

Colleague Q&A with Steve Murrells on our role in the wider Co-operative Movement – Transcript

Ed Powell, Co-operatives Partnership Manager

Hi, I'm Ed. I'm here with Steve answering your questions on how we're leading the way in the Co-operative Movement.

Steve thanks for meeting with me today. We've had a question in from Barbara. The question is: we've moved away from the '.coop' domain name onto '.co.uk' Has that paid off for us sufficiently to warrant distancing ourselves from the Movement and is that a symbolic act to move from the domain name?

Steve Murrells, CEO, Co-op Group

Early days but so far the intelligence would suggest it was the right thing to do. When Stephen Foreshew-Cain and the digital team looked at this they wanted to achieve one thing which was to increase the traffic and increase the awareness.

We've been operated in that way now for the best part of over a year and we've seen traffic up by 10% so early days but it would seem on that evidence that actually it's done us more good and I think that traffic will continue to increase going forward.

Ed Powell

One of the other questions that's come forward, and it's quite a popular question is about highlighting where our products come from and whether we should be buying more from other co-operative suppliers?

Steve Murrells

One of the things that Nick Crofts [*President of our National Members' Council*] insisted in putting into the Council's compass - their steering wheel - to hold the board to account was a value of trade that we would do with co-ops through any given year. We set the value at around about, I think, £54 million. At the halfway stage we're just ahead of where we need to be and I'm quite confident that they'll hit that target by the year end.

I'm sure we can do more and we would welcome more and more companies to come forward and where their products are good enough I'm confident that the buyers would obviously stock them.

In terms of starting to tell the story that we're buying from co-operatives, we've done that already in some areas of sparkling champagne and it's quite a good thought which I'll take away and talk to Mike Fletcher and his buying team.

Ed Powell

Thanks Steve. I think one of the questions that some colleagues have come forward with is actually about that relationship with smaller co-operatives. Pete has asked whether we could give our support to smaller independent food co-ops with a wholesaling power - could we buy for them?

Steve Murrells

Wholesaling's in our roots. We've been doing wholesaling for many years now and this is a natural way for us to grow as we move forward. I'm absolutely confident that once the wholesaling team gets bedded down and we start to move forward, which is effectively now, then the team will most definitely look out to those opportunities with smaller retailers and seek to wholesale for them so that they get as good a deal as some of the larger wholesale suppliers will get as well. So definitely in the minds of the team to do and important that I think we do that: champion the small as well as champion the large.

Ed Powell

Another thing that's come out quite a lot is around co-operative education - of course that's in our values and principles. Nic has asked directly: what are we going to do to educate the public about the difference between a co-operative and a PLC? And Trish has wondered whether referring to ourselves as a 'company' has actually been a negative thing for us and actually we should be referring to ourselves as a Co-op.

Steve Murrells

Yes, well I think Trish is right we are a co-op we should be proud of a co-op but most importantly we should be able to explain what is our difference and why we do things in a different way.

I think I started that dialogue with the media at the interim results. We have to keep on celebrating that story of difference and over the coming years when you read our annual reports I want us to be able to have a social P&L [*Profit and Loss report*] as well as a normal traditional P&L.

And that social P&L will be all about celebrating our difference and how we put money back into communities... how we share our wealth. If we do that well and we keep on talking as we should do as a co-op then I think people will realise that we are different and once they've absolutely understood it then they'll start to gravitate towards us again.

Ed Powell

Thanks Steve. We've had a number of questions from colleagues around the housing sector and actually the opportunity for us there to be potentially disruptive. John has equated the current situation with the Rochdale Pioneers and said: isn't there an opportunity for us in this particular market?

Steve Murrells

So housing is very topical – in fact I've just come from lunch with Andy Burnham the Manchester Mayor. Housing is the top of his list of things to improve upon. It's a real social need here but it's a real social need throughout the rest of the UK.

It is one of those places that we are putting into the possible pot of things that we might go into in the Renew phase along with many others and we'll need to work through that and see whether or not we can make a real difference in social housing and help people get on the property ladder and have the safety of a home around them.

Ed Powell

Thanks Steve. Actually I've got a final question for myself if that's OK: we're part of the wider Co-operative Movement and we're trying to move towards having a national co-operative development strategy actually working with Co-operatives UK and as one member amongst many we've got an opportunity as the biggest co-operative to play the leadership role in that movement. So I'd just like to ask you: what do you think we should lead on to help the co-operative sector, and actually there are other co-operatives out there we can learn from so where and when can we learn from other co-ops?

Steve Murrells

There is a very famous video of a man dancing on a hill who starts dancing at a pop festival on his own and then you then watch people gravitate towards him and dance with him to the point in which there are more people dancing than there are watching - and that's what a Movement is really all about.

So how do we make that come alive in our world of co-ops? I think if we can solve the rubicon of a consistent user journey for members that would be a good place to start. If 'Co-op' is above the door then the experience, the user journey, is the same.

The second element that we'll focus on to create this movement I think is going to come down to community and how we can act as... act in a way that brings people together, that rewards them for coming together and for doing good. And therefore, kind of, co-ops become the glue in civic society which enables people to do stuff to make a real difference.

So I would do those two things to start with and then I'll equally always keep our ears open to businesses, co-ops that have done that well.

Co-ops UK actually has a huge library of knowledge that they can bring to the UK Movement and help us start to bond a lot tighter.

Ed Powell

Thanks for your time today Steve we really appreciate it.

We hope this has helped to answer some of your questions around the Co-operative Movement and how we're going to help lead the way.

Until next time, goodbye.

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