

Philippine Multipurpose Cooperative towards a Marketing Best Practices and Strategies Model

Arnel P. Ringor^{1*}, Imelda Angeles, Ph.D.²Mary Caroline N. Castaño, Ph.D.³

The Graduate School, University of Santo Tomas¹; Cagayan State University Andrews Campus²

Abstract: This study investigated the marketing best practices, strategies, and compliance of multipurpose cooperatives in the Philippines which were CDA-Gawad Parangal Awardees from the years 2015-to 2019 selected from the Large Millionaire and Billionaire category. It extracted from literature from a broad range of international and local views to distinctly construct a congruous conceptual framework, expounding marketing strategy and its key components, marketing performance, management, and compliance with regulatory provisions. The descriptive-comparative design was gathered simultaneously from interviews and survey data with the secondary data, analyzed using a Convergent Mixed Method. Results showed that the majority have an existing marketing department. However, only less than half of the respondents have a Chief Marketing Officer and Marketing Manager. In terms of Marketing performance, the majority achieved monthly and annual targets; generally employed product development programs; almost all have an online facility and 99% have contingency measures to cope with the current pandemic. In terms of profitability, the highest registered 53.36% in 2017, 60.56% in 2018, and 62.51% in 2019, the lowest registered 6.32% in 2018 while the rest registered a GPR between 6.61 to 19%; generally, all cooperatives are profitable. Overall, all cooperatives indicated they are compliant with regulatory provisions.

Keywords: cooperative, marketing strategy, responsiveness, strategies, compliance

I. Introduction

A cooperative is an enterprise owned and run by its members who share its profits and benefits (Tremblay et al, 2019). The International Cooperative Alliance (ICA) defines cooperative enterprise as an organizational form that practitioners and scholars accept as people-centered enterprises, controlled, and run by and for their members to achieve mutual economic, social, and cultural needs and objectives (Battaglia et al. 2015; Benavides, Ehrenenhard, 2015). Furthermore, ICA described a cooperative as an organization that is independently managed by a united group of people, founded on the principles of democratic leadership aimed toward meeting the socio-cultural needs of its members.

The passing of RA 9520, otherwise known as the Philippine Cooperative Code of 2008 increased the cooperatives' members in February 2009. The law provides to meet the economic and technological issues aligned with the international provisions on cooperatives. Also, the said code is an enabling provision to empower many cooperatives, impacting economic progress.

Based on the Cooperative Development Authority (CDA) Annual Statistics on Operating Cooperatives in 2018, there were 18,065 Operating Cooperative. However, only 62% of the Operating Cooperatives were Reporting Cooperatives, 32% is Non- Reporting, and 6% were Newly Registered Cooperatives. In 2017, there are 17,866 Operating Cooperatives, 69% is reporting, 25% is Non-Reporting and 6% are Newly Registered Cooperatives. (www.cda.gov.ph/resources/updates/statistics). As of September 2019, CDA reports that 82 Billionaire Cooperatives across the Philippines show resilience in cooperative management.

Since 2011, the CDA Gawad Parangal, which is one of the CDA's flagship programs, has held yearly awards and recognition programs to recognize top-performing cooperative models in five different categories. Since its inception, the cooperatives in the various business operation have motivated and fortified the spirit of Cooperativism and conscientious compliance as manifested in the substantial number of cooperatives that are registered yearly despite the challenges that cooperatives go through in various circumstances.

The last two categories: first, the Large-Scale MillionaireCategory, and Second, the Large-Scale BillionaireCategory, will be used as a basis for the multipurpose cooperative awardees highlighted in this research. As mentioned earlier, within the last three years, there is a fluctuating trend of operating cooperatives in the Philippines. The Reporting Cooperative shows the same pattern. There was a decrease of 7% in 2018 compared to a 19.7% increase in 2017 with that of the 2016 records. Non-reporting cooperatives increased to 32%, which is 7% higher as compared to 2017 and 2016's 20%. This happened even with an increased total operating cooperative in 2018 and at an increasing trend of 5% to 6% Newly Registered Cooperatives yearly from 2016 to 2017. As presented, a declining trend in reporting cooperatives and a rising trend in non-reporting from 2016 to 2017.

The Gawad Parangal of the CDA aims to double the number of cooperatives and increase operating cooperatives as expressed by former CDA Chairman Orlando R. Ravanera in 2016. This is possible if only Cooperatives in the Philippines understand that vision and continue to do what a cooperative should be doing to achieve a profitable operation and a consistent and dynamic marketing and management program aligned to the direction mandated by the CDA. However, the current Covid-19 pandemic has introduced the "new normal" to be observed and compelled business operations in all sectors to abide by it. This study features a standard marketing department that will highlight a folio of best practices and strategies in marketing, compliance to government provisions reflective of its management among multipurpose cooperatives in the Philippines, enabling these cooperative enterprises into dynamic and responsive business operations.

The study sought to determine the research gap with the cooperative models whether the four key components are present and consistently utilized in their business process. Explicitly, the study aimed to provide answers to the following central questions along with the specific questions:

Research Central Question No. 1

How is the Marketing Strategy influenced by the organizational structure of the respondent's Marketing Department?

Specific Questions:

1. Are the following positions or Job titles existing among the respondents?
 - a. Chief Marketing Officer;
 - b. Marketing Manager;
 - c. Sales Manager;
 - d. Sales Supervisor;
 - e. Sales / Account Representative;
 - f. Customer Representative;
 - g. Collection Team / Account Representative
2. Are the Job titles or position matches their qualifications and job descriptions?
3. Are the following Human Resource programs present in the marketing department of the respondents?
 - a. Training and Development
 - b. Promotion and Retentions
4. Are the marketing communication strategies cascaded through the following modes?
 - a. Horizontal communication;

- b. Vertical communication;
- c. Inter-departmental communication;
- d. Advertising and Promotions for Customers

5. Is the marketing strategy effective in terms of strategic responsiveness with these specific programs?
 - a. After-sales / transaction program;
 - b. Customer retention program;
 - c. Repeat customer program
6. What is the level of marketing performance of the respondents in terms of the following?
 - a. 5-year sales revenue/production
 - b. 5-year product and service portfolio
 - c. membership count
7. Is there a significant difference in the marketing strategies of the respondents?

Research Central Question No. 2

What are the significant indicators of effective management of the respondents regarding the Financial Aspects, Asset Management, and Research and Development Aspects?

Specific questions:

1. What is the present financial situation of the cooperative enterprise in terms of the following?
 - a. Profitability
 - a.1 Gross Profit Rate
 - a.2 Return on Assets
 - a.3 Return on Equity
 - b. Liquidity Ratio
 - b.1 Current Ratio
 - b.2 Acid Test Ratio
 - b.3 Net Working Capital
 - c. Financial Leverage
 - c.1 Debt Ratio
 - c.2 Equity Ratio
 - c.3 Debt-Equity Ratio
2. What is the current Asset management situation of the cooperative in terms of the following indicators?
 - a. Receivables turnover
 - b. Inventory turnover
 - c. Average days to sell the inventory
 - d. Accounts payable turnover
 - e. Total Asset turnover
3. What is the current thrust of the Cooperative's Research and Development in terms of?
 - a. Product Development
 - b. Adoption of Technology
4. Is there a significant difference in the Financial Aspect, Asset Management, Research and Development, Resilience in the New Normal, and Corporate Responsibility of the multipurpose cooperatives?
5. Is there a specific strategic model that is utilized by the cooperative?

Research Central question No. 3

What is the degree of compliance with government provisions and its influence on cooperative enterprise' compliance?

Specific questions:

1. What is the degree of compliance with government regulations of the respondents in terms of the following?
 - a. Training Standards for officers
 - b. Financial Reporting Framework set by the CDA
 - c. Facility and Safety Standards
 - d. Record-Keeping Standards
 - e. Meeting Standards
 - f. General Inspections
 - g. Tax Incentives and Patronage Refunds
2. How have the government's monitoring tools facilitated the assessment of cooperative compliance?
3. How has the incentives and rewards system extended by the government boosted compliance among the respondents?
4. Is there a significant difference in the degree of compliance among the respondents?

II. Methodology

This is a descriptive-comparative design since the study involves collecting data and information to answer and present an intensive analysis of the marketing performance correlating it to its general management, which indicated the financial aspect, asset management, human resource, and research development programs, and corporate social responsibility. It utilized Convergent Mixed Method which is sometimes referred to as a Concurrent Mixed Method ([National Center for Biotechnology Information \(nih.gov\)](http://www.nih.gov)) employing two (2) quantitative approaches and one (1) qualitative approach. These qualitative and quantitative data were collected simultaneously and analyzed in a similar time frame.

Wisdome & Creswell (2013) specifically described the process of a concurrent mixed method as the collection of both quantitative and qualitative data, utilizing parallel constructs for both types of data at the same time, separately analyzed and compared results using side-by-side comparison.

A quantitative method of the present study, as presented by Babbie (2010) and Mujis (2010), will emphasize objective measurements using statistical analysis for the treatment of primary data collected through questionnaires and secondary data from audited financial statements, while the qualitative method will be done through interviews (Sutton & Austin, 2015) using the telephone as a medium of communication and will be analyzed and treated under the process presented by Sutton & Austin (2015) which includes transcribing and checking, reading between the lines, coding and theming of collected information gathered from the interview.

III. Literature Review

Multipurpose Cooperative's Nature Challenges and Economic Efficiency

Cooperatives categorically registered to a multipurpose level operate more than one business activity. However, a few factors that hamper a multipurpose cooperative's performance are the following, first, is low equity base, second, is aging members with diminished energy to participate in cooperative activities, and third, mediocre recording (Masuku and M.B.,2016). Cited specifically is the agricultural cooperative. To improve its overall performance as an enterprise, there is a need to refine marketing efficiency for selected product offerings in the country, which is a critical task of a cooperative, particularly the multipurpose cooperatives that are collectively involved (Sumalde et al.,2015). Further, the cooperative's economic efficiency is given much emphasis as an enterprise and its significant contributions to the overall financial performance (Quilloy et al.,2015). Moreover, Lakew et al. (2014) explained that performance measurement calculates effectiveness and efficiency.

Cooperative as an Enterprise

A sense of commitment is manifested in the case of a cooperative model, particularly the workers cooperative in which a group evaluates property ownership inputs both in economic and socio-political terms through an end product referred to as a collectively managed enterprise (Gupta, 2014). Different research findings as to a systematic literature review about cooperatives also highlighted ICA's report articulating the seven (7) cooperative principles: Open Membership; Democratic Member Control, Members' Economic Participation; Autonomy and Independence Education, Training, and Information, Cooperation among Cooperatives, Concern for Community (Benavides & Ehrenhard, 2015). Cooperatives, in all their diversity, believe and sustain democracy, unity, and self-governance (Forney & Haberlie, 2017).

Cooperative's Dual Role

Looking into the dual role of a cooperative, a distinct standpoint puts the welfare of workers, a priority while promoting high and viable employment globally toward cooperative advocacy is clearly articulated by Puusa et al., (2016); (ICA, 2013). A cooperative is a fruitful self-enabling global organization founded by millions of working individuals from their humble beginnings in established economic institutions 175 years ago (Senter, 2015). And among the obvious fruits of a cooperative as an organization is the lowering of social disparities, although not eradicated, and with the government's intervention, it became possible through its agrarian reform. Local participation is a vital process in community development. And to achieve such participation, it is necessary to employ operative, self-governing, focused-on-people, and workplace development strategies. However, international developments and competition are mentioned as among the few hurdles in the arena (Nogueira & Vilpoux, 2018).

Cooperative's Compliance and Regulatory Obstacles

One significant factor contributing to the success of cooperative enterprises is compliance. The principle behind regulatory compliance is all about organizational commitment (Celis & N.J.,2018). In organizational compliance, it is implemented as a concept and a tactic. The appropriate combination will result in a successful compliance strategy (Foorthuis & Bos, 2014). Formal standards and regulations were found to have significant effects on the range of market unpredictability obtained from theoretical backgrounds involving questionable procedures and malpractices. Further, standards were found to be useful in terms of the cost entailed in creating an impact for the firm's innovation strategies which significantly increased compliance to emerging regulatory frameworks even without regulatory intervention (Blind et al., 2016). However, at one point, many regulatory, institutional, and financial obstacles stand in the way of cooperatives' development. Hence, possible remedial actions are proposed to be taken (Bozic et al., 2019).

Culture of Compliance among Cooperatives

The multipurpose cooperative models having established a culture of compliance synergistically needs to adapt the marketing mindset, specifically the customer-orientation mindset with the presence of an organized marketing structure (Lee et al.,2015). This culture of compliance is about doing what is legally and lawfully right manifested by exact fulfillment and compliance with regulatory provisions as mandated by law (DeStefano, 2014). However, one study conducted by SEMPORA Consulting in 2007, revealed that two-thirds of all marketing cooperatives fall short of expectations. Today, it is possible to determine better the conditions that successful cooperative marketing has to meet (Ruth & Netzer 2016). And there are specific requisites necessary that should be aligned with the cooperative principles that were identified in establishing the theoretical framework of the marketing mix solely for a cooperative enterprise which is referred to as the 6Ps of Cooperativism: Product, Price Place Promotion, Partnerships, and People (Dos Santos et al., 2019).

Strategies in a Marketing Cooperative

It is therefore imperative that a strategy formulation is present in a marketing cooperative. The organization and the society with the individuals are inseparably connected and a strategy is vital to be employed to effect change in a cooperative enterprise (Loera (2014). This concept is fortified by Aghazadeh (2015). It was further explained that for the organization to cope with change and succeed, it is strongly suggested to establish strategies for sustainable competitive advantage. Among the vital type of strategies is a marketing strategy. Moreover, incorporating innovative approaches in developing intelligent marketing strategies (IMS) explains how an organization's sustainable competitive advantage is established. Bijman and Wijers (2019), also elaborated on two orientations related to competitive advantage which are: the normal community orientation, and the market orientation. These orientations are complementary because cooperatives cater basically to their customers, who are also their member-owners. Marketing orientation puts customers first.

Structural Marketing Using Organizational Structure and Strategic Marketing Department

Marketing ensures the propensity and profitability of firms and is a critical trend in the business. Further, although some opinions suggest that logically, statistics and some analysis can be a concrete basis for projecting inputs. It further posted that marketing is the key to letting a business foster business in modern society (King, 2013). A study conducted by Wirtz et al. (2014), further examined the antecedent of the marketing section's stimulus with its relationship to customer-focused strategy and ultimately to the company's general performance. It was found that influential and robust marketing contributes affirmatively to the enterprise's good performance. Conventional wisdom, as articulated in the organizational design theory by Galbraith (2002) adopted by Lee et al. (2015) in their study titled "Structural Marketing: Using Organizational Structure to Achieve Marketing Objectives," that organizational structure in marketing is of great importance. Furthermore, Lee et al. (2014) put to light the term structural marketing to refer to the company's use of operational design essentials such as marketing tools to influence specific marketing outcomes emanating from the organizational structure. According to Kirova (2017), the fundamental decision to sustain tactical development begins in the establishment of an organized and strategic marketing organizational structure that is accustomed to being a product-focused company and evolving into a strong customer-focused entity.

Marketing Communications

Shimp and Andrews (2013) elaborated that all firms employ marketing communications (Marcomm) to one degree or another, indirectly or directly to consumers. Marketing communications encompasses strategies, particularly in utilizing the established marketing mixes that enable business exchange by establishing a generally accepted customer value. Ahmed et al. (2017), discussed that internal communications are intended to communicate the firm's goals and marketing strategies to employees.

Strategic Responsiveness: Response Time and Customer Satisfaction

On the other hand, cooperative enterprise inescapably confronts external and internal challenges on a day-to-day basis. Like any other organization and enterprise, it is under pressure to adapt to the changing economic circumstances to survive and thrive in the long term. And this requires certain efforts coined as strategic responsiveness which should respond to market change (Lyus et al., 2010). One specific area of strategic responsiveness is the after-sales service which greatly influences the totality of the product or service offered. Ultimately, the relationship between the firm and the customers will depend on the quality of after-sales service rendered (Fazizadeh et al., 2011). Customer response time is another element of strategic responsiveness which was found to have a significant relationship with customer satisfaction. Further, superior service is the strategic tool to establish customer advantage (Sabur & Simatupang, 2015).

Hence, customer satisfaction and retention of customers are demonstrated through repeat purchases (Ibojo, 2015).

Profitability and Material Ownership

Asset structure is found significant to evaluate the profitability of an enterprise. The profitability of an enterprise can be enhanced to some extent with the availability of heavy assets (Shi, 2021). Further, one aspect of business operation generally ignored is ownership, which is fundamental to industrialism. In 2007-2008, the credit downturn ushered the 2009 first global financial crisis in the new millennium. The creation of financial instruments regarding the value of shares would need to capitalize on ownership (Michie & Labao, 2012).

Marketing Performance: Sales Revenue, New Product and Service Portfolio, and Customer Count

In terms of marketing performance, it is indicated in sales revenue (Sam et al., 2013). In improving sales performance, a specific multi-dimensional measurement method replicating three characteristics: novelty, meaningfulness, and superiority, is created to evaluate the concept, of New Product and Service Portfolio (NPSP) illuminated further by Heimonen and Kohtamaki (2018). Marketing performance is also evidenced by customer count. A business organization's success depends on the customer's satisfaction (Khadka et al., 2017). Similar to the principle of the rule of thumb in business, "integrity before profit" firmly puts the authors' keen observation, "customers first before profit" which means keeping customers a top priority in the market. In a study, a group size's role in cooperative performance was expounded. However, such group interaction can create problems that threaten capital build-up, sales, and cooperative existence (Cazzuffi and Moradi, 2012).

Community Development Strategies and Corporate Social Responsibility

As cooperatives grow, the enhanced capability in community development increases. Petrini et al. (2010) presented the concept of sustainability and corporate social responsibility in the management of an organization. The concept model indicated an organizational context, consisting of three broad categories: corporate view, organizational structure, and organizational mechanisms; from these categories, influential factors were derived. Further, local participation is a vital process in community development. To achieve such participation, it is necessary to employ operative, self-governing, focused-on-people, and workplace development strategies (Majee & Hoyt, 2011).

Resilience strategy during Pandemic and Uncertainties

Another important principle about strategies is resilience in group decision-making which is forward-looking. It considers future risk, transparency, and participation needed to mitigate problems during the implementation stage of the decision (Ardebili & Padaono, 2020). Further, in keeping balance during uncertainties and pandemics, coping with stress is vital. Further, the urgent need for augmenting focus is recommended to bring about resilience and employ strategies to enhance it (Vinkers et al., 2020). Such resilience was manifested with the current pandemic which has paved the way for each cooperative and enterprise worldwide to respond effectively and efficiently to keep the enterprise afloat and survived the consequences of lockdowns and health protocols.

IV. Results and Discussions

TABLE 1. Marketing Strategy: Its components: (a) Structural marketing, (b) Marketing Communications (c) Strategic Responsiveness; and Resulting Marketing Performance

Marketing Structure	$\chi^2 - value$	p-Value	Decision
1. Is a Marketing Department existent in the cooperative?	70.428	.000	Significant
2. Are the following marketing job positions existent in the cooperative?			
a. Chief Marketing Officer	36.433	.000	Significant
b. Marketing Manager	58.686	.000	Significant
c. Sales Manager	44.925	.000	Significant
d. Sales Supervisor	50.956	.000	Significant
e. Sales / Account Representative	31.455	.000	Significant
f. Customer Representative	31.473	.000	Significant
g. Collection Team / Account Representative	22.783	.000	Significant
3. How many personnel are in the Marketing Department			
4. Are job descriptions well defined and appropriate?	65.825	.000	Significant
5. What are the hiring protocols in the marketing department personnel			
1. Are there Training and Development programs prepared by the Human Resource as for all their employees, particularly for the marketing department? If there are any, what are the specific training programs?	53.257	.000	Significant
3. Are there promotion and retention programs in the marketing department designed by Human Resource Management? If there are, what are the specific promotion program?	82.641	.000	Significant
4. Is there a strategic model that is utilized by the cooperative? If yes, what specific strategic model is used by the cooperative?	45.071	.000	Significant
Marketing Communications Strategy			
1. Are advertising and promotional strategies employed by the cooperative?	65.279	.000	Significant
2. Is a marketing plan relayed to all departments (from the management to the rank and file)? If yes, who prepares the marketing plan and how is it cascaded down?	28.082	.002	Significant
3. Is the cooperative's marketing message relayed to all customers through various communications mediums (i.e., radio, television, text, websites, or other social media networks?)	25.527	.002	Significant

4. What is the basis of the cooperative in designing a marketing program? (Please use a separate sheet if necessary)			
5. What are the mediums used by the cooperative in promotional activities?			
6. Is there a monthly or regular updating of product/ service offering or promotional offering of the cooperative?	30.385	.001	Significant
7. State the seasonal promos of the cooperative.			
Strategic responsiveness			
1. Is there personnel in charge of After - Sales/transaction program of the cooperative?	14.654	.145	Not Significant
2. Is there a customer care representative in the cooperative?	23.969	.000	Significant
3. Is there a program set by the marketing department of the cooperative in monitoring repeat customers?	19.571	.034	Significant
4. How prompt is the response time of the cooperative in handling customers' concerns or complaints?			

Table 1 shows the statistical inferential test was Chi-Square Test for Association to discover associations between two categorical data (marketing strategy and marketing performance), tested with $\alpha=0.05$. Marketing Structure under the Marketing strategy showed a significant difference along with the Marketing Communications Strategy of the cooperative respondents which states that a well-staffed marketing organization of the different cooperatives under study is likely to provide, formulate and implement effective marketing communication strategies.

However, in terms of strategic responsiveness of the personnel-in charge of the After-Sales/ Transaction program of the various cooperatives has the chi-square statistic (test statistic) of $\chi^2 = 14.654$ and $p=0.145$, which is larger than the significance level stating that the association between this aspect under the variable Marketing strategy is not statistically significant. The absence of dedicated marketing personnel is likely to affect customer relationships as marketing strategies are not solely to bring in sales but more on bringing and retaining customers.

TABLE 2. Cooperative Business Process: Registration and Membership

Multipurpose Cooperative Gawad Awardee (2015-2019)	Year Registered	Age in years in 2021	Initial Membership	Membership as of 2021
MPC 1	2008	13	86	7,700
MPC 2	1991	30	29	4,100
MPC 3	2002	19	30	1,786
MPC 4	1964	57	15	79,024
MPC 5	2002	19	25	5,000
MPC 6	1981	40	26	89,650

Table 2 shows that the respondents registered with the CDA for different periods with their initial membership from the time of their inception in comparison with their latest membership in 2021. The average growth rate ranges from 307.07% to 8,617.69% annually showing tremendous membership growth. The number of years in operation does not always guarantee to have the highest membership but the first two oldest cooperatives registered the highest while the youngest cooperative among the respondents ranked third to have the highest membership.

TABLE No. 3. Cooperatives Degree of Compliance in terms of the Prescribed Training for BODs and Officers

POLICIES: Article 44 of RA 9520 and Rule 7	Weighted Mean	Descriptive Equivalent
1. Our cooperative complies with the CDA's training for the following Officers:		
a. BODs	4.92	Strongly Agree
b. Secretary	4.87	Strongly Agree
c. Treasurer	4.88	Strongly Agree
d. Election Committee	4.88	Strongly Agree
e. Audit Committee	4.90	Strongly Agree
f. Ethics Committee	4.86	Strongly Agree
g. Mediation and Conciliation Committee	4.86	Strongly Agree
h. Other Committees created by the General Representatives	4.86	Strongly Agree
i. General Manager or Chief Executive Officer	4.93	Strongly Agree

Table 3 shows that the six multipurpose cooperatives are all compliant with the Cooperative Development Authority's (CDA) prescribed training program for the BODs, down to the Chief Executive Officer. to training. Also, it indicates that with reference to CDA's Financial Reporting Protocols along with Facility and Safety Standards, Record-Keeping Standards, Regular Meeting Standards, and General Inspection Compliance, the cooperatives garnered a categorical mean of 4.90 or Strongly Agree on the above-mentioned criteria. In terms of CDA's monitoring standard along with the cooperative's initiative about submission of reports and general inspection protocols, the cooperatives manifested a categorical mean of 4.93 or Strongly Agree with the monitoring protocols by the CDA.

TABLE 4. Cooperatives' Degree of Compliance in terms of Reports Required from Cooperatives, Monitoring and Tax Incentives, and Patronage Refund

POLICIES: Article 44 of RA 9520 and Rule 7	Weighted Mean	Descriptive Equivalent
REPORTS REQUIRED FROM COOPERATIVES		
2. Our cooperative strictly conforms to the Philippine Financial Reporting Framework for Cooperatives (MC 2015-06).	4.91	Strongly Agree
3. Our cooperative has a well-maintained Facility and conforms to Safety Standards.	4.85	Strongly Agree
4. Our cooperative employs electronic technology with CDA Record-Keeping Standards.	4.88	Strongly Agree
5. Our cooperative conducts regular meetings as prescribed by	4.94	Strongly Agree

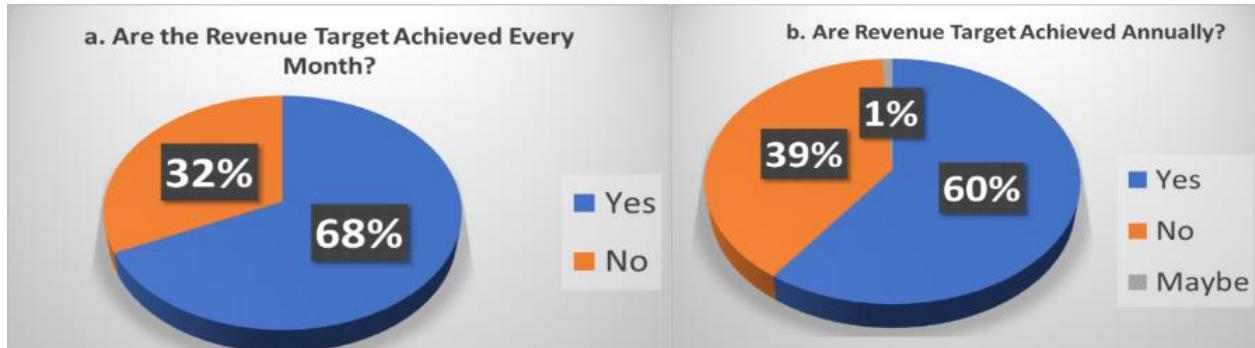
the CDA.		
6. Our cooperative is compliant with the General Inspections of the CDA.	4.91	Strongly Agree
Categorical Mean	4.90	Strongly Agree
MONITORING		
a. Our cooperative is compliant with the Submission of Reports to CDA	4.94	Strongly Agree
b. Our cooperative is compliant with the General Inspections of the CDA.	4.93	Strongly Agree
Categorical Mean	4.93	Strongly Agree
TAX INCENTIVES AND PATRONAGE REFUNDS		
1. Our cooperative availed tax incentives and submitted the report promptly to BIR.	4.95	Strongly Agree
2. Patronage refunds / dividend		
Our members receive patronage refunds regularly.	4.97	Strongly Agree
Categorical Mean	4.96	Strongly Agree
Overall Mean/Compliance	4.93	Strongly Agree

Table 4 indicates an overall result of 4.93 or Strongly Agree in terms of Compliance to Regulatory Provisions of the Cooperatives with the CDA. In terms of Reports required from Cooperatives, the cooperative submits their report promptly to the CDA and BIR and that they availed of tax incentives. In terms of Patronage Refunds and Dividend release or distribution to its members, the cooperatives manifested a 4.97 or Strongly Agree.

TABLE 5. Cooperatives' Marketing Performance with reference to Sales and Customers Records with their Targets and Actual Performance

Marketing Performance				
1. Does the cooperative have a five-year sales revenue record?	20.741	.023	Significant	
2. Does the cooperative have five-year product and service portfolio records?	18.756	.043	Significant	
3. Does the cooperative keep track of five years customer count?	11.531	.042	Significant	
4. Is there a master list of existing customers of the cooperative for the last five years?	13.010	.023	Significant	
5. Is there a list of prospective customers of the cooperative?	27.007	.003	Significant	
6. Are there set annual targets or quotas prepared by the marketing officer?	5.303	.380	Not Significant	
7. Does the cooperative conduct monthly business review to monitor targets versus actual performance?	21.697	.017	Significant	
8. Is the Sales Target Achieved every month?	46.721	.000	Significant	
9. Is the Sales Target Achieved Annually?	20.362	.026	Significant	
10. Is there an incremental increase in sales target per year? If yes, how much is the increase (in percentage)?	7.538	.184	Not Significant	

Table 5 shows that majority of the respondents or cooperatives have an incremental increase in sales target per year. However, some of them were not able to achieve the revenue target each year which is evidenced by the results as indicated in the table that not all of them have a five-year sales revenue record despite the fact that most of them have set annual targets or quotas prepared by each of their marketing officers. Also, not all of the cooperatives conduct a review nor monitor their targets versus the current and actual performance of respective cooperatives and not all of them achieve their revenue target every month. Only a few of them also keeps a list of their prospective customers and their existing customers for the last five years which can be a factor why the sales revenue target of cooperatives as such as are not fully achieved in a year nor in a month.



Figures 1a and 1b. Attainment of Monthly and Annual Revenue Targets

Figures 1a. and 1b. shows that only 68% achieve their sales revenue targets monthly and that only 60% achieve their sales revenue annually.

TABLE 6. Management of the Cooperatives with reference to their Profitability as shown in three ratios.

Profitability Ratios					
Gross Profit Rate	2019	2018	2017	2016	2015
MPC 1	62.51%	60.56%	53.86%	N/A	7.29%
MPC 2	7.76%	6.32%	8.26%	10.35%	7.09%
MPC 3	19.61%	18.78%	16.86%	16.63%	18.11%
MPC 4	16.28%	14.66%	14.83%	13.31%	27.75%
MPC 5	7.96%	14.09%	6.86%	6.61%	9.99%
MPC 6			N/A		
Return on Assets	2019	2018	2017	2016	2015
MPC 1	5.44%	5.44%	6.61%	8.33%	17.82%
MPC 2	5.80%	6.02%	7.24%	8.52%	8.99%
MPC 3	5.96%	5.83%	6.22%	6.03%	7.99%
MPC 4	5.31%	5.87%	6.40%	7.70%	N/A
MPC 5	8.03%	7.62%	6.98%	7.08%	6.97%
MPC 6	2.67%	3.15%	N/A	4.34%	8.45%
Return on Equity	2019	2018	2017	2016	2015
MPC 1	14.41%	14.97%	25.07%	35.95%	45.83%
MPC 2	21.26%	22.03%	24.57%	26.04%	25.78%
MPC 3	20.11%	18.47%	18.47%	16.98%	20.96%
MPC 4	16.95%	18.34%	19.43%	22.49%	N/A
MPC 5	17.47%	17.40%	17.27%	18.27%	18.48%
MPC 6	11.24%	11.92%	N/A	12.07%	21.05%

Table 6 indicates 3 Profitability ratios showing the viability of the cooperative which are as follows: a) Gross Profit Rate; b) return on asset (ROA); and c) Return on Equity (ROE). The three ratios are profitability

ratios illustrating the profitability of the cooperative respondents. The results indicate that the cooperatives are generally profitable. However, for MPC 4, the data supplied by the cooperative was insufficient to compute the cooperative's ROE in the year 2015.

TABLE 7. Management of the Cooperatives with reference to their Management of Assets

Asset Management Efficiency					
Inventory turnover	2019	2018	2017	2016	2015
MPC 1	-	-	-	-	258.87
MPC 2	11.54	12.21	9.02	9.15	8.17
MPC 3	4.35	5.21	5.45	5.22	5.23
MPC 4	7.76	14.44	19.00	23.73	13.90
MPC 5	76.83	13.19	7.07	6.19	11.19
MPC 6	N/A				
Average days to sell the inventory	2019	2018	2017	2016	2015
MPC 1	-	-	-	-	2
MPC 2	32	30	40	40	45
MPC 3	83	70	67	69	69
MPC 4	47	25	19	16	26
MPC 5	5	28	51	59	33
MPC 6	N/A				
Total Asset turnover	2019	2018	2017	2016	2015
MPC 1	0.39	0.45	0.56	0.54	0.57
MPC 2	0.18	0.20	0.23	0.25	0.26
MPC 3	0.14	0.13	0.14	0.13	0.16
MPC 4	0.15	0.16	0.18	0.27	0.24
MPC 5	0.16	0.16	0.15	0.15	0.15
MPC 6	0.12	0.12	-	0.13	0.26

Table 7 shows the management of the cooperative in terms of its asset management efficiency with reference To Inventory Turnover, Average Days To Sell the Inventory, And Total Asset Turnover. The inventory turnover represents the number of times inventory is sold and replaced. A high ratio indicates that the cooperative is efficient in managing its inventories. The higher the inventory ratio is, the better. It also indicates the status of the demand. For MPC 1 inventory turnover ratio cannot be computed since the cooperative does not maintain a stock of inventory. This implies that whatever the cooperative purchase or produce for a certain year, they will be able to sell the same, thus having zero amount for their inventory. In the above table, MPC 5 has the highest inventory turnover ratio of 76.83 for 2019, this means that in 2019 MPC 5 has the best inventory management among the respondent cooperatives.

Furthermore, MPC 3 has the lowest inventory turnover ratio, ranging from 5.23 in 2015 to 4.35 in 2019, this clearly shows that MPC 3 has a poor inventory management practice. The next ratio is the average days to sell the inventory which represents the number of days inventory stocks of goods in the warehouse. In other words, it measures the number of days from purchase/production of inventory to the sale of the same. The computed value for the average days to sell the inventory validates the results of the inventory turnover ratio. The table shows that MPC 5 has the lowest computed average days to sell the inventory for 2019 which is only 5 days. This means that from acquisition, it would only take 5 days for MPC 5 to sell the inventory.

Moreover, MPC 3's average days to sell the inventory in 2015 is 69 days and it increases from there on as the above table reflects. This could be attributed to poor inventory management. Lastly for MPC 1, since the cooperative does not maintain an inventory, the average days to sell the inventory cannot be calculated

reliably. The last financial ratio in table 7 is the total asset turnover. It measures the overall efficiency of a company in generating revenues using its assets. The table reflects how the cooperative efficiently manages its assets to generate revenue. MPC 1 shows the highest total asset turnover ratio from 0.57 in 2015 to 0.39 in 2019, despite the decreasing computed ratio from 2015 to 2019, MPC 1 was able to surpass the other cooperatives in terms of managing its total assets. Other cooperatives are relatively the same in their total asset turnover ratios, ranging from 0.013 to 0.27 from the years 2015 to 2019.

TABLE 8. Management of the Cooperatives with reference to their Research and Development and Contingency Measure during the Pandemic

RESEARCH AND DEVELOPMENT	X ² statistic value	p-value	Decision
1. Does the cooperative employ a product development program? (Primary data)	15.323	.121	Not Significant
3. Is the cooperative equipped with an online facility?	12.388	.030	Significant
4. Does the cooperative have contingency measures to cope with the new normal, especially in this pandemic?	5.248	.874	Not Significant

Table 8 shows the Chi-square results to further support the data presented in percentage indicating that all of the p-values were higher than the 0.05 significance level proving that the cooperatives were able to employ a product development program, have an online facility, and contingency measures to be able to cope with the new normal due to the current pandemic. Thus, specifying that they are not significantly different from each other.

Table 9. Management of the Cooperatives as manifested with their Corporate Social Responsibility

Regular Community Development Activities of Respondents	
Cooperative Enterprise	Particular social activity done
MPC 1	<ul style="list-style-type: none"> a) Implemented various community development activities such as training conducted in food processing, poultry raising, hog raising, and vegetable growing. b) Conducts regular medical missions in communities and within the cooperative particularly for their employees. c) Donated thousands of bags and school supplies by partnering with elementary schools; also initiated a regular feeding program d) bloodletting activities and donated water systems in remote areas; adopted daycare centers to extend education to Indigenous people not reached by the government. e) Participate in brigada eskwela yearly. f) offered scholarships for their members' children g) conducts tree planting and other community service projects
MPC 2	<ul style="list-style-type: none"> a) promotes solid waste management through an information campaign and partnered with the barangay council; provided mini-material recovery facility b) initiated Baboy na Walang Amoy. c) Partnered with Rural Health Units for the anti-drug campaign with its

	Community-based Rehabilitation Program on Persons engaged in drug use. d) Initiated Medical Missions, Blood Letting, Clean up Drive, Tree Planting and Mutual Aid Programs, and Community Affairs.
MPC 3	a) conducts outreach programs b) provided free face masks for this pandemic to different stakeholders and entities this pandemic.
MPC 4	a) provided mutual aid to the family member of the deceased member. b) tree planting activity
MPC 5	a) extend relief goods and seeds for homegrown vegetables b) conducted financial literacy workshops
MPC 6	a) conducted Mangrove Tree Planting along with coastal areas. b) joint sponsorship for Mass Baptisms of indigent children and provided groceries for them c) Donated medicines to Philippine Air Force General Hospital

Table 9 indicates the remarkable community development activities of the cooperative respondents indicating their corporate social responsibility. It showed that all cooperative respondents were regularly engaged in rendering community services in the locations where they operate and in other places. It was also found that the cooperative respondents have entered partnerships with the RHUs and LGUs to conduct medical missions and gave donations intended for indigent families and also the cooperative member's families. They have also participated in tree planting activities, gardening education, donated seeds and seedlings, medicines, and provided ecclesiastical assistance such as sponsoring baptisms for indigent children.

V. Conclusion

The marketing department significantly contributes to the marketing performance of the multipurpose cooperatives. And marketing strategy begins with having well-organized structural marketing of which the organizational structure is paramount in achieving the desired marketing performance. The key positions along with the key personnel such as Chief Marketing Officer, Marketing Manager, Sales Manager, and Sales Manager were not found to be complete and present in all the cooperatives which are very critical to achieving sustainable operations. Some of the positions were delegated and performed by the BODs and committee heads. The 68% and 60% attainment of monthly and annual targets respectively shows the necessity of having dedicated personnel in the marketing department to achieve 100% sales revenue targets. The size and the growing membership which ranges from 1,786 to 89,650 is not a small number to manage. Competition, technology, and unforeseen elements like the pandemic are important factors to consider in strategically planning emanating from the general management and cross-functional areas. A collaborative strategy with the marketing department is necessary to sustain business operations and survive in difficult and precarious economic situations. The adoption of online platforms by the multipurpose cooperatives as indicated enabled them to continue operations despite the lockdowns during the Covid 19 pandemic. However, the cooperatives were found to be feeble in establishing dedicated personnel for After-Sales transactions as only 68% have a designated customer representative. The profitability of the cooperatives as indicated by various financial ratios such as the GPR, ROA, and ROE generally indicates that they are all viable. But one cooperative was found to be consistent and have registered to have the highest GPR. which is attributed to its diversified product and service offering compared to the rest of the cooperatives. In terms of Corporate Social Responsibility, it was indicated that all the cooperative respondents have various activities in community development and community service rendered. It is noteworthy that MPC 1 has the most extensive community development as compared to the other cooperatives. And by leaps and bounds, the various activities as detailed in Table 9 illustrated the respondents' corporate social responsibility which is making a difference in the lives of many in which they operate. The multipurpose cooperative respondents were found to have established a culture of compliance which can be summed up as a model for the rest of the cooperatives to emulate.

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