The Co-operative Difference: the role of consumers as company owners

II Consumer Co-operative Meeting
Current and Future Challenges for Consumer Co-operatives
Buenos Aires 24.10.2018

Marjaana Saarikoski
Member of the ICA Board
Director, SOK Corporation Finland
This is Finland – the happiest country in the world (United Nations 2018)

- 75% Forest
- Santa Claus from Lappland
- 188,000 lakes
- Swan, the national bird
- 2,000,000 saunas

Hedvig Gebhard, 1907
Member of the Parliament

The first country in the world to give women both the right to vote and to stand for elections

WM Ice Hockey 1995 & 2011

*Consumption of coffee per capita: 9.6 kg per year*
Finland in figures

➢ Population 5,6 million
➢ Density 18,1 people per sq. km
➢ Life expectancy: men 78 and women 84 years
➢ Average household size: 2.05 persons
➢ Languages: 87,9 % speak Finnish and 5,2 % Swedish
➢ Religion: 70,9 % Lutheran and 1,1 % Orthodox
➢ Area 390,920 sq. km or 150,900 sq. Miles of which 9 % is fresh water
➢ 188,000 lakes
➢ Forests cover 68 % of country
➢ 6 % of land is under cultivation
➢ GPD 2017: USD 251,88 billion (Rank 43)
➢ GPD per capita USD 47 057
Cooperatives in Finland,
a history of more than 120 years

<table>
<thead>
<tr>
<th>Cooperatives in Finland</th>
<th>30% of Finns are members in 3 co-ops</th>
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<tbody>
<tr>
<td>- Cooperative enterprises 4 454</td>
<td>- Ranking by turnover (2017)</td>
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<tr>
<td>(totally 200 000 enterprises)</td>
<td>1. S Group* (Retail, market share in grocery business 45.9%)</td>
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<tr>
<td>- Total revenues 30.1 billion euros</td>
<td>2. Metsä Group (Forest, Wood, Fibre, Tissue, Paperboard; market share 35%)</td>
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<td>(7% share of the total turnovers of all enterprises)</td>
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<td>- Personnel 100 000</td>
<td>3. OP Bank (Banking, Insurance and Health care; market share in Banking 39.3%)</td>
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<td>- Members 7 155 472</td>
<td>* ) S Group consists of SOK and 20 regional consumer co-operatives and has a history of 114 years.</td>
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<td>(multiple memberships)</td>
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Consumer Co-operative S Groups`s key figures in 2017

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<th>Turnover</th>
<th>Profit</th>
<th>Investments</th>
<th>Outlets</th>
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<td>11,3 Bn€</td>
<td>344 M€</td>
<td>492 M€</td>
<td>1,631</td>
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80% of Finnish households are owners

3,7 million loyalty cards

Bonus and other rewards paid to co-op members

Our vision:
Superior benefit and ease from your own store

Our purpose:
We provide co-op members with outstanding services and benefits profitably
Are you an owner?
Do you understand what your members expect from their co-op?

The use of the services of your co-op has to give you something more.
As an Owner you expect to get benefits more than an usual customer.

In order to succeed in the future a co-op has to understand the needs and expectations of its members –
The DATA is the key to success.
The Data – also a benefit

Access to Your own Shopping history over the last 12 months

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Do our members understand that they are owners?

The Awareness of Co-operative business model of regional co-operative members in 2007

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Co-op member program`s marketing campaign emphasising member`s role as an owner of the co-op
The Awareness of Co-operative business model, 2017 of regional co-operative members

How well do you know co-operative business model co-operatives and mutual insurance companies

- Know well: 33%
- Know poorly: 57%
- Not at all: 10%
To raise awareness needs communication every day in our outlets and channels
Gracias
Bienvenido a Finlandia

More information about S Group
www.sok.coop

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