



FY24-26 Strategy

maple street CO-OP

June 2023



OUR VISION: We support personal, community and planetary health.

OUR MISSION: Maple Street Co-op is a trusted marketplace supporting the wellbeing of our members and the community.

Encourage vibrant health in our community

- offer an extensive range of products for a healthy lifestyle
- cater for a range of health requirements
- share information on healthy lifestyle choices
- carefully research all of our products

Act with environmental and social responsibility

- support sustainable best practice farming methods
- sell local and organic or spray-free products
- purchase locally when possible to reduce food miles
- reduce, re-use and recycle all packaging
- continuously reduce our environmental impact
- provide quality products at fair prices that reflect the true cost of production
- provide fair-trade certified food when available
- source our energy from renewables and social enterprise providers

Support our members and community

- develop strong relationships with local suppliers
- offer fair working conditions and provide excellent jobs
- provide a unique, local shopping experience
- are friendly and welcoming to all
- support member requests and listen to member needs
- welcome volunteers as an integral part of our businesses
- provide a community garden in the heart of town
- support local organisations and events that promote wellbeing

Model co-operation and ethical business

- are member owned and member run
- practice the Cooperative Principles
- model consensus, respectful communication, transparency and professionalism
- support new social enterprises
- advocate to governments, organisations and suppliers
- seek new opportunities for growth and resilience



Four Pillars Key KPIs

Encourage vibrant health in our community

- 100% compliance with purchasing policy
- Special orders for health requirements
- Monthly Newsletters with health lifestyle articles
- General advice from in-store Naturopaths
- Maintain wide range of healthy and / or quality items (stock level >5,000)

Act with environmental and social responsibility

- Contribute to the well-being of Sunshine Coast Biosphere Reserve
- Use <10% plastic packaging
- Provide and promote bulk supplies and reduced packaging
- Carbon footprint reporting in place by end of FY24

Support our members and community

- Shop hours for 7-day trading
- Support phone orders and regular set aside orders
- Increase in owner membership (5% pa)
- Maintain member NPS >75
- Target 75% use of local service and asset providers
- Target 30% local suppliers and consignors
- Strong consignor NPS
- Increase shopping experience and access
- Increase distribution and delivery channels

Model co-operation and ethical business

- Sustainable business with profitability > 5% of sales
- Fair policies for both staffing and compensation
- Support Co-op Principles internally and externally
- Pay suppliers on agreed time or within 14 days
- Active industry memberships
- Active support of new food co-ops and social enterprises



Our 3 Year Strategy- FY24-26

A. Where are we now?

From an External perspective

- Mainstreaming of 'green' and 'sustainable' products in big box stores
- Inflation impacting decisions to buy organic and/or reduce budget for our products
- Lack of understanding of the importance of organic/local/fairtrade food and cooperatives unless we educate them
- Higher community avoidance of high-sugar and highly processed foods
- Ageing population could be interested in healthy food for better longevity (potential target market)

From an Internal perspective:

- Leakage of sales to effective online stores
- Improved staff development and communication
- Attracting a broader range of customer
- Co-op spend with local service providers/trades
- Connecting with new members After Hours
- Continued growth of membership
- Growing list of educational events
- Consignor engagement under-developed
- Limited ways for members to engage and to distinguish coop membership from "frequent shopper"

C. What do we do to get there

Encourage vibrant health in our community

We encourage a healthy lifestyle through the products we sell, services we provide and education.

Act with environmental and social responsibility

Our decisions are informed by our passion for reducing our environmental impact and supporting others doing the same

Support our members and community

We actively listen to the needs of our members, suppliers and the wider community.

Model co-operation and ethical business

The strength of our performance is founded in our commitment to transparency, good governance and the Co-Operative Principles

D. How do we get there

Increase our Local Connection

Expand our marketplace offering

Strong and active member engagement

Participate in and advocate for co-operative and social enterprise

B. Where do we want to be

Membership in the CO-OP is thriving and reflects the diversity of the community we are within.

Solid sustainable partnerships.

Our shop is accessible to all people.

Our CO-OP is the heart of the community.

A socially and financially stable organisation

What does success look like: Value to Members

Multiple channels that suit members' life style
The shop is a place members come to connect

Brand Trust and Strength

%member growth (local and out of town)

% of products sourced locally

Compelling Financial Metrics

% sales to members

%operating expenses to Sales

Increased market share



	FY24 H1	FY24 H2	FY25 H1	FY25 H2	FY26 H1	FY26 H2
	Explore	Build	Explore	Build	Explore	Build
Increase our Local Connection	<ul style="list-style-type: none"> Document current local supply Survey consignors Consider connections with other local groups 	<ul style="list-style-type: none"> Source local suppliers New consignor strategy 	<ul style="list-style-type: none"> Consider support for growers network/local food miles Draft strategy for increasing local food network (loans/lease farmland) 	<ul style="list-style-type: none"> Implement growers strategy 		
Expand our marketplace offering	<ul style="list-style-type: none"> Research Online shop models Volunteer strategy Long term financial plan Consider shop expansion 	<ul style="list-style-type: none"> Introduce limited on line capability 	<ul style="list-style-type: none"> Assess online capability Research click and collect Consider delivery platform traditional/drone-independent or shared Back lot strategy 	<ul style="list-style-type: none"> Maintain/remove or increase online capability Introduce limited click and collect capability 	<ul style="list-style-type: none"> Consider secondary Business/more outlets Consider café concept 	
Strong and active member engagement	<ul style="list-style-type: none"> Member discount strategy Education sessions Determine trading model (Non-trading co-op?) 					
Participate in and advocate for cooperative and social enterprise	<ul style="list-style-type: none"> Explore new memberships and Bcorp Develop carbon footprint reporting 	<ul style="list-style-type: none"> Succession planning 	<ul style="list-style-type: none"> Consider opportunities with Sunshine Coast Bio-sphere 			



Appendix



Our 3 Year Strategy- FY21-23

A. Where are we now?

From an External perspective

- Differentiation from major competitors is our unique member /community value proposition— our “vibe”
- Mainstream increasing focus on organic products- increased competition.
- Increasing wave of social enterprise sentiment
- We have a strong, connected member base
- It is difficult to find organic suppliers
- Demographics of Maleny is changing

From an Internal perspective:

- No formal position on proportion of organic vs local items
- Range is large and confuses our business model
- Lack of targeted engagement with suppliers and consignors
- Strong Financial Position

C. What do we do to get there

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Support our members and community

We actively listen to the needs of our members, suppliers and the wider community.

Model co-operation and ethical business

The strength of our performance is founded on our commitment to transparency, good governance and the Co-Operative Principles

D. How do we get there

Build our “Shop of the Future Strategy”

Design a member strategy that guides our decisions

Partner well with our suppliers, consignors and the wider community.

Enhance Board capability and discipline in governance processes

B. Where do we want to be

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Compelling Financial Metrics

% sales to members

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FY23 in review

Key Learnings :	Key Achievements
<ul style="list-style-type: none"> • Survey indicates highly engaged membership who value the MSCO ethos • Contracts with partners require careful review before signing • We remain a small niche “health food store”/ grocery • A varied Board is a strong one (diverse?) 	<ul style="list-style-type: none"> • Improved staff development and communication • Attracting a broader range of customer • Co-op spend with local service providers/ trades • Connecting with new members After Hours • Paperless systems - costs down • Improving the Rules • Improved resilience courtesy of Covid interruption • Recruitment of skilled staff • Retention of skilled staff • Community Care Fund?? Year of Local?? (how are these going?) • Some Board education on Cooperative governance • Well attended AGM / Successful board recruitment and onboarding • Continued growth of membership • Growing list of educational events, volunteer involvement in garden, garden looking good
Our current challenges:	Focus for FY24:
<p>Unknown status of building (Ian’s health) Limited space within building Inflationary cost pressures could impact member-spend and Co-op profitability Strong but limited management resource How to benefit from rent we pay for entire block As life is busier for many people, how do we engage</p>	<p>Our long-time members (high and low spends) Re-engaging lapsed members Engaging the team more to develop the look and feel Strengthening governance during “good times” Building future fund and operational reserves Continue to Increase local supply and fresh produce and develop our local reputation as drivers of local</p>



SWOT

Strengths:	Weakness:
<p>Skilled and cohesive team High Net Promoter Score from survey- member advocates A large membership to pull on (\$) Shop has authentic look and feel - sets us apart The emotional ties members have to the shop/brand Growing membership Trading profitably Building a balance sheet Dual market appeal (members and tourists) Good size shop on Maleny high street Local perception of a decreasing gap in prices between us and supermarkets</p>	<p>Late adoption of marketing activity Limited resources to drive change and growth (few hours available to dedicate to new initiatives) Sub scale relative to other local major retailers Limited online store capability Mentally / technologically wedded to physical shop Very limited balance sheet (not currently well placed to acquire freehold) Consignor engagement under-developed Limited ways for members to engage and to distinguish coop membership from "frequent shopper" Potential need to increase board education in consensus decision making and cooperative governance (more connection to other cooperatives for inspiration and grow coop movement)</p>
Opportunities:	Threats:
<p>More accountability through team around KPIs The Co-op owns a health food store - what else could it own? Engage team more in promotion and marketing ideas Online store with national appeal Drone (UAV) delivery service (or by volunteers to stay at home or ill members) Loans to aligned local consignors Raise capital direct from members (and pay franked dividends) Short-term extension behind the shop to extend floorspace. Healthy food increasingly recommended by doctors Higher community avoidance of high-sugar and highly processed foods Ageing population could be interested in healthy food for better longevity (potential target market)</p>	<p>Mainstreaming of 'green' and 'sustainable' products in big box stores Bigger distributors of organic fresh food get priority of supply and delivery (do we know this? Fi) Inflation impacting decisions to buy organic and/or reduce budget for our products Leakage of sales to effective online stores Leakage of sale due to no delivery service / online order option (pick up ready to go in shop) Lack of understanding of the importance of organic/local/fairtrade food and cooperatives unless we educate them (is our organic different from Woolies org.?)</p>



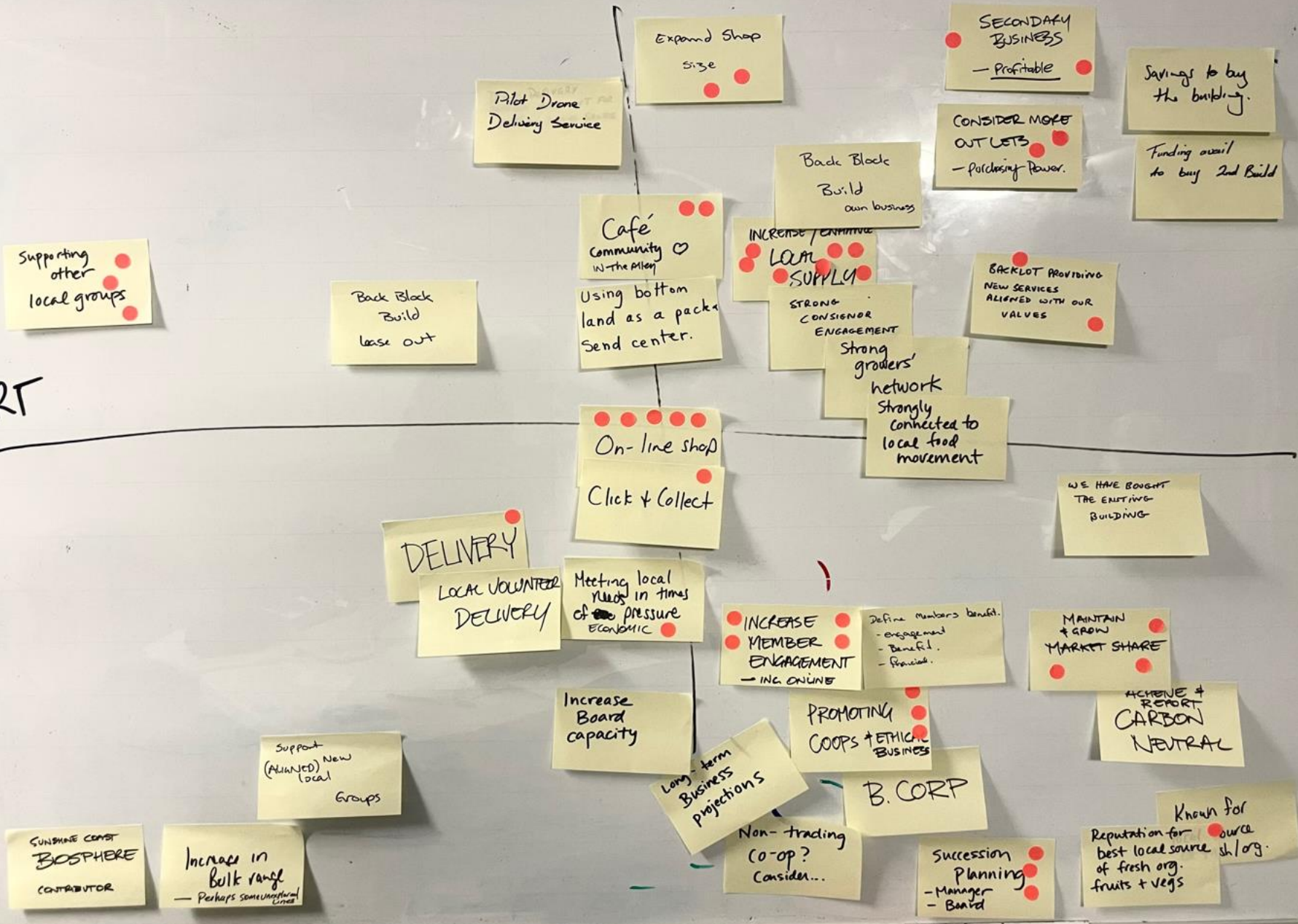
Environmental Scan

Local	National	Global
High cost of accommodation for staff and community	Inflation /increased power prices	Economic downturn
High value of land	Supply chain issues (just in case logistics)	Supply chain issues
Increased night venues in Maleny	Conscious consumerism on rise/ mainstreaming in shops	Uncertainty of weather Effects of global warming
UNESCO Biosphere/ Mary Cairncross extension	Environmental, social, and governance (ESG) processes centre stage	Political unrest War in Europe persists
Population growth 500k by 2041	El Nino – drought/ supply	Digitalisation continues to rise
Ageing population	Staycations / Food tourism on rise/ BCorp certification	Persistence of Covid/Future pandemics
Staff recruitment and retention	Olympics ahead	Increase use of Artificial Intelligence and how it changes the competitive environment
New ownership of IGA Maleny (deeper resources)	Less social cohesion / disintermediated media	Societal polarisation



HIGH IMPACT →

EFFORT



Our Co-op in 10 Years

- We have bought the existing building
- Strong financial position to keep the Co-op serving members
- Backlot providing new services aligned with our values
- Co-op has a second (online) shop
- Strong partnerships with other social enterprises
- Online store with National appeal (online sales exceed Maleny physical store)
- Drone delivery service account for 25% of local sales
- Sales 5X current sales (inflation adjusted)
- Selective financier of strategically aligned consignors
- Strong consignor engagement
- Satisfied member investors who have helped finance our growth and received tax effective returns
- Co-op is a community hub with healthy eating cafe space that doubles as a meeting space in hours that are closed. People drop in as a feel good place for connection.
- Naturopathic centre operating – Coop is key centre for alternative health education
- Board is strong, diverse, representing membership, respected and board membership is desirable (plenty of skilled and passionate applicants for new positions)
- Coop is a key player in coop federation that unites other food coops in Australia and strengthens the cooperative, member-owned and social enterprise movement (supports other coops and educates the public about cooperatives)
- 3000 engaged members/owners (including online shopper who also feel engaged)
- Leader in cooperative, organic and healthy food education and advocacy
- Leader and strongly connected to local food movement
- Recognised as an important contributor to Sunshine Coast Biosphere
- Big 50th Celebration :)



Our Co-op in 3 Years

- We have the savings ready to buy the existing building(example)
- Develop and operate an online store nationally
- Successfully pilot drone local delivery service
- Sales 1.5X current sales (inflation adjusted)
- Balance sheet increased to the extent a credible deposit exists for freehold purchase
- Strategic loans to key consignors seeking capital to expand (within risk appetite / constraints)
- Completed first member capital raising enabling achievement of Co-op vision
- Successful volunteer -run delivery service, connecting our community
- Plan in place (and or started) for back lot development
- Regular schedule of member and community focussed educational and social events
- Increased member/owner value proposition brings membership to 1,750
- Have strongly considered the options for a cafe/healthy lunch/meeting place and naturopathic centre at the coop and planned accordingly
- Meeting local needs in case of recession or financial hardship by (decreasing price of staple foods, bulk foods, fresh fruit and veggies, offering volunteer options with increased discount, increasing overall discount?, excellent regular specials on staples)
- Reputation for best local source of fresh organic fruits and veggies
- Increase our bulk range by 30%
- Skilled and respected for our ability to support local and regional organic/spray free farmers (local production up____%). "The Place" to buy your fruits and veggies
- Consignor process is easy and supportive (consignors get a report of their income, it can go directly to their account for shop purchases if they chose, they feel welcome, get good advice, know who to talk to)
- Strong and sustainable management structure and board
- Shop using up to date technology, looking great and welcoming, building in good repair,



Customer feedback

Survey 2022	Feedback from After Hours/ members
93.3% rated the Co-op as Very Good / Excellent, the retailing average is 84%	Want to support local
Scored a 76 Net Promoter Score, the top 25% of organisations score 72 or higher	Co-op is one of the reasons for moving here
Described us as friendly, organic, local, community, healthy, good, products, food, service, friendly staff, quality, and health	Keen to be more involved in some way
We do well: friendly, helpful, knowledgeable service, large range, focus on organic, local, sustainable, and healthy products, special orders/tracks down unusual supplies	Want to have plastic-free alternatives as these options are reducing at IGA (deli, fish, meat)
Do better; cost (42/388), introduction of trolleys, improved internal signage, more local goods, more produce variety, improved freshness, less plastic ,improved opening hours	Prices are becoming closer to supermarkets - there's a better understanding that the Co-op doesn't inflate prices nor undersells - everyday value/fair
Communication. 20% want more email, 79.1% were happy with current levels, 0.9% want fewer. For both social media and advertising you reported it's 'fine as it is'. What would you like to hear about? The highest scoring was receiving more information about Co-op special offers, more about the growers and makers, events around healthy living and sustainable, local food.	The interpersonal experience is important
Main reasons for shopping 'to support the Co-op's ethics' , 'to support a cooperative, a business owned by the members' · 'to buy locally produced goods', 'a friendly place' and 'to buy organic products.'	The Co-op is good for people who live alone (a large % of Maleny) - small portions, can ask for a few eggs or a piece of cabbage etc

