



Costco Wholesale runs 939 membership warehouses and e-commerce sites in 14 countries: members pay an annual fee (from \$65 in the U.S.) for access to a short list of bulk, low-markup products, including its Kirkland Signature private label. FY2026 (52 weeks ended August 30, 2026) total revenue was \$303.15B (+10.1%) — \$297.25B of net sales plus \$5.91B of membership fees. FY2026 net income was \$9.23B (+14%).

BUSINESS MODEL CANVAS

Costco

Research date: Oct 13, 2026

Evidence-backed · sources in companion brief

KEY PARTNERS

- Direct relationships with brand-name producers (FACT).
- Private-label manufacturers for Kirkland Signature (FACT).
- **Citibank** — exclusive U.S. co-brand card issuer (FACT).
- Travel suppliers behind Costco Travel (FACT).
- Drop-ship suppliers for e-commerce orders (FACT).
- Landlords / developers for new sites (INFERENCE).

KEY ACTIVITIES

- Curate <4,000 active SKUs per warehouse (FACT).
- Volume buying direct from producers (FACT).
- Cross-docking depots and pallet display (FACT).
- **Open new warehouses** — 25 net new in FY26 (FACT).
- Run ancillary gas, pharmacy, optical, food court (FACT).
- Sell memberships and Executive upgrades (FACT).

KEY RESOURCES

- 939 warehouses, ~148,000 sq ft average (FACT).
- 84.1M paid members; 150.4M cardholders (FACT).
- Kirkland Signature private-label brand (FACT).
- 355,000 employees; ~95% in warehouses & distribution (FACT).
- Net PPE \$35.6B; FY26 CapEx \$6.44B (FACT).
- Cash \$20.2B at FY26 year-end (FACT).

VALUE PROPOSITIONS

- Consistently low prices on a limited assortment (FACT).
- Kirkland Signature quality at lower prices (FACT / INFERENCE).
- Executive 2% reward, up to \$1,250/yr (FACT).
- Cheap gasoline at 774 gas stations (FACT).
- Pharmacy, optical, hearing aids, tires, travel (FACT).
- Generous returns; 90-day policy on certain electronics (FACT).

CUSTOMER RELATIONSHIPS

- Annual paid membership, renewed yearly (FACT).
- Executive upgrade with 2% reward (FACT).
- 92.3% U.S./Canada renewal; 89.8% worldwide (FACT).
- Exclusive Executive shopping hours in the U.S. (FACT).
- Co-brand card rebates issued every February (FACT).
- Member-only Costco Travel (FACT).

CHANNELS

- 939 warehouses in 14 countries (FACT).
- 774 gas stations; gas = 11% of net sales (FACT).
- Business centers for small businesses (FACT).
- E-commerce in 9 countries; 9,000–11,000 SKUs online (FACT).
- Digitally-enabled = 11% of net sales (FACT).
- Costco Travel in U.S., Canada, U.K., Australia (FACT).

CUSTOMER SEGMENTS

- Households (Gold Star members) (FACT).
- Small businesses (Business members) (FACT).
- **Executive members** — ~75.2% of net sales (FACT).
- U.S. segment revenue \$219.8B FY26 (FACT).
- Canada \$40.6B; Other International \$42.8B (FACT).
- California = 26% of U.S. net sales (FACT).

COST STRUCTURE

- Merchandise costs \$264.28B FY26 (~89% of net sales) (FACT).
- SG&A \$27.19B FY26 (9.15% of net sales) (FACT).
- Above-average wages; U.S. hourly avg ≈\$33 (FACT).
- Executive rewards cut sales by \$3.38B (FACT).
- CapEx \$6.44B; D&A \$2.67B (FACT).
- ~\$500M IEEPA tariffs paid; refunds received in Q4 (FACT).

REVENUE STREAMS

- FY2026 total revenue \$303.15B (+10.1%) (FACT).
- Net sales \$297.25B; membership fees \$5.91B (FACT).
- Foods & Sundries \$116.79B · Non-Foods \$77.38B (FACT).
- Fresh \$41.72B · Ancillary & Other \$61.37B (FACT).
- FY2026 operating income \$11.69B (+12.5%) (FACT).
- FY2026 net income \$9.23B (+14%) (FACT).