

Business case ID Card

Name of the company: COCONAT

Country: Germany

Size of the business: four founders and part time kitchen crew including 7 employees

Background

Most people working in an office find themselves craving for a break from urban routine, traffic, cubicles and concrete. In 2014, the founders of COCONAT, a couple accompanied by two business partners, decided to offer these workers a dedicated co-working space in the middle of the countryside where they can move their offices for a few days to renew their inspiration and increase their efficiency. Their concept attracted the interest of the Brandenburg region in Germany, ideally located at only 80 kilometres from Berlin. There, they found a beautiful farm, recently renovated, with heating, running water, and even internet infrastructure: the perfect place to start their business. This first location successfully opened in 2017 and the owners are already planning to replicate the concept in other German regions and even beyond.

Main activities

The name COCONAT stands for ‘Community and Concentrated work in nature’, reflecting the dual objectives of the company. COCONAT is a rural co-working space. Since the very beginning, COCONAT has always strived to offer digital workers a better work-life balance, providing a wide variety of spaces to work, from cosy rooms to gardens, as well as various outdoor activities in nature to spark creativity.

Unlike a hotel, owners make it very clear that their guests can feel at home: upon arrival, each client is introduced to the group and invited to enjoy home-made meals in the common room. All meals are vegetarian, freshly cooked by the COCONAT kitchen crew, using organic and local food. On site, clients can take part in a wide range of activities including yoga sessions, massages, spa and sauna, but also hiking and biking to discover the beautiful landscapes of the region.

Fundamentally the space is dedicated to ‘workation retreats’ and thus made for clients looking to be productive. Therefore to keep the spirit of the place, COCONAT decided not to open its premises to tourists, weddings or parties, focusing primarily on individual workers and companies. All guests can benefit from high-speed internet connection and access to meeting rooms for group discussions.

The facilities can accommodate small groups of six to ten persons, as well as individual workers, but they are currently being extended through the renovation of a barn nearby to start welcoming larger groups of between 25 and 50 guests. The



majority of COCONAT clients depart very satisfied, happily surprised by the cosy atmosphere and the boost in their productivity.

Market

Compared to a hotel, COCONAT offers a professional environment where you can feel at home. The award-winning company welcomes an equal share of national and international guests, staying on average three nights. National clients come mostly from Berlin, and usually stay for shorter periods, while international guests tend to favour longer stays. Focusing primarily on digital workers, COCONAT managed to attract a new type of population to the region. The community spirit of the place enables workers to meet new persons and network in a different setting, while reconnecting with nature. Experience has shown that COCONAT clients tend to be more productive during their stay, thanks to the cosy environment and social interactions they enjoy as part of the retreat. The business benefits a lot from word-of-mouth, especially since they won four different awards related to start-ups, tourism and marketing.

Challenges and solutions

Originally, the COCONAT concept was designed for another setting, but the facilities located in Brandenburg offered better conditions. The proximity of the COCONAT residence to the main road was initially considered a challenge, but has turned out to be an asset and actually helps attract clients.

As a rural business looking to create a positive social and economic impact in the region, COCONAT has always tried to hire locals. However, finding local employees with the appropriate set of skills, and also the ability to speak English to welcome international guests was not an easy task either. They struggled to find a chef for the kitchen, and the staff they found for the cooking and cleaning tasks were over-educated for those jobs. To keep and attract new employees, COCONAT offers interesting opportunities for employees to grow within the company, take part in new activities and develop their competences.

A reliable highspeed internet connection was one of the most important aspects to start the business, as this is a core part of the model and differentiates them from an ordinary hotel.

Funding

To launch their business, COCONAT successfully applied for public funding and managed to get several grants, as well as an initial coaching session to develop their business plan, and a loan backed by the German government. They also organised a public crowdfunding campaign, with which they raised 25,000 Euros. Nonetheless, the owners had to find a bank loan to buy the future facilities of COCONAT. Finding a suitable bank was not an easy task, but in the end, they managed to get a loan from a local bank after a convincing test run.



What makes this case innovative?

This project has a high social impact, contributing to the economic development of the area and also increasing the well-being of its guests. It also takes environmental issues very seriously, reducing food waste and the resources used for housekeeping. In the near future, they are planning to discuss how to reduce their energy consumption with an energy consultant. COCONAT is an interesting initiative, easy to replicate in other rural areas and with plenty of positive vibes.

Lessons learnt

Public actors, from regions and local authorities to tourism offices, represent key partners for businesses with a high social impact like COCONAT. The facilities they bought were owned by a nearby municipality, which was much more flexible than real estate companies and offered to lend them the property for a test run that managed to convince a local bank to grant them a loan.

