographic for Costco customers, we have built in \$550,000 to be used for TV commercials. This outlet is still highly utilized in Germany, especially for the intended demographic (*Advertising Germany | How to Advertise Germany | German TV Ads*, 2020).

Additionally, we have reserved \$110,000 for PR campaigns. This is a respected media channel in Germany and can help build Costco's credibility in the local market, while educating on the membership policy (Johan, 2024). PR strategies should include personal stories, feature local suppliers, and highlight continued sustainability efforts to reinforce Costco's community involvement, which is highly valued by German consumers. There is \$132,000 built into the budget for content creation to help ensure high-quality visuals are produced and culturally appropriate messages are developed to be used across all media outlets. We have included \$33,000 for translation and compliance (legal review, GDPR systems, multilingual copywriting). This is important to make sure the plan follows all German privacy laws and includes messaging

that are properly adapted for German translation (Johan, 2024). Allocating funds to these areas helps strengthen Costco's local image to meet German consumer expectations for ethical corporate conduct. There is an allotment of \$110,000 for community initiatives like sponsorships, local partnerships, and sustainability campaigns. Corporate social responsibility efforts are respected in Germany and help build loyalty and trust in brands (Johan, 2024). Finally, a reserve of \$110,000 will be set aside as a buffer for unexpected costs or added advertising opportunities.

Evaluation

To evaluate how successful the marketing campaign is we will use tools like Google Analytics and Meta Ad Manager. This will allow us to monitor website traffic, digital ad reach, social media engagement, and new member signups. These analytic tools will enable us to view real-time data to assess the effectiveness of the campaign rollout and to make adjustments when needed (Editorial Team, 2019). Additionally, regular A/B or split testing will be used for digital campaigns to help determine which creative and messaging strategies are working in the local market (Kumar, 2021). We will also use press monitoring and social listening to track in-store foot traffic, PR coverage, and public sentiment. A formal content analysis will be administered on earned media coverage including news articles, blog posts, and influencer content to quantify our messaging accuracy, tone, and reach (Neuendorf, 2017). We will send out pre and post campaign surveys to help measure shifts in brand awareness and consumer perceptions, while participating in community events to help build brand awareness and trust with locals. We will conduct mid and post campaign focus groups to gather qualitative feedback on message clarity, value, and cultural compatibility (Krueger & Casey, 2015). These regular campaign check-ins will allow for any necessary changes to be made throughout the campaign implementation. We will complete the final evaluation report at the end of six months, which will summarize our

findings including outcomes, insights, and recommendations for future marketing efforts. Key performance indicators including cost-per acquisition, return on ad spend, and brand perception ratings will be included in the final analysis to provide actionable insights for future campaigns.

Stewardship Efforts

Costco shoppers can take part in environmental initiatives shown through digital signage and advertising seen at several different key points in store such as the point-of-sale, recycling drop-off, and trade-in points. Digital signages in recycling drop-off and trade-in spots will display consumer goods and electronic waste management programs highlighting contact information of local vendors and waste providers in the print to answer customers questions with more information how the products are recycled and what they are being turned into. In these spots, we will feature the Trade-In electronic program message “If you’d like to get value of your used electronics you receive a Costco Shop Card” highlighting its openness to non-members too as this creates opportunities to become an environmentally friendly member of the Costco community (Barley, 2024). Online advertisement and clear trade-in call to action on Costco’s website will guide consumers on receiving recyclable packages at the low price of a dollar for trade-in deliveries for segments of consumers who have large pile of used goods to trade-in. At the point-of-sale-the final store touchpoint, advertising will have a call-to-action to donate to local charities and organizations across the country providing communities with needed assistance. We can track the effectiveness of these environmentally focused advertisements by implementing QR technology to track scan counts, and link visits, additionally tracking the number of Costco Shop Card given out for following these environmentally friendly programs.

To successfully connect with German consumers, Costco’s corporate social responsibility strategy would need to be tailored to local values and expectations. For example, Lidl-a well-

known German multinational supermarket chain-operates under the guiding principle “*Lidl for a better tomorrow*,” combining high-quality standards with low-priced products, a value proposition similar to Costco’s. However, Lidl distinguishes itself through several respected certification seals from recognized organizations, fully compliant with Germany’s strict food regulatory laws (*Analyzing Lidl’s Marketing Strategy: How the Discount Supermarket Leader Scaled*, 2023). To compete in the same market, Costco would need to meet the German public’s high expectations, where product quality is strongly linked to credible third-party certifications rather than generic “green” labels. This means obtaining certifications that are widely trusted by the German public, demonstrating Costco’s commitment to corporate social responsibility.

The brand’s out-of-store advertisement will highlight its unsold left-over produce being used for feeding cattle and supplying local farms for growing new produce. Gauging the out-of-store corporate social responsibility advertising success which will be shown in commercials, newspapers, and social media can be quantifiable analyzed with key performance indicators such as sentiment analysis and customer satisfaction score obtained from Costco customers surveys. Success metric for all encompassing CSR activities of the brand is to achieve saving 25 million pounds of left-over goods, that be shown in advertisement throughout the year with the message “Help us achieve our goal of saving 25,000,000 pounds of left-over goods.” The main CSR advertisement for the brand is implementing the core brand offering, which is the Costco membership, these advertisements will be placed anywhere around the store with heavy foot traffic and be integrated without being intrusive. These advertisements will emphasize the unbeatable value appeal of the membership cards and receive points to get a higher membership card by participating in Green Rewards activities. This aligns with the principle of ongoing improvement by measuring the effectiveness of CSR advertisement to improve the number of Costco members becoming socially proactive along with the company.

For Advertising and Public Relations

Specialized Advertising Campaign

This campaign will be specialized rather than standardized because Costco's success in Germany will rely on adapting to the nation's cultural values such as environmental responsibility and high-quality products at fair prices. Our research tells us that Germans really like transparent brands. The consumer wants to feel respected. This campaign will highlight Costco as a go to for daily needs and a place that helps families and businesses save money, reduce waste, and purchase premium goods. The message we want to convey is more value and creating less waste. This reinforces Costco's efficiency, sustainability, and quality which are some core themes that we feel will really resonate with the German shoppers. Our advertising will connect Costco's value proposition to everyday scenarios that German consumers care about. An example would be contributing to a more sustainable future and buying from well-trusted brands. Costco's brand identity will stand out in a competitive market while feeling authentically local, because of the proof-driven facts.



Costco commercial example, featuring the Ludwig family (OpenAI, 2025)

Other Details

We think a typical ad in this campaign would be a 30-second spot designed for both digital platforms and German TV. Social media: short, snackable clips from Kirkland Kitchen where the German chefs are making delicious traditional dishes using Costco products. The goal is creating a campaign with a blend of emotional resonance and factual proof and to avoid flashiness by emphasizing Costco's value in ways Germans will trust and remember.

Public Relations

Our PR objectives are to increase awareness/introduce Costco's brand to Germany, increase new memberships, and change the public's attitude about Costco. The reason it is important to increase awareness is so that Costco's intended audience are informed about what Costco has to offer and what they can bring to the German market. Hopefully by bringing a lot of awareness and attention to Costco, we can bring in many new memberships. Since Costco is not like a regular grocery or department store, they rely on memberships to track their consumers. By bringing in more memberships, this can open the opportunity to expand Costco around Germany and can offer a great relationship with consumers. Lastly, we would like to change the public's attitude about Costco. Many consumers may have altered opinions about big companies like Costco. We would like to change their attitude and show them that Costco has many cost saving benefits and is very convenient. The PR strategies and tactics we will use will center around Corporate Social Responsibility (CSR). According to the CSR homepage for Deutschland, it mentions that "Along with political action and civil society activism, it is above all responsible businesses with activities in their home country and abroad which make crucial contributions to solving social problems" (*CSR - CSR Policies in Germany*, n.d.). With that, our PR strategy is to show corporate social responsibility and develop a program that fights for sustainability across Germany. This program would show what Costco does to fight for sustainability, and it would also give the chance for members of Costco to get involved as well. The program would reward members 'points,' that can be used towards items, if they were to bring in empty, reusable Costco packaging. The type of media/communication we would like to get would be from national newspapers, such as *Die Welt*, *Bild* (a grocery store/food promotion magazine), *Süddeutsche Zeitung*, etc. We would also like to get a couple of segments broadcasted on the local news to maximize awareness. Lastly, it would be helpful to have a few

billboards up on the main roads close to where the Costco is located. That way, drivers can see that there is a Costco nearby. We would accomplish this by developing media kits to give to these magazine companies and news outlets so they can see how this information may be useful on their media outlets.



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