

Turning the Tide: Inside the Transformation of Coop Øst

A CEO's Playbook for Purpose-Driven
Performance

Amrop Consumer & Retail Practice



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Gøril Joys Johnsen
CEO



“If you are going to develop an organization you must first understand it.”

When Gøril Joys Johnsen assumed the role of CEO at Coop Øst in August 2023, she stepped into a company that had long posed a challenge for Coop in Norway. With years of financial losses and persistent issues in store operations, the company had on several occasions required emergency support from the broader Coop community. Her predecessor had, since 2015, made significant improvements, but the Norwegian operations were still facing a negative financial trajectory. Johnsen inherited a financial plan projecting a loss of NOK 15 million for the Norwegian segment.

In less than eighteen months, Johnsen and her team not only reversed this trend but delivered a profit of NOK 147 million in Norway and NOK 307 million across the entire business.

In this interview with Amrop, she shares insights into the turnaround, the challenges encountered, and how she involved the organization to create sustainable change.



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The Market

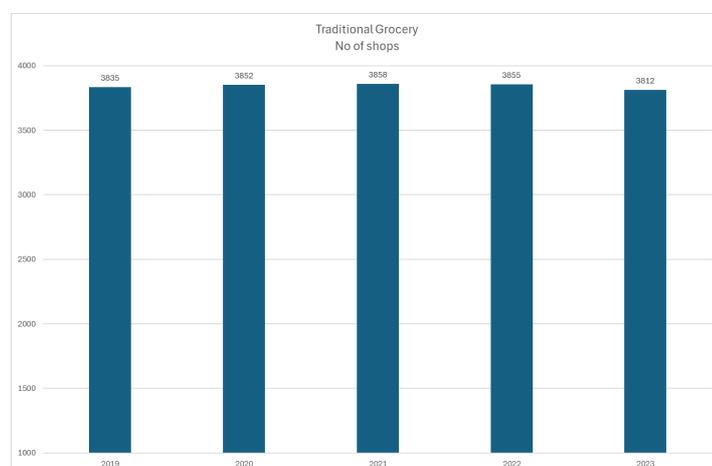
Norwegian grocery sector – facts, figures, trends

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The Norwegian grocery retail market is highly concentrated and dominated by a few large players. Three companies – NorgesGruppen, Rema 1000, and Coop – control over 95% of the market, enabling significant economies of scale and highly efficient logistics operations. This concentrated structure has driven intense competition and an emphasis on efficiency across the industry.

Over the past two decades, low-price retail formats have cemented their dominance in Norway. Value-tier private-label lines such as First Price, Xtra, and Eldorado have experienced particularly strong growth under this discount-focused model. Norwegian consumers are extremely price-conscious, which has fueled the success of these low-cost offerings. At the same time, consumer expectations are rising in areas such as sustainability, local food products, and digital services, adding new dimensions to what shoppers demand beyond just low prices.

Profit margins are under constant pressure, driven by government regulations and rising procurement costs. As a result, retailers are forced to manage margins very tightly across their operations. In this context, vertical integration has become a key structural advantage – for example, NorgesGruppen's control over its logistics and distribution network gives it a cost edge. This integration in the supply chain allows major players to offset some margin pressure through greater efficiency and control.



Innovation efforts in the Norwegian grocery sector are directed primarily toward technology and operational efficiency. Major grocery chains are investing in digital tools and process improvements to streamline operations and drive down costs. However, product differentiation remains limited due to the persistent emphasis on a low-price strategy. In other words, retailers focus more on efficiency gains than on expanding or differentiating their product assortment, given the market's price-sensitive nature.

Online grocery shopping has, so far, achieved only low penetration in Norway compared to other international markets. Growth in this channel has been confined to niche segments, and broad consumer adoption remains modest. As a result, traditional brick-and-mortar grocery stores continue to dominate the Norwegian market, unlike in some countries where e-commerce has become a significant grocery channel.

For incumbent players, a few factors are critical to competitive success in this market:

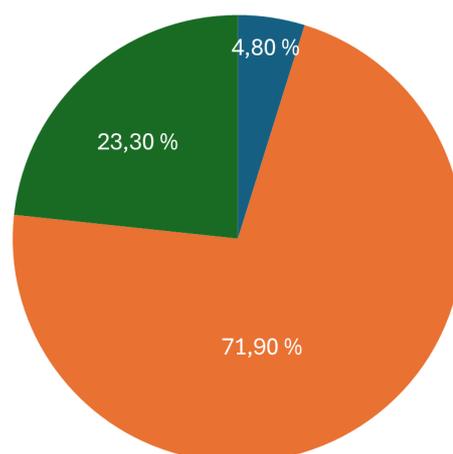
- + **Store Footprint:** The number and location of physical stores, aligned with customers' shopping habits, is crucial for accessibility and convenience.
- + **Cost Control vs. Customer Experience:** The ability to balance strict cost control with delivering a strong customer experience and meeting sustainability expectations is essential.

These parameters largely determine how well a grocery retailer can attract and retain customers while maintaining profitability in Norway's tightly contested grocery sector.

The Market

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Grocery – segment share by revenue





The Recruitment Process

Gøril Joys Johnsen tells us, "I was approached by Amrop while serving as CEO at ARK Bokhandel, and I had no plans to leave. I had a great team and exciting projects ahead. But honestly, this was too compelling an opportunity to turn down.

Coop Øst is a cooperative I had followed closely during my previous years with Coop. It was inspiring to observe how the team had, by focusing on its people, built both culture and results. Coop is owned by its customers, and that dimension is deeply meaningful to me. Taking on the CEO role at Coop Øst meant having the chance to create additional value for our many members while making the cooperative more robust and future-ready. Of course, it was also appealing to collaborate once again with former colleagues in Coop Norge and the wider Coop ecosystem."

In a January 2023 press release, Kjetil Monssen Ebbesberg, Chairman of the Board at Coop Øst SA, said, "We wanted a leader with solid executive experience, someone with a strong customer and market orientation. Strategic, innovative, visionary, commercially minded—those were some of the key traits we were seeking in the new CEO of Coop Øst SA. Gøril has a robust leadership background, deep knowledge of both the retail and grocery sectors, and valuable insight into Coop and the cooperative movement."

"Equally important, Gøril is a people-focused leader. We are confident she will continue building on our culture and talent development. With her appointment, Coop Øst also welcomes its first female CEO since the cooperative was founded in 1887. We are thrilled to have her lead this fantastic team forward," Ebbesberg added.

"Too Compelling to Say No"

An Ambitious Start

What was the situation when you assumed the role at Coop Øst?

I knew Coop Øst had seen a solid trajectory over time, but we were still in a place where we couldn't rely on surplus from our Swedish operations. The 2024 financial plan projected a NOK 15 million loss for Norwegian operations, and that simply wasn't acceptable. With revenue exceeding NOK 9 billion, we couldn't justify operating at a loss. So, I set a clear goal with the organization: NOK 100 million in profit from Norwegian operations."

How did the organization respond to such a bold goal?

Many probably thought it was overly ambitious - perhaps even unrealistic. But I believe most appreciated the clarity. A single, memorable number gave us something to rally around. We already had a lot of talented people; it was about aligning efforts and focusing on the right priorities.

How did you build trust around your vision and plan?

For me, the most important thing was getting to know and listening to the organization. With 2,800 skilled colleagues across 114 stores, it was natural to spend the first months visiting every single one. From Halden to Beitostølen, I set aside time to truly connect, not just to check a box. There's tremendous knowledge out there and not tapping into it would be a mistake. Those months on the road became the foundation for everything we're doing today.

It also made it easier to bring people on board. I can say with full sincerity: 'You set the agenda - everything we're doing is based on what you shared with me.' I know the names of all 121 store managers. It's easy for me to reach out, ask questions, and seek advice. I never refer to our store employees as 'staff' but as colleagues - equals with deep expertise and experience.

Being out there also means being mentally present. I'm genuinely curious about people, and I believe talented individuals are motivated by clear goals they understand how to reach. High performers appreciate being challenged. People want to be seen not just when things go well, but especially when times are tough. I believe in clarity. No one should wonder whether I'm satisfied or dissatisfied - they should know I'll be honest and transparent.

Strategic Measures and Employee Engagement

What concrete actions were taken to turn the losses into profits?

We focused heavily on building a culture of continuous improvement, accountability, and, importantly, growth-oriented thinking. One of the lessons I took from my time at ARK is the absolute necessity of growth. At Coop Øst, there had historically been a strong focus on cost control, which was understandable given where we were coming from - but that mindset needed to evolve. We had to strike a balance. Yes, we must keep costs in check, but not at the expense of developing the company.

A good example is shrinkage. Having a singular focus on reducing shrinkage can be counterproductive. We need the right level of shrinkage - if it's too low, we're likely understocked and losing sales. Take bread, for instance. We must have fresh bread available throughout opening hours, even if that means discarding some loaves at the end of the day.

At the same time as we focused on continuous improvement, we also built our new program to deliver good customer meetings, which we have called "Comprehensive customer experience". In short, it is about delivering on all customer expectations. The part of the customer experience that we in the cooperative have the most influence on starts when the customer drives into the parking lot. There should be solid asphalt, flags on all flagpoles, proper signage both outside and inside the store, a clean and inviting entrance, and there should be an abundance of products throughout the store. Of course, we should also have the best people in place, and we should be available to our customers. We have created very specific descriptions of what is expected, and the deliveries are measured both through "Mystery shoppers", ongoing customer surveys and key figures. The new program has been very well received in stores, and we see that customers like what we do.

Customer satisfaction development August 2024 - February 2025



Coop is made up of 57 cooperatives, with a central organization responsible for chain concepts, procurement, and distribution. The cooperatives themselves handle store operations. This structure makes it easy to shift blame when things don't go well. Having spent 19 years in Coop Norge, I know the entire value chain well, and I'm highly focused on taking responsibility for what we control before pointing fingers elsewhere.

One clear example is how we use ordering tools (AVS). When we don't use them correctly, we disrupt the algorithms that ensure we get the right products in the right quantities at the right time. If 120 store managers believe their intuition trumps those algorithms, the entire supply chain suffers - from logistics and suppliers to the customer experience. Over the past six months, we've achieved a major cultural shift in this area, and we're seeing improvements across all key indicators. Correct system use benefits everyone: better forecasts for suppliers, improved service levels in logistics, more reliable deliveries to stores, and ultimately, a better shopping experience for our customers.

The graph below shows customer feedback on whether the store was sold out of what they wanted to buy. A year ago, 64% of customers reported that we were not sold out of what they wanted to buy, this score has increased to 70.6% in March 2025.



You also made changes to the bonus structure for store managers. What was the rationale behind that?

Previously, bonuses were primarily based on gross contribution levels, excluding factors like rent, depreciation, or financial costs. This had several drawbacks. Managers of small, challenging stores

rarely received bonuses, while large-store managers could earn bonuses even if their actual performance declined year over year. I also found it problematic that bonuses were awarded without factoring in rent — if a store's operations can't justify its rent, that's an issue.

We redesigned the bonus model to reward improvements to the bottom line. Managers now earn a share of the improvements they help generate. For Coop Øst, it's just as important that a small store reduces its losses from NOK 1 million to NOK 500,000 as it is for a large store to grow its profit from NOK 10 million to 10.5 million — both contribute NOK 500,000 to the bottom line. This new model has significantly increased the number of managers receiving bonuses. Naturally, some who used to receive large bonuses may now receive less, but the model is far more equitable.

Do you encourage knowledge-sharing and celebrating success?

Absolutely. Celebrating strong results and sharing what worked is essential. We have to highlight success stories and the teams behind them, and just as importantly, support those who are still on the journey. The best way to help everyone improve is by being open about what succeeded—and what didn't—so we can all learn faster together.

Results and Future Goals

How did you perform against the target of NOK 100 million in profit?

We reached it already in November 2024, which was incredibly inspiring. I'm immensely proud of the effort everyone put in. By year-end, we had achieved NOK 147 million in profit from our Norwegian operations—far surpassing our original target. We also operate in Sweden, but this result was purely from our Norwegian business. The group-level result for Coop Øst in 2024 was NOK 307 million.

That said, I'm careful not to label this performance as extraordinary. With NOK 10 billion in revenue, achieving this level of profitability is necessary. It should be our new normal.

What are your goals for 2025?

The budget was finalized before we hit our 2024 target, and at the time we thought NOK 150 million was ambitious. But after delivering nearly that amount last year, it clearly wasn't ambitious enough. We revisited the goal, and when we asked the store managers, they voted to raise it to NOK 200 million. So that's now our target for 2025.

The year has started well, with positive developments in both growth and customer satisfaction. 2025 is shaping up to be an exciting year. We'll also continue to invest in new store openings and upgrades to existing stores to ensure we remain competitive. Maintaining the right store structure in line with market needs is a continuous priority.

Leadership and Driving Change

You're known for strongly involving employees in change processes. How do you approach this?

Openness and involvement come naturally to me. Yes, it takes more time to involve people at all levels, but the result is greater ownership and a much deeper understanding of our direction, and the adjustments needed to get there.

We recently completed our strategic planning process, and we formed working groups with people from across the organization—from stores to the support office. The board was also actively involved. Now the focus is on translating strategy from PowerPoint to action, and we're already in full execution mode.

I'm passionate about showing everyone how they contribute to realizing our strategy through their daily work in stores. Even though we've gone through a lot of change in the past 18 months, I believe people are motivated and feel part of a winning team. They believe in what we're doing, and that belief is evident in their willingness to raise the bar—for example, by setting a higher target for 2025 than we had in 2024.

How critical is the leadership team in a turnaround like this?

It's absolutely essential. None of this would have been possible without a strong and cohesive leadership team. I was fortunate to inherit three leaders with whom I work very well. I also brought in a new head of People and Strategy — someone I've worked closely with in the past.

Our leadership group is a diverse mix of personalities and expertise, and that's a real strength. Diversity fuels development. We have intense debates, but once we align, we are all fully committed. No single leader can turn around an organization alone—it takes a team that complements each other, challenges each other, and pulls in the same direction.



Leadership Experience and Principles

You've led ARK Bokhandel and held leadership roles at Coop Norge. How have those experiences shaped you?

Every experience has shaped me in some way. I've always prioritized the customer perspective—regardless of the industry. It's about creating great customer experiences while running a profitable business. My background in both grocery and books has taught me the importance of combining operational insight with strategic thinking.

I'm a trained economist, and I'm grateful for that financial foundation. It helps with prioritization and decision-making. In grocery retail, margins are razor-thin and volumes are massive. Understanding how decimals scale up is critical. We must manage both the pennies and the pounds. In retail, success is often won by managing 'the cents,' not 'the hundreds.'

Your Leadership Philosophy

Do you have a personal leadership philosophy or set of guiding principles?

I don't follow a named leadership philosophy, but there are several principles I hold dear. Too often, I see leaders who have forgotten (or perhaps never understood) the value of actively listening to those around them. It's incredible what you can learn from listening to others, regardless of what level they are at in the organization. I am genuinely curious about other people and finding out where their expertise lies. This comes in handy because it is important that I use the organization around me, highlight talents and contribute to development at all levels.

I am also very keen to "have the back" of those I work with. People should feel confident that I will go to war for them if needed. That doesn't mean that I accept everything. I am keen that people should always have an opportunity to deliver, but also that there should be a consequence if you don't deliver when you have been given the opportunity. I value clarity and honesty highly from others, and I strive to deliver on these parameters myself. I need to be able to explain to people why we set the goals we set, and how we will work together to get there.

Looking Ahead

What do you see as the biggest challenges going forward?

We operate in a highly competitive market with constantly evolving customer behaviors and purchasing patterns. Coop Øst must stay agile and ensure we offer relevant products and compelling experiences. At the same time, we must keep investing in our people and nurture a culture where they can thrive and grow.

What's the most important lesson you've learned in your role so far?

That large organizations can respond incredibly fast - and that working in operations, where customer feedback is immediate, is incredibly rewarding. Clear goals, inclusive culture, and relentless focus on improvement make big transformations possible in a short time. We've proven that profitable growth is achievable, even in a tough market - and I'm excited for what's next.

If you reflect on leadership more broadly, what have you had confirmed — and what have you learned — in recent years?

To succeed in improving results in a large, distributed organization like Coop Øst, I believe four fundamentals must be in place:

- + Understand the business. As a leader, you can't just 'lead' — you have to get into the details and understand the full operation before making changes. You need facts. Being informed about both good and poor results helps create shared understanding and focus.
- + Build trust. Trust from the board and owners. Proximity to where it matters most: the stores and every single customer interaction. See your people, motivate them, and cheer them on.
- + Prioritize. Our role is to set up stores for success. It's in the stores that customers engage with us. Everyone else exists to support excellence in that moment of truth.
- + Mutual respect and honesty. Be candid with yourself and others about what's working and what's not. Only then can we lift each other and improve together.

Leadership for a Changing Industry

You've also spoken about how fast-paced the grocery sector has become. What does that mean for future leadership?

The grocery and retail landscape is evolving rapidly. For the past decade, I've worked to bring more diverse competencies into retail leadership. Historically, strong commercial instincts and promotional tactics were often enough — but not anymore.

Today's leaders need to be fact-based, analytical, and structured. You need to navigate ambiguity, execute through complexity, and stay committed to long-term strategy — even when short-term turbulence hits. If your strategy is well-founded on solid analysis, then it becomes all about people and execution.

You need leaders who can stay the course and inspire teams through uncertainty. The ability to combine deep analysis with practical leadership is, I believe, what defines great leaders in this industry going forward.

Final Thought

With Gøril Joys Johnsen at the helm, Coop Øst has shown that ambitious goals, combined with clear strategy and deep employee engagement, can deliver extraordinary results. 2025 is already shaping up to be another pivotal year for Norway's largest consumer Coop cooperative.



Leadership advice for the next generation

Many younger leaders seek advice from experienced executives. After many years in large organizations, Gøril Joys Johnsen feels confident offering a few principles.

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1. **Set clear and ambitious goals**
Don't be afraid to set the bar high—bold goals give direction and motivate teams. Make sure those goals are tangible so everyone understands and can work toward them together.
2. **Practice humility**
Listen actively and be humble about your knowledge. Learn from your organization, your team, and the challenges at hand. Insight comes from paying attention.
3. **Involve people in the process**
Employees who feel ownership over change are more engaged. Be transparent about the reasons for change and where the company is heading.
4. **Focus on continuous improvement**
Always ask, 'How can we do this better?' Cultivate a culture where growth and development are central.
5. **Be cost-conscious — in the right way**
Cut costs where it makes sense, but not at the expense of employee wellbeing or the customer experience. Lead by example—if you expect stores to run efficiently, the support office must do the same.
6. **Build a high-accountability performance culture**
Reward progress, not just results. This creates an inclusive, performance-driven environment. Make sure you have the right leaders—those who share your vision, understand the reality on the ground, and value collaboration. Strong store managers are key—they drive growth and need the tools and support to succeed.
7. **Adapt your leadership to the organization's needs**
Every organization is different. Know your people and your industry. A flexible leadership style yields better results than a rigid one.
8. **Keep the customer at the center**
No matter your industry, always ask what the customer wants. Their experience should shape your operations.
9. **Be bold and seize opportunities**
Don't shy away from calculated risks. Spot promising opportunities and move quickly. Growth happens when you lean into momentum.
10. **Create a culture where people thrive**
Strong results come from workplaces where people feel valued and inspired. Give them space to learn, grow, and contribute.
11. **Keep learning**
No leader knows everything. Stay curious, stay adaptable, and be willing to course-correct."



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