

# **Raiffeisen?! I have never known it like that!**

The 'Aware: Raiffeisen'  
initiative of the  
Austrian Raiffeisen  
Association

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### **Preliminary remark: The Austrian Raiffeisen Association and its initiative 'Aware: Raiffeisen'**

The Austrian Raiffeisen Association (ÖRV), with its head office in Vienna, is the advocacy group and auditing association of the Austrian Raiffeisen Group. It also runs the Raiffeisen Campus, publishes the Raiffeisen Zeitung (Newspaper) and is the owner of the Raiffeisen brand in Austria and all the countries of Central and Eastern Europe in which the Raiffeisen Bank International (RBI) has operations.

Against this backdrop, a series of representative surveys across Austria were commissioned to mark the appointment of new ÖRV management in 2014. The aim was to investigate the perception of 'Raiffeisen' throughout the population, while at the same time testing awareness of the Raiffeisen idea – what a cooperative is, the set of values by which it operates, and its relevance today.

It was in response to the quite surprising results of these surveys that the 'Aware: Raiffeisen' initiative was launched. Dr. Walter Rothensteiner, Advocate-General and thus the highest representative of the ÖRV, defined its purpose as follows:

*It is good whenever people say  
'Raiffeisen?! I know what that is!'*

*But it is even better if they say:  
'Raiffeisen?! I have never known it like that!'*

### **Point of departure: Raiffeisen – one of the most valuable brands in Austria**

The term 'Raiffeisen' is not unknown in Austria, where actually the opposite is the case: Raiffeisen – usually in combination with the black gable cross symbol on a yellow background – is one of the best-known and hence most valuable brands in the country. There are only a handful of companies that are higher in the ranking than Raiffeisen – such as internationally renowned brands Red Bull and Swarovski, and Spar, one of the largest

food chains in the country, or the Austrian Federal Railways.



The Austrian Brand Value Study 2017, © European Brand Institute

### **Historical review: Raiffeisen – how the idea and the name became known in Austria**

The first cooperative 'based on the Raiffeisen system' in modern-day Austria was a savings and loan fund that was established in 1886 in the small village of Mühldorf, near Spitz in the Wachau area, not far from Vienna. Many more cooperatives were soon established, as they proved to be valuable institutions for the support of socially sustainable structural change in rural areas throughout the former Habsburg Empire. From the outset, the people referred to these new institutions under the term 'Raiffeisen Fund'.

The first warehouse and dairy cooperatives were created at around the same time. They, too, were organised based on the Raiffeisen system, and many – though not all – of them also made 'Raiffeisen' part of their respective company name. The first Raiffeisen central banks were founded at the federal level in Austria in the 1890s – these are today's 'Raiffeisen Landesbanken'. Raiffeisen's position within the entire Austrian credit sector re-

mained relatively moderate, however. It was only the establishment of a leading, nationwide bank (now Raiffeisen Bank International AG) for cooperative lending in 1927 and – after the Second World War – the establishment of a modern universal banking system, first in rural regions and increasingly in urban areas as well, that formed the basis for further development of the Raiffeisen Bankengruppe Österreich (RBG) to its present importance.

### **Raiffeisen in Austria today: Figures/data/facts – and public perception**

If one asks Austrians today about ‘Raiffeisen’, the overwhelming majority will respond by mentioning the word ‘bank’. No wonder: after all, some four million people – nearly half of the total population – are customers of what has become the largest banking group in the country. Currently, RBG consists of around 400 independent, local Raiffeisen banks with approximately 2,000 branches, the eight Raiffeisen Landesbanken (regional headquarters) and RBI. Consolidated total assets stand at around EUR 280 billion.

Comparatively few of the respondents also associate Raiffeisen with agriculture and warehousing operations.

#### **What do you spontaneously associate with ‘Raiffeisen’?**

1000 respondents throughout Austria – in absolute figures

Bank	194
Agriculture	84
Warehouse	73
Generally positive	59
House bank	44
Corporate group	42

(Detailed results from the 2016 ÖRV survey)

Yet, nearly all respondents are quite surprised to learn that Austria has not only 400 Raiffeisen banks and 90 warehouses, but also some 1,000 Raiffeisen cooperatives in operation in a wide va-

riety of areas: from dairies to the cooperative village inn, from car-sharing to solar energy cooperatives, from pilot projects for the reintegration of long-term unemployed to working life, to Internet cooperatives with the objective of modern Internet coverage in rural areas as well.

And a large number of respondents are even more astonished over the characteristics according to which these cooperatives typically function, with keywords such as member ownership, independence, co-determination, self-governance and so on.

Unsurprising against this backdrop is the following: If one asks what respondents associate with ‘cooperative’, Raiffeisen banks are nearly never mentioned – they are viewed far more as ‘banks like any other bank’ than as cooperatives.

#### **What spontaneously comes to mind when you think of a ‘cooperative’?**

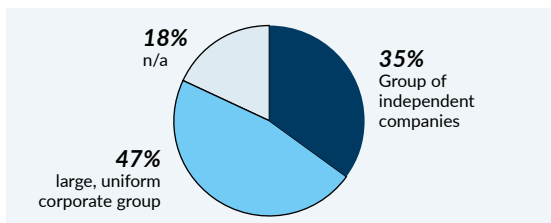
1000 respondents throughout Austria – in absolute figures

Strong together	304
Residential construction	72
Agriculture	54
Farmers	44
Good idea	43
Warehouse	38

(Detailed results from the 2016 ÖRV survey)

Raiffeisen as a whole – so the majority of respondents suspect – is more a unified and centrally managed group of companies than a group of lots of independent, cooperative companies.

#### **Is ‘Raiffeisen’ a group of independent companies or a large, unified corporate group?**

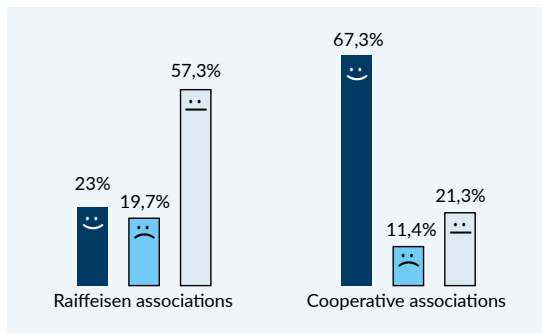


(Detailed results from the 2016 ÖRV survey)

Overall, then, the survey results made it clear: The Raiffeisen brand radiates and enjoys high recognition – at the same time, however, there are enormous shortcomings in awareness of the basic constitution of the Raiffeisen Group in Austria, about its values and aims, as well as about cooperatives as a sustainable organisational model.

The most significant impact of this gap: the Raiffeisen Group apparently has little to gain from the very positive image that cooperatives in general enjoy among the Austrian population. Accordingly, nearly 60 percent of respondents consider Raiffeisen to be ‘neutral’ – meaning ‘a company like all the others’ – and triggers a clearly positive response among only 23 percent. On the other hand, the question about ‘cooperative’ generates more than 67 percent positive and only 21 percent neutral answers – meaning the precise opposite picture.

**Associations with ‘Raiffeisen’ and with ‘cooperative’ positive/negative/neutral, in %**



(Detailed results from the 2016 ÖRV survey)

### **The ‘Aware: Raiffeisen’ initiative Or: How even the old familiar things can come as a surprise...**

Against the backdrop of the survey results, the initiative ‘Aware: Raiffeisen’ pursues the objective of contributing gradually – and independently of the usual marketing measures of the individual Raiffeisen companies – towards creating a new awareness. Starting with employees, executives, members and officials within the organisation – and increasingly also in the external presentation to customers and a broader audience.

Working from the self-image of the Raiffeisen Group, the following three questions are addressed in particular:

- *Who are we, where do we come from and what is it that makes us different?*
- *What are our concerns today?  
What are we doing on behalf of the economy, the country and the people?*
- *Why is the cooperative a more contemporary idea than ever before and a model for the future?*

As mentioned at the outset, the first target audience for the initiative consisted of the owner representatives and management of the various Raiffeisen companies and, in a further step, their employees and cooperative co-owners.

The main obstacles to reaching these two target groups were:

1. *We do not need to talk about these things. They are all clear anyway and*
2. *We should talk about these things – as soon as we find time.*

For those knowing about both the survey results and the Raiffeisen Group, however, these are not strong arguments, because at least to them, it was obvious that

1. *The Raiffeisen brand is well-known, but hardly anyone knows about the ‘story’ behind it and*
2. *We are never going to have time ‘for these things’, if we do not consciously take the time.*

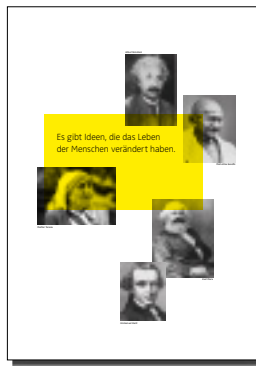
So, there was a need to reacquaint target groups with the seemingly familiar, while at the same time creating opportunities to discuss the Raiffeisen ‘story’ – our cooperative USP (unique selling point) and the impact it has on the way we do business today.

A number of themes were designed to kick off the effort and they were published in the weekly Raiffeisen Zeitung (Newspaper) to bring cooperative ‘certainties’ to readers in a modern and easy-to-understand form. Initiators deliberately

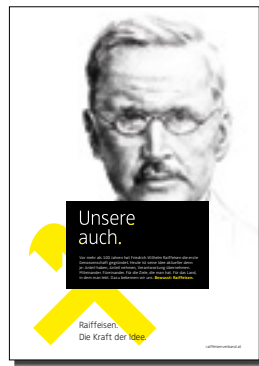
avoided using phrasing that has been in use for decades, such as the triad of 'regionalism, solidarity, subsidiarity'. Instead, new and self-explanatory combinations of images/copy and question/answer were used that addressed e.g. 'the power of the idea', 'the power of proximity', 'the power of personal responsibility', 'the power of diversity' and 'the power of coexistence'.

The reactions to the various full-format themes displayed on subsequent pages: At first, reactions

ranged from surprise to slight uncertainty – the first themes shown were deliberately run without a return address. Hence the frequent question: 'Who is behind this?' – and 'Is that even allowed?' But this was soon met with a consistently positive echo on a broad scale. The basic statement in each case: *It is good that we are talking and thinking about these things again! It is good that this is happening in a modern form! And – especially good news for us: Please let us have more of this!* The at-



**'Aware: Raiffeisen' Theme 1: The power of the idea.**  
There are ideas that have changed people's lives. Ours have, too.



**'Aware: Raiffeisen' Theme 6: The power of personal responsibility.**  
Some companies no longer know where they came from, whom they belong to and where they belong. We do.



**'Aware: Raiffeisen' Theme 2: The power of personal responsibility.**  
Some people ask us where the power at Raiffeisen lies. Here: In more than 2,000 communities throughout Austria.



**'Aware: Raiffeisen' Theme 7: The power of diversity.**  
Raiffeisen is more than a yellow box with a black gable cross on it. Much more.



tempt to surprise readers with ‘old familiar’ topics was thus a success.

This created a tailwind for additional steps, consciously creating time, for example to rethink and discuss cooperatives as a unique selling point. The first ideal platform for this was ‘KompetenzPlus’, the programme providing binding advanced training to all senior volunteer officials in the banking sector. It is a multi-part course series that Raiffeisen Campus regularly offers in all of the federal

states of Austria. A new half-day unit was added here under the name ‘Genossenschaft kommunizieren?!’ [‘Communicating the cooperative?!’]. Meanwhile, all future Raiffeisen managing directors, i.e. the management of the some 400 Raiffeisen Banks, also complete a very similar module as part of their ‘ManagementPlus’ training programme under the name ‘Genossenschaft – unser USP?!’ [‘Cooperative – our unique selling point?!’].



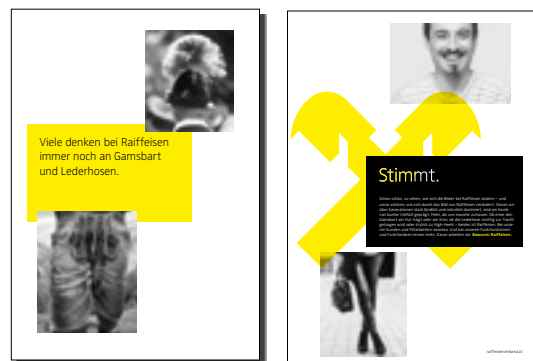
**‘Aware: Raiffeisen’ Theme 19: The power of proximity. You do not have to search for us for long. We are here.**



**‘Aware: Raiffeisen.’ Theme 29: The power of personal responsibility. Corporations work from top to bottom. With us, it is the exact opposite.**



**‘Aware: Raiffeisen.’ Theme 28: The power of trust. What is much more valuable than data that knows everything? People who know each other.**



**‘Aware: Raiffeisen’ Theme 43: The power of tradition. Many still associate Raiffeisen with ‘Gamsbart’ (chamois beard) and leather trousers. True.**

### **Service packages: 'Aware: Raiffeisen' as a do-it-yourself offer**

Soon after the first training modules were carried out, a new and very specific need for support became apparent: Many officials now wanted to discuss and develop 'Aware: Raiffeisen' at events in their home cooperatives, or at least amongst their colleagues. In response, the ÖRV provided the necessary materials, such as short videos, slides, building blocks for speeches or suggestions for closed conferences and key topics, in a dedicated online service area and expanded it by adding numerous examples of good practices.

This is how the 'Aware: Raiffeisen' initiative, typically through a presentation at regional general meetings, reached the next level of potential addressees, the 'rank-and-file' members who are also the co-owners of the respective cooperatives.

Still, the offers barely reached another very important target group: some 30,000 employees of the Austrian Raiffeisen Banks, many of whom represent the first point of contact for members and (potential) customers in everyday life. A separate programme has now been developed for them as well in consultation with HR and training managers from the regions. Specifically, this is a half-day workshop in which colleagues examine the self-image and external image of the organisation and identify the core values of the Raiffeisen idea and then develop specific concrete visions for the future of the respective cooperative, together with very practical steps towards implementation.

A workshop participant from the 'early days' summed up her experiences as follows: *'I realised why I work for Raiffeisen! It is more than an employer or some bank. Our cooperative is an important institution for the economy and society in Austria. That is something we can be proud of – and I intend to spread the word.'*

### **Interim summary: A path that has only just begun**

In just under three years, the 'Aware: Raiffeisen' initiative has brought out the first main points. To some extent, it is already noticeable and present within the large Austrian Raiffeisen family and it was even adopted across the border by colleagues in the South Tyrol Raiffeisen Association in Italy and adapted for the purposes there.

In some places, however, the topic is still very much in its early stages in terms of awareness and support. After all, as was clear from the beginning, 'Aware: Raiffeisen' is intended to invite and encourage people to get involved, so it views itself as an offer and not as some top-down or, for that matter, 'rolled-out' programme. In the typical cooperative spirit, it thrives on the kinds of local initiatives with which the ÖRV, as partner at the federal and state level, would like to support, but could never instruct.

2018, the bicentenary of the birth of Friedrich Wilhelm Raiffeisen, offered another quite excellent opportunity to present 'Aware: Raiffeisen' to a broader audience. With this in mind, numerous preparations were made in Austria, all of them based on the already tried-and-tested model: a joint umbrella initiative for 2018, specifically 'Raiffeisen 200. The power of an idea' – together with a wide variety of service packages for individual use locally.



In the midst of the Raiffeisen anniversary year, and in a first look back at three years of 'Aware: Raiffeisen' in Austria, we can summarize:

- *Despite, or perhaps because of, enormous economic, regulatory and technical challenges that tie up disproportionate amounts of human and financial resources, interest in fundamental issues within the organisation is noticeably increasing: Where do we come from? Where are we headed to? Which steps towards this destination are appropriate and which are not? Where are adaptations and renewal needed and how can we manage to preserve and at the same time reinterpret the powerful legacy upon which we are building? These are the topics of concern to members and employees, whether they come from the banking group or the agricultural or service cooperatives.*
- *The self-image and external image of the Raiffeisen organisation in Austria were (and are) not always congruent. Even the supposedly old and familiar topics that are seen as 'already obvious' at first glance have the potential to surprise. By deliberate (re)addressing a number of the unique selling points that are mainly the result of our cooperative organisational form, we thus open up completely new opportunities for awareness, communication and differentiation for people internal and external to our organisation. Keyword: 'Raiffeisen?! I have never known it like that!'*
- *The 'Aware: Raiffeisen' initiative was never seen as a short-term project with quarterly measurable results. Nor was it intended to produce a mere superficial shift in communication. Rather, it has a sustainable orientation and, through its offers, the initiative seeks to stimulate deeper change in the self-awareness of the Raiffeisen Group, its companies, employees and owners.*

With this in mind, the 'Aware: Raiffeisen' initiative is far from its destination. In fact, it has only just begun.



### **Raiffeisen 200.**

#### **The power of the idea. For us in Austria.**

On 30 March 1818, a man was born whose name stands for one of the great ideas in modern economic and social history: Friedrich Wilhelm Raiffeisen. There are 1,500 cooperatives based on his principles in operation today, with more than 2 million members and around 60,000 jobs throughout Austria. With one another. For one another. That is something we are proud of. Every single day.

And all the more so in the 200<sup>th</sup> year after his birth

#### **Aware: Raiffeisen.**



### **200 years ago, Karl Marx and F. W. Raiffeisen were born. Raiffeisen is still alive.**

Karl Marx was born May 5, 1818, in Trier. F. W. Raiffeisen was born March 30, 1818, in Hamm/Sieg. Separated by only 35 days or 185 km. But the difference between them could hardly be bigger. One relied on the "class struggle", the other one on charity. Marx relied on the "system", Raiffeisen on the people. Marx is history. Raiffeisen is a success story.

#### **Aware: Raiffeisen. Aware: 2018.**