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# The Co-operative Group

## Co-creating a new business for the Co-operative Group

### The Problem

The Co-operative Group is a £9 billion a year business with a raft of consumer brands, such as The Co-op, Somerfield and Smile. The Co-operative Innovation Board: a private online collaboration community populated with a handpicked group of consumers who worked together for a period of five months to invent and design the new business. With the objective of launching a new business and a blank canvas to start from, the Co-operative was open for a genuinely innovative way to invent and design their new business.

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### Our Solution

In order to solve this challenge, Promise Communities developed the Co-operative Innovation Board: a private online collaboration community populated with a handpicked group of consumers who worked together for a period of five months to invent and design the new business.

The majority of our sample consisted of 500 nationally representative consumers. This group was supplemented by a segment of “creatives”: 60 Cambridge, Oxford and LSE students who were part of the entrepreneurship society, 20 people working in media and advertising, 4 psychologists and several consumer trend spotters from springwise.com. What brought this community together was a passion for taking innovation to a whole new level: co-creating a business for one of the UK’s leading brands.

Our team of experienced consultants and moderators managed the community on a daily basis: creating brainstorming, debates and polls, facilitating and steering online live workshops, probing and analyzing data and conversations. The community was taken through our New Business Development process over the five month period:

1. **Immersion:** A deep analysis of unmet consumer needs, gaps in the market and The Co-operative’s market strengths.
2. **Ideation:** Generating over 200 new business ideas from the community. We used a variety of tools and activities to generate these initial ideas including ideation sessions, creative exercises, brainstorming and live online workshops - including a highly popular ‘Dragons’ Den’ competition.
3. **Filtration:** Use of robust quantitative and qualitative data from the community to measure the potential of the business against our key criteria: ROI, brand fit and execution complexity. Working together with the client, we narrowed all concepts down to 18 “winning ideas”.
4. **Development:** The community then went on to develop the propositions of each of the winning ideas separately. Guided by the community facilitator, less potent ideas were dropped while better ideas were explored.
5. **Prototyping:** The three best new business ideas were singled out and developed. Working closely with the community we built detailed sets of proposition, positioning and revenue streams, as well as marketing ideas, look & feel, naming and even operational ideas.

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### Results

The Co-operative Innovation Board generated over 18 vetted new business ideas which now populate the pipeline of The Co-operative Group. The Community prototyped three of these ideas and together we developed these into business plans which are currently being reviewed by the board for implementation.

The Community proved particularly powerful in its speed and efficiency. It allowed us to go from a blank canvas, to three fully scoped business plans ready for board consideration in under five months. But more importantly, we were able to obtain high levels of internal buy-in by iteratively testing hypothesis and concerns brought up by Co-operative executives as they came up. But what made these ideas particularly unique is the fact that the consumer’s voice is woven into their very fabric.

*“The level of engagement by these consumers was phenomenal. They seemed to spend hours on end debating our issues and thinking about them. It was like adding 500 people to our workforce. So the quality and depth of ideas was impressive. Better than anything we could have hoped for”*

**Alan Shepherd**  
Director New Business Development  
The Co-operative Group