**DIRECTOR DILEMMA: DIGITAL OR DIET**

**Abstract**

KIND GROCERY, with sales of more than $25 billion, operates 400 stores in 300 communities Texas and Mexico. With a deep understanding of its customers and their needs, their stores include grocery, pharmacy and merchandise for two customer groups: 1) cost-conscious families with southern and Hispanic cultural interests, diets and needs, and 2) health-conscious and financially comfortable families with diverse and wide interest in foods and products. KIND actively engages customers to discern what offerings best meet their needs for both their KIND MAIN Stores and their KIND SPECIALTY MARKET Stores.

**Opportunity**

KIND has actively weighed the idea of making an aggressive push into mobile technology with a digital food delivery service. It has become clear to KIND management that convenience matters a lot to their customers and that technology has enabled convenience to take a different form here, driven by customer demand.

This acquisition would be the first time KIND has ever acquired or merged with another company. The estimated purchase price for the deal is $ 32 million. Bottom of Form

Yet, There is More

In a totally difference direction, the Board Chair shares yet another opportunity which would make a huge strategic pivot for the business.

**Leadership Dilemma**

The timing of two extremely different opportunities confront the board simultaneously.

* How shall the board weigh the opportunities and investments for competing interests?
* How should the board decide on priorities of strategic and operational goals?
* What factors and information must the board consider about each of these options?
* Can these opportunities be addressed simultaneously?
* Is a pivot for this customer base patriarchic or prudent?
* Has Charles taken ESGR too far?
* What if Charles does not get his way?
* How much change is too much to tackle: first-time acquisition and new business direction?
* What business model and changes would be needed to pivot KIND?

The board must now decide what to do.

*The author developed the case for discussion rather than to illustrate an ideal, effective solution. ©2019* ***The case, instructor’s manual and synopsis are available for purchase. Contact: Donna Hamlin at*** [***donna.hamlin@boardwise.biz***](mailto:donna.hamlin@boardwise.biz) ***94501 510-517-7791.***