

Retail Business Area

Coop is committed to innovation in the design of products and sales outlets. By creating new store formats and combining traditional shopping with the benefits of online shopping, the retailer stands head-and-shoulders above competitors. All the while, it remains true to its sustainable credentials: Coop is committed to sustainable nutrition, vegetarian and vegan products and fair trade throughout its range.

In 2017, the Coop Group generated net sales of 17.4 billion francs in retail. The Retail business area, excluding fuel and heating oil, was thus able to match the previous year's level despite a number of price cuts.

Sales formats and range

In the Retail business area, the Coop Group operates supermarkets as well as numerous specialist formats for every customer need. At the end of 2017, it had 2 295 sales outlets throughout Switzerland, 41 more than in the previous year. Coop also boasts a wide range of online shops and systematically combines online and offline trade (cross-channel). Almost all of Coop's specialist formats now have their own online shops in addition to their brick-and-mortar stores. The 24 online shops in the retail segment in all achieved growth of 19.7% in 2017 compared with the previous year.

17.4 bn CHF
net sales in retail
segment

Coop attaches particular strategic importance to its sustainable ranges. In 2017, Coop's retail sales from sustainable products totalled an encouraging 3.8 billion francs, which was up 8% over the previous year (for details see www.coop.ch/sd-report). Sales of organic products alone came to 1.3 billion francs, which is an increase of 6.3% year on year.

Supermarkets and food formats

In 2017, the Coop supermarkets generated net sales of just under 10.3 billion francs. With 908 points of sale, Coop has the densest network of sales outlets. In 2017, 39 new sales outlets were opened and 6 closed. With an increase of 5.7% in customer footfall, Coop gained many more customers.

New store design: more market, more craftsmanship, more freshness

In 2016, Coop developed a new store concept for all small to medium-sized supermarkets up to 2 500 m². The concept is a tangible expression of enjoyment and fine food and boasts a blend of regional products, craftsmanship, sustainability and good customer management. Pick-up and digitalization are also integral to the concept. By the end of 2017, 32 sales outlets had already been modelled according to the new store concept. The first megastore in the new store design opened in Seewen (Canton Schwyz) in November. In a market atmosphere, much more space is allocated to the themes of craftsmanship, marketplace, service and production, over a surface area of 3 460 m². The in-store coffee-roasting house, the cheese humidor, the wine cellar, the remodelled in-store bakery, the "freshness island" and the meat departments and staffed fish counter have been combined to create an attractive marketplace.

New, individual store format for Karma

Karma is a success story. Having only been launched in 2013, by 2017 the own-label brand for vegetarian and vegan products achieved sales of 71.1 million francs. The brand's tremendous success prompted Coop to open Switzerland's first Karma shop, at Zug station, on 30 May 2017. The opening of the new store made headlines in the national press. In this new sales format, customers will find an extensive range of vegetarian and vegan products. Besides the homemade take-away items, the highlight of the food range is the sale of loose basic foods such as pulses, nuts and granola, which customers bag up themselves, as well as cooking inspiration from Fooby. By offering this facility, Karma is responding to customer demand to reduce packaging. Around a third of the foods are certified organic or Max Havelaar-certified. The shop also sells non-food products such as stationery and cards and a range of vegan cosmetics. Aside from the range, the new format boasts a young and trendy store image: when they have done their shopping, customers can stop off at the attractive coffee bar where, as well as popular new drinks such as golden turmeric latte, they can also enjoy a vegan hot dog or other dishes.

Sapori d'Italia store format introduced

In light of the huge popularity of Italian cuisine in Switzerland, in early November 2017 Coop opened the first Sapori d'Italia format store, at Aarau station. In a market-style atmosphere, Sapori d'Italia stocks a wide range of Italian delicacies, supplemented with fruit and vegetables from our southern neighbour and seasonal fruit and vegetables from Switzerland. The range is all about enjoyment: as well as a wide selection of various types of pasta, sauces and olive oils, there are wonderful focaccia fresh from the oven. To go with typically Italian treats such as amaretti and biscotti with almonds or delicious gelati, customers can enjoy an espresso or cappuccino made from coffee beans roasted in-store, which are freshly prepared using a professional coffee machine. Sapori d'Italia also sells charcuterie specialties such as ham and salami, as well as whole cheeses that are freshly sliced in-store. Coop also plans to launch tasty Italian items in Coop sales outlets under the Sapori d'Italia own-label brand.

Culinary platform Fooby successfully launched

Coop's culinary platform Fooby, launched in February 2017, is a comprehensive source of food-related inspiration for customers. Fooby brings the experience of cooking, consuming and enjoying fine food into every home, online and offline alike. Through weekly recipes in the Coop member press and Fooby magazine, customers get regular recipe inspiration sent straight to their inbox. In the sales outlets, recipe cards, super-quick recipes and food facts displayed on the shelves encourage shoppers to try out new dishes and explore different foods. Fooby also attended "Food Zurich" in 2017, staging a number of cooking events as a presenting partner. The events were an opportunity for customers to try their hand at cooking and taste different dishes. Fooby also offers a number of digital services, ranging from the app, website and newsletter to dedicated social media channels. Furthermore, with the app and on Fooby.ch, digital cookery books can be created, shopping lists prepared and ingredients for favourite recipes ordered directly from Coop@home. The Fooby app was downloaded no fewer than 206 500 times in 2017.

Coop is committed to customer dialogue

That the opinions of its customers are of the utmost importance to Coop is demonstrated not least by the nationwide customer survey "Your opinion counts", which was carried out for the third time at Coop supermarkets and Coop City Food branches in autumn 2017. Twice a year, customers who have Supercards are invited via a check-out coupon to take part in an online survey, which enables them to rate the Coop sales outlet they visited and give their personal feedback. The coupon was issued to more than 2.4 million customers. Over 30 000 customers took part in the survey, submitting nigh on 14 000 comments. The results were gratifying: 93% of participants were satisfied or very satisfied with their shopping experience.

93%
customer satisfaction
with shopping experience

Focus on family

As a key target group, families were again at the heart of many Coop projects this year: Coop continued adding more family checkouts and family parking spaces and introduced the Fun Car shopping trolley in more branches. In supporting a wide array of sports and cultural events throughout

Switzerland as a sponsor, Coop offered its customers enjoyable family experiences, such as the Coop Andiamo exercise event, which attracted 34 500 visitors. Coop also added to its family-related Internet offering. Since 2017, four bloggers have been writing about the subject of family on the website Hellofamily.ch. There are also recipes for cooking for and with children, some of them in partnership with Fooby. Hello Family’s Facebook group has over 35 000 members.

Successful with Coop Take-it and Coop Restaurants

In 2017, of the 206 Coop catering businesses, 14 Coop Restaurants and one Coop Take-it branch were upgraded to the new “Vista” catering concept. This brings the number of “Vista”-style catering businesses to 32 already. “Vista” applies the principle of market-fresh wholesale catering. This concept is all about freshness, high culinary standards and intense flavour, as well as spacious premises with attractive, modern lighting and a child-friendly layout. The “Cooking Fun for Kids” event format made its début in 2017. At 27 locations, groups of six to nine children had the opportunity, under professional guidance, to go shopping, visit the kitchen and storage area and prepare a healthy, child-friendly 3-course menu together. All the modernized locations posted substantial growth in sales and Coop Take-it and Coop Restaurants gained further market shares.

Product range diversity

As well as stocking the biggest selection of national and international branded products, Coop also stocks numerous own-label brands for every customer need in all its sales formats. In food retailing alone, with over 50 000 products in the food and non-food segment it offers the greatest product range diversity in Switzerland. As well as own-label sustainability brands and quality labels, Coop also stocks other own-label brands that cover diverse customer needs and offer optimum value for money.

Coop is committed to fair consumer prices

Coop remained committed to low consumer prices in 2017. As well as investments in efficiency, tough negotiating strategies with suppliers also paid off. In logistics in particular, Coop identified scope for price cuts during the year under review. Coop invested over 40 million francs in lower retail prices in 2017, while fluctuating raw material prices presented a challenge. Vanilla and dairy products, among other things, became more expensive. Conversely, various varieties of nuts, such as almonds, became cheaper. All price changes were advertised in the Coop member press.

OWN-LABEL SUSTAINABILITY BRANDS AND QUALITY LABELS



OWN-LABEL TARGET GROUP BRANDS



OWN-LABEL STANDARD BRANDS



➔ For more information about Coop own-label brands, visit www.coop.ch/labels