

How day-old Danish pastries turned a Norwegian supermarket philosophy on its head

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This is the story of how Martin Beyer helped change the direction and purpose of one of Norway's largest supermarket chains. I met Martin when I was promoting my book *CORE* with [Pure Consulting](#) in Oslo last month.

Quite simply – while working in the supermarket's bakery department – Martin couldn't help noticing that every day a lot of not-quite-fresh food, such as loaves of bread, buns and Danish pastries, was thrown away.

This bothered Martin quite a lot. Not just the

environmental or even the social implications – but the sheer financial cost of it. It was a bit like throwing money away. Martin discussed it with his colleagues and they agreed. Surely there was a way to be less wasteful?

Heroes and villains

It's at this point that I'm tempted to compare Martin to 'Saint Paul' – aka Paul Polman – who is something of a hero, not just of mine, but of many of us camping within the big sustainability tent.

Polman – as CEO of Unilever – met initial opposition when he tried to persuade Unilever's board and shareholders that their huge organization could only sustain long-term growth by reducing its environmental footprint while improving its social impact. "The more our products meet social needs and help people live sustainably," he argued, "the more popular our brands become and the more we will grow."

Martin Beyer instinctively held the same conviction. To him, selling the not-so-fresh baked goods at a reduced price would meet a social need. Meanwhile throwing away perfectly edible food was a poor use of the planet's resources, and bad for profits.

Yet when Martin tried to argue his case he ran into obdurate opposition from the supermarket's management team who continually regurgitated the same old arguments:

1. That selling cheap, older food would cut into the sales of fresh, more expensive food; and therefore the supermarket would lose money.
2. That theirs was a high-end supermarket whose brand would be damaged by the sale of sub-standard products. That definitely wasn't the purpose of their business.

Getting past the philosophy

Eventually, and with the same courage Paul Polman has exhibited, Martin made his breakthrough by getting the management to set aside the philosophical arguments around the purpose of the business and focus instead on the cold hard cash.

He established that *Argument 1* wasn't actually based on facts, but on untested assumptions. Maybe, just maybe, they could run a trial? Head office finally gave in. And after a three-month test the results were clear:

- the customers who bought fresh food weren't interested in buying cheaper, less fresh food but they liked the concept and said nice things about it. Sales from this segment didn't decline.
- meanwhile a new, more price-oriented customer segment was attracted into the supermarket. They bought the cheaper goods, and while they were there, also, naturally, bought other things. Far from diminishing

the brand, the customer base grew, as did sales and profits.

Big oak trees from small acorns grow. The idea of discounting rather than dumping less-fresh products was adopted across the whole supermarket chain. Moreover, the practice of special displays and discounts for about-to-expire products is growing both in Norway and other countries. Similar initiatives are popping up everywhere with increasing frequency.

But here's my point.

Martin's organization had a purpose – and a good one at that: to serve its customers and look after its suppliers and shareholders. But funnily enough, for a long time this laudable purpose got in the way of doing a good thing. It actually took eight years for Martin and his colleagues to change the system.

I would argue that if only his organization had had a Single Organizing Idea ([SOI®](#)) it would not have taken nearly so long. Because the genius of an SOI is that it *mobilises* an organization's purpose. An SOI takes 'purpose' and turns ideals into realities straight away. Which is what organizations need if they're to going to get on with making the changes that are now urgently required.

In conclusion, thank you to Martin for sharing his story.

[Martin Beyer](#) starts a new job soon for the Municipality of Drammen as a Digitization Advisor. Once there he expects to help “change the organization (4.500 employees serving over 60.000 people) to work in new and smarter ways to make the public sector smarter, efficient and better.” I’m sure he will.

Neil Gaught is a strategic advisor and author of [CORE: How a Single Organizing Idea can Change Business for Good](#) published by Routledge.