

From niche to volume with integrity and trust

CASE STUDY FACT SHEET

Kolonihagen - Norway

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Historical development

Kolonihagen is a box-scheme arrangement based in the Oslo region of Norway aimed at private households and companies. It was established in 2004 based on “enthusiasm” for the taste, quality and range of products of organic food compared to conventional food. It started as a home based company packing fruit and vegetable-boxes, but grew steadily - and in 2012 it also started distributing dinner boxes. Dinner -boxes are now the most important product- and count for 50% of the total turnover of Kolonihagen. Kolonihagen box schemes sold about 1200 boxes in March 2014, (1000 private, 200 business), 400 of which were dinner boxes. In January 2015, about 1700 boxes were sold each week. Kolonihagen also started its own bakery



Example of Kolonihagen “Family Box” consisting of Bread, fruit and vegetables.

to provide boxes with bread. The success of these products led to the establishment of a bakery outlet in addition to the boxes. The outlet also sells other foods.

Kolonihagen makes it easier for those who are concerned about quality, origin and food security, providing all those who are conscious of what they eat, an opportunity to subscribe to the best products.

Vision, Kolonihagen

The past two to three years have been important growth years that correlate with developments in the Norwegian market for organic, local and specialty foods that are becoming accepted by modern young people and “ordinary” people. Kolonihagen secures delivery for producers, and they can develop in collaboration with Kolonihagen.

Kolonihagen positions itself as different from “mainstream organic”. It focuses on the whole food-chain, fairness, ethical concerns, environmental concerns, short food supply chains, and wants to differentiate even more with unique products through taste and storytelling.

Kolonihagen is now a professional Ltd company employing 9 persons.

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Legal form:

Ltd Company

Date of foundation:

2004

Homepage:

www.kolonihagen.no

Logo:



Turnover:

From initially
0.07million.€ in 2004 to
2.0 million.€, in 2013.

Product range:

Box-schemes
Dinner boxes, fruit &
vegetable boxes, dairy
bags, bread

Number of Employees:

9

Distribution channels:

Home & company
delivery

Facebook Likes:

11179 (April 2015)

Google Hits:

59600 (April 2015)

Chain organization

Kolonihagen selects its suppliers from among organic food producers, preferably in the nearby regions of Oslo. Additionally it uses regional and international wholesalers offering organic products. Access to and quality of products supercedes origin/distance if necessary. Due to the small scale of Norwegian organic production, access to the right products has been and still is a challenge for Kolonihagen. In some areas where Kolonihagen has faced problems in supplying organic products, it has established a close relationship to support the development and volume of products. Generally, Kolonihagen emphasizes a close relationship with its suppliers and is regularly in contact. Kolonihagen has established a closer cooperation with its main wholesaler. This wholesaler is the only shareholder besides family members. Since 2014 these companies share locations for storing and packing products. Kolonihagen and the wholesaler want to support each other and grow together in the organic market.

Initially the market was Oslo. Today Kolonihagen is a company not only supplying households with food boxes in the Oslo region, but also operates two restaurants in Oslo, one in Tønsberg, one at Hamar, and a bakery in Oslo, all organized as separate limited companies. Product range has grown from vegetable box schemes to include boxes for eggs and bread, and boxes for dinner. Kolonihagen actively informs customers about products and producers, and communicates with customers regularly by internet and Facebook.

As a strategy to grow, Kolonihagen has started a process professionalising management and its board, and are in a process to adapt new administrative routines. Challenges for further growth include securing supply of enough, diverse and high quality products through its "own" growers and specialty product developers, as well as a steady growth of loyal consumers. Growth ambitions include the establishment of more restaurants and to widen the geographical area for boxes.

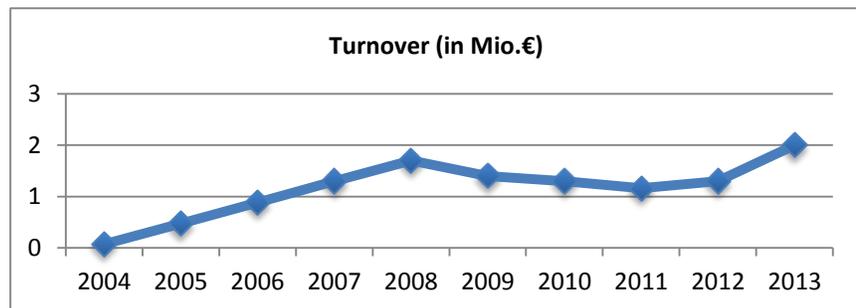


Figure 1: Table turnover (2002-2013)

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