

Stronger Co-op, Stronger Communities



ISSUE 2 [October 2018](#)



From Co-op CEO, Steve Murrells

Welcome to the second of our quarterly updates for everyone across our Co-op.

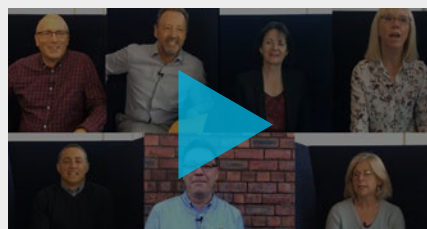
When we published our [Q2 update](#) in July, we were only at the start of what was an outstanding summer.

This update is full of great examples of how we're making real progress with our Stronger Co-op, Stronger Communities ambition. Of course, there are challenges ahead of us - the uncertainty of Brexit, competitor partnerships (like the Sainsbury's/Asda merger) and regulatory reviews in our market - but we face them from a position of strength and with a determination to help our Co-op difference shine through.

Now is a great time to remind ourselves of our seven goals and the progress we're making against them. I hope it gives you confidence and makes you feel proud, as I am, of what we're achieving together, as one Co-op.

Thank you for the work you contribute to making our Co-op a success - for the benefit of our members, their communities and your colleagues.

Steve



Exec members from across Co-op share their highlights, frustrations and [what they're proud of from Q3](#). Or you can [read the transcript](#)

Stronger Co-op big numbers

Our ambition in a nutshell

A quick reminder of what our ambition is all about:



[Read the transcript](#)

You might also like to see:

- [Quarter 2 update \(July 2018\)](#)
- [2018 Interim results \(September 2018\)](#)

Stronger Co-op

200,000 festival goers visited our pop-up stores

800 Co-op products stocked on Nisa shelves

29m the number of people using repeat prescriptions in the UK - a market we plan to enter by buying Dimec

24 retail apprenticeship graduates

35 Colleague Voice reps across Co-op

75% the colleague engagement rating from Talkback

Stronger Communities

£2m funding partnership between the Co-op Foundation and Government to tackle youth loneliness

3,000 people supported by Community Connectors

1,400 Food stores stocking new compostable carrier bags

10 UK businesses joined our Bright Future programme for survivors of modern slavery

30,000 responses to our survey on dying and bereavement

Fuel for Growth

Saving so we can invest in our future: we're on track to achieve the **£30m** savings target we've set ourselves this year.

Highlights – around our businesses



Jo Whitfield, CEO, Food

We've seen some real successes in Food in the last quarter.

Summer trade has been truly fantastic, with us making the most of the fabulous weather, and delivering great performance. We had a strong trading plan for Q3 and it really worked.

Our campaigns had real cut-through with customers and we did a great job of keeping up with the volume increases through our supply network.

I'd like to thank everyone for all of their hard work in delivering a prolonged period of exceptional trading – well done all.



Robert Maclachlan, MD, Funeral & Life Planning

This quarter has been a quieter trading period than we'd predicted for Funeral and Life Planning and so we're now expecting a very busy peak period over the winter months.

We launched Cremation without Ceremony earlier this year and have now helped nearly 800 families who chose this way to say goodbye. We've more recently launched Guarantee to Beat, an improved member

discount and reduced the price of our Simple funerals.

Colleagues across the business have embraced new technology and ways of working that will help set us apart from our competitors in both our Funeralcare and Legal Services operations. I'd like to say a huge thank you to everyone for their commitment to our families during a period of increased change to our business. Well done!



Mark Summerfield, CEO, Insurance

This year we've continued to put a real focus on what we can do to support our members and customers.

We've got closer to customers to understand what they need and want from us, redesigning our customer journeys to improve the customer experience. This has resulted in outstanding service for our customers.

Our Net Promoter Score (NPS), a key indication of customer satisfaction, has gone from 28 to 57. This has moved us from 15th to 5th in the overall customer satisfaction index for the insurance sector.

I'd like to thank everyone for their hard work and focus that helped us to achieve this remarkable improvement.

What we've achieved towards our ambition

Across Co-op, we're all working to create a stronger Co-op and stronger communities. Our seven ambition goals bring together everything we're doing in all of our businesses.

Here are some of the highlights from this quarter.

Stronger Co-op

1 Competitive businesses with a Co-op difference that attract more customers and members

Staying relevant, competitive and profitable

Our [new guarantees to beat competitor prices on at need funerals, funeral plans and probate](#), and our increased member discounts, are helping us lead the market.

We've had an amazing summer for Food. We moved over 11 million cases a week through our depot for more weeks in a row than ever before. Our

planning and the way we responded – even in the face of challenges such as the CO₂ shortage – meant we made the most of the great weather.

We've seen an increase in home insurance policies as we're [guaranteeing to beat members' renewal quotes](#). We've seen Food and Insurance working together to promote our [travel insurance](#) in Food stores helping increase the number of policies sold.

All the [fresh pork we sell is now 100% 'outdoor bred'](#) from British RSPCA assured farms.

What we've achieved towards our ambition

2 A Co-op which is agile, lean, safe and connected

An efficient and safe Co-op

[My Colleague Recruit](#) is now live - freeing up time for colleagues in Food stores, and sifting applicants to get the best fit when recruiting local roles.

[Guardian](#) has now rolled out across all funeral homes in England, Scotland and Wales - removing all the physical paperwork and allowing our colleagues to spend more time with clients.

Our Estate Planning Assistant has transformed how we gather information and give customers a better service in Legal services.

[Headsets](#) have finished rolling out to all Food stores - improving productivity and helping colleagues feel safer.

In depots, we invested in a [new safety system](#) to prevent lorries moving off if colleagues are still working in the back. This is really important to us, as safety is our number one priority.

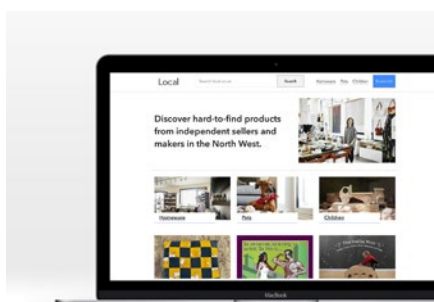
We launched [MySafety](#) to make it easier to report incidents and near misses. By reviewing near misses, we can take action to reduce incidents even more.

969 Insurance colleagues took part in Vulnerable Customer training. This helped colleagues identify vulnerable customers and support them appropriately.

3 New business opportunities that build trust, extend reach and create value

Expanding our Co-op

We launched [local.co.uk](#) - a fairer online marketplace giving small businesses an



We launched local.co.uk



We began stocking Co-op products on Nisa shelves

affordable digital platform to sell their products and grow their reach. This trial will evolve as we learn more from the customers using it.

We bought [Dimec](#) which supports our move into the health and wellbeing market. Dimec technology connects patients, GPs and pharmacies to make repeat prescriptions easy and convenient.



We started stocking [Co-op products on Nisa shelves](#) and engaging with a whole new audience at the [summer festivals](#).

4 Colleagues who are proud of our Co-op

Proud Colleagues

We're making great progress with our people strategy:

Engagement and recognition: [Talkback scores](#) have continued to show a 75% overall engagement score, and colleagues have started making good use of our [new ways to say thank you](#). We've launched [Colleague Voice](#) across Co-op - giving colleagues a say on new initiatives and what matters to them.

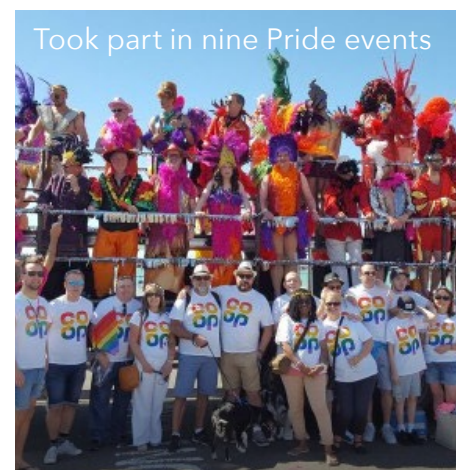
To help colleagues have easier access to our policies and news about Co-op, we launched the new [colleague website](#). Over time, this will replace our intranet so all 70,000 colleagues can access information, not just those who work by a computer.

Diversity and inclusion: We held events to support [National Inclusion Week](#) and supported [nine Pride events](#) across the UK. Over 500 colleagues walked in the parades, and more than 50 of our stores and funeral homes had special Pride branding. Tina Mitchell, a Divisional Managing Director for Food, also [won a Barclaycard everywoman award](#) for her work on improving how colleagues feel included in stores.

Leadership: Our Shining Stars from across Co-op graduated after a year of leadership development. Plus we ran a series of workshops on core leadership skills as part of Leadfest.

Apprenticeships: We welcomed record numbers of new Level 2 and 3 apprentices onto our Funeralcare and Food [apprenticeship](#) programmes. Jasmine Joynt from Insurance won [Outstanding Intermediate Apprentice of the Year](#) at the RateMyApprenticeship awards.

Wellbeing: Through [Lifeworks](#), we continued our focus on mental health and financial wellbeing - highlighting our partnerships with Neyber and the Co-op Credit Union.



Took part in nine Pride events

Stronger Communities

5 Revitalised Membership offer that unlocks value for our members and communities

Getting the most out of our Membership scheme

Customers have been earning their '5+1' Co-op membership rewards for two years now. In that time we've seen 1.8m new members join us - earning nearly £125m for themselves, and £25m for their local communities.

We tested out a member only offer on the member designed Irresistible Gin. At an exclusive price of £10 a bottle, it proved popular: selling nearly 19,000 bottles in eight days - five times more than the last time it was on offer.

6 Community impact focused and grown

Supporting the communities we serve

Our Co-op Foundation has joined with the Government to [tackle youth loneliness](#) through a £2m fund. This'll help strengthen communities by working with a network of local partners in this area. Over [3,000 people have been supported by the British Red Cross Community Connectors](#) - funded by the £6.7m colleagues and customers raised.

[Co-op Academies had a great set of exam results](#). One of our first ever academies, Co-op Academy Stoke-on-Trent, got their highest ever GCSE results. We also launched a new first by [offering paid work placements for students at Connell Sixth Form](#) College studying for a BTEC Level 3.

Great results across Co-op Academies



We launched [compostable carrier bags](#) in 1,400 of our stores where councils accept kerbside food waste recycling.

[More companies have joined our Bright Future programme](#) to offer work placements for victims of modern slavery. These include big names like John Lewis.

We re-launched our Co-op radio in stores across the UK. It's now more flexible so we can highlight local causes and local products in the right stores.

7 A joined up story that shows what the Co-op difference is all about

Showing we're a better way of doing business

Our ['Join in Live' member events](#) have started - 24 public events around the UK to connect Member Pioneers, communities and local causes. Everyone is welcome.



Our [Future of Food report](#) was published - setting out what we're doing towards a sustainable food future to 2030 and beyond.

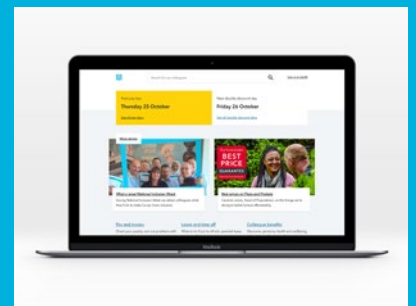
The [results of our biggest ever survey into dying and bereavement](#) are helping our work with national charities on tackling the taboos about death. The message about affordability came

through loud and clear, and was one of the reasons we introduced our funeral price guarantee.

Our testing of used cars has continued, this time focusing on the [safest used car for new parents](#). We want to help people make the right choice of car, and encourage people to think more about safety features.

We partnered with Neighbourhood Watch to launch our [Neighbour of the Year awards](#). With members setting the judging criteria on what makes a good neighbour, we had over 400 nominations. [And we've just announced our winner](#).

Visit our new website for colleagues coop.co.uk/colleagues (available from any device, anytime) to keep up to date on news, and find the information you need.



Let us know what you think about this update by emailing communications@coop.co.uk

Share your own #BeingCoop stories on coop.co.uk/thankyou or on social media.