

Evaluating the Perception of a Cooperative in Brgy.Makiling: Basis for Marketing Strategy

Ma.Leonora V.Alusen
College of Business and Accountancy

ABSTRACT

Cooperatives are one of the possible solutions in achieving rural development, establishing a cooperative in Barangay Makiling one of the partner community of LPU-Laguna will be a good stepping stone to community development and rural development. It is therefore necessary to determine the awareness level of the people towards the different types of cooperative and the perception of the people towards a cooperative. The specific objectives of the study, is to determine the socio demographic profile of the residents of Barangay Makiling in terms of age, gender, monthly income, educational attainment, civil and employment status, secondly is to determine the awareness level of the Barangay Makiling residents to the different types of cooperative, thirdly is to evaluate the perception of the Barangay Makiling residents to a cooperative. And lastly, is to recommend marketing strategies for a cooperative in Barangay Makiling. The researchers gathered data through the use of survey questionnaires. Frequency, percentage and weighted mean were used to analyze data. Based on the results most of the respondents are female, between 25-31 years old, mostly married, elementary school graduate, employed and earning between 7,890 -15,779. Further, most of the respondents are not aware about the different types of a cooperative, the level of awareness is low; the residents do not understand and are not aware about the different types of a cooperative.

Keywords: Cooperative, Perception, Community extension, Marketing Strategy

INTRODUCTION

Barangay Makiling is one of the community partners of LPU-Laguna; the community is surrounded by different industries including LPU. Although surrounded by big industries, it is still considered as a rural area. Though maybe there are some parts of the community that are developed but some of the remaining parts are not, especially at the east part of it that includes Puting Lupa, Saimsim and Camaligan. According to Mrs Maria Teresita de Belen-Alvaro, LPU ISRO Director, barangay Makiling doesn't have their own cooperative, there are some cooperatives that exist but it was not owned by the residents but owned by mostly, the industries for their employees. Since cooperatives are one of the possible solutions in achieving rural development, establishing a cooperative in barangay Makiling which is owned by the residents will be a good stepping stone to community development and development. But before taking a step in establishing a cooperative for barangay Makiling there are some factors that must be considered, the awareness level of the people towards the different types of cooperative and the perception of the people towards a cooperative, and be able to evaluate these factors. Through evaluating these factors, it will help identifying the gaps that may affect the chance of marketing a cooperative in barangay Makiling and also important to assess and adapt the future activities to ensure the effectiveness of the marketing strategies.

Objectives

The specific objectives of the study, first is to determine the socio demographic profile of the residents of barangay Makiling in terms of age, gender, monthly income, educational attainment, civil and employment status. Second is to determine the awareness level of the barangay Makiling residents to the different types of cooperative. Third is to evaluate the perception of the barangay Makiling residents to a cooperative. And lastly, is to recommend marketing strategies for a cooperative in Barangay Makiling.

METHODOLOGY

A descriptive research design is used in the study to obtain needed information to evaluate the perception of the residents to cooperatives and the demographic profile of the residents of barangay Makiling. This research focused to know the perception of the Brgy Makiling residents to a cooperative to recommend marketing strategies. The residents of barangay Makiling were the respondents of the study. The total population of Barangay Makiling is 6,361 registered individuals. There were 376 respondents based on the computation of the statistician using Yamane's formula. The study used of survey questionnaires as a primary tool to gather data for the study. The survey questionnaire was drafted by the researchers through the help of their thesis adviser. The survey questionnaire was based on the related literature and studies. The survey questionnaire also passed the Chronbach Test or the reliability test. Frequency/ percentage distribution, this was used to determine the demographic profile of the respondents such as age, sex, education, civil status, employment status and their monthly income and to determine the awareness level of the Brgy Makiling residents to the different types of cooperative. Weighted mean, the weighted mean is used to evaluate the perception of the Brgy Makiling residents to cooperative societies. Chronbach Alpha, this is used to measure the internal consistency, how closely related a set of items are as a group. It is considered to measure the scale of reliability.

RESULTS AND DISCUSSION

The respondents of the study are the barangay Makiling residents. The socio-demographic profile of the respondents is looked upon in terms of age, sex, education, monthly income, civil status and employment status. Determining the Socio-Demographic profile of the respondents is essential in identifying who might be the possible people that are willing to be part of a cooperative. In order to propose a good marketing strategy, assessing the possible customers will be essential, and with the use of the gathered data it will strategically focus on the organization's efforts. According to Becky Wu, 2016, business opportunities and create business plans,

information about the demographics is also gathered, analyzed and applied throughout the given time. The majority of the respondents are female with a total percentage of 55.1% and male with 44.9%. According to the study of Kivikangas JM (2014), females show higher positive emotion in cooperative than in competitive gameplay. This means women are more interested in engaging themselves in a cooperative activity rather than men. Majority of the respondents are in 25-31 age range with 21.1%. Second is 32-38 age range with 19.5%, followed by 18-24 with 18.2%, 39-45 with 17.60%, 46-52 with 12.8%, 53-59 with 7.2% and lastly, the least of all is the ages 60 and above with 3.5%.

The majority of the respondents are young adult starting from the age of 18. Young adults are the people who are in the 18-35 age range; these are the people, who seek or start a new job, exploring to have a committed relationship, legal age, married or not yet married (Unitarian Universalist Association, 2017). Majority of the respondents have finished elementary with a percentage of 43.30%. Second to this is Bachelor's Degree with 30.50%. Third to this is High School with 21.90%. Fourth to this is Master's Degree with 4.30% and lastly Doctorate Degree with 0%. This means the majority of the respondents only finished elementary; the probable cause of this is poverty and according to Weinstein (2010) about 80% of the Filipino people that lived in the rural areas of the country are poor, this include the people who are living in towns located in deep in rice fields and in mountains where there are deficiencies in schools and classrooms. The majority of the respondents is employed with a percentage of 43.40%, second is Self-employed with a percentage of 30.30%, third is Unemployed with a percentage of 22% and lastly, Retire with a percentage of 4.30%. Majority of the respondents are earning 7,890—15,779 pesos every month with a percentage of 40.90%. Second, the respondents are earning less than 7,889 every month with a percentage of 31.30%. Third are the respondents that are earning 15,780-31,559 with a percentage of 24.30%. Fourth are the respondents that are earning 31,560-78,899 with a percentage of 3.50% and lastly no one answered 78,900 and above with a percentage of 0%.

Table 1 show the ranking of the different types of cooperatives, based on the results, the top 1 on the ranking is "None", which means most

of the respondents are not aware what are the different types of a cooperative. Second on the ranking is the credit cooperative. Third, is the Multi- purpose cooperative; fourth are the Producer's cooperative and lastly the Service Cooperative.

Table 1. Awareness of the residents on the different types of cooperative

| | Frequency | Rank |
|---------------------------|------------------|-------------|
| Credit Cooperative | 132 | 2 |
| Producers Cooperative | 29 | 4 |
| Multi-Purpose Cooperative | 107 | 3 |
| Service Cooperative | 26 | 5 |
| None | 161 | 1 |

Table 2 shows that the respondents are Agree (CM=3.05) on the perception of the barangay Makiling residents to a cooperative. Perception is important in analysis and in creating a strategy for any business or organization. Perception is one form of psychological point of view it has been said that perception greatly influences people's decision making and consequently the result of the people's decision; the critical role of managerial perceptions in an organizational decision making and strategy formulation processes has been acknowledge in many strategic management literature by several researchers (Zafer Özleblebicia, 2015).

Table 2. Perception of Brgy. Makiling Residents of a cooperative

| | Statement | Weighted | Verbal | Rank |
|----|--|-----------------|-----------------------|-------------|
| | | Mean | Interpretation | |
| 1 | Cooperatives promotes rural development | 3.16 | Agree | 1.5 |
| 2 | Cooperatives promote rural enterprises. | 3.14 | Agree | 4 |
| 3 | Cooperatives help ensure food security. | 3.06 | Agree | 8 |
| 4 | Cooperatives help in poverty reduction. | 3.09 | Agree | 6.5 |
| 5 | Cooperatives help guarantee employment. | 3.13 | Agree | 5 |
| 6 | Cooperatives improve gender equality | 2.92 | Agree | 19 |
| 7 | Cooperatives provide livelihood for the poor. | 3.15 | Agree | 3 |
| 8 | Cooperatives promote socio-economic development. | 2.99 | Agree | 18 |
| 9 | Cooperatives provide accessible health services | 3.02 | Agree | 14.5 |
| 10 | Cooperatives develop business skills | 3.04 | Agree | 10.5 |
| 11 | Cooperatives increase household income | 3.02 | Agree | 14.5 |

| | | | | |
|-----------------------|--|-------------|--------------|------|
| 12 | Cooperatives provide more job opportunities | 3.03 | Agree | 12.5 |
| 13 | Cooperatives contributes to people empowerment | 3.01 | Agree | 16.5 |
| 14 | Cooperatives help build confidence and well being | 3.03 | Agree | 12.5 |
| 15 | Cooperatives increase number of business | 3.05 | Agree | 9 |
| 16 | Cooperatives increase the supplies of products and service providers | 3.16 | Agree | 1.5 |
| 17 | Cooperatives help develop infrastructures | 3.03 | Agree | 12.5 |
| 18 | Cooperatives to unity and social development | 3.01 | Agree | 16.5 |
| 19 | Cooperatives help lessen the number of crimes | 2.89 | Agree | 20 |
| 20 | Cooperatives promote clean and healthy environment | 3.03 | Agree | 12.5 |
| 21 | Cooperatives fill the gaps that other private businesses ignore such as provision of rural electricity and other utilities | 3.09 | Agree | 6.5 |
| 22 | Cooperatives provide affordable quality products and services | 3.04 | Agree | 10.5 |
| Composite Mean | | 3.05 | Agree | |

Legend: 1.00-1.49 strongly disagree 1.50-2.46 disagree 2.50-3.49 agree 3.50-4.00 strongly agree

CONCLUSION

In order to efficiently create strategies and to determine the possible members of a cooperative, determining the socio-demographic profile, the level of awareness of the respondents to the different types of cooperative and the perception of the respondents to a cooperative are important. Based on the results the researchers concluded that in the socio-demographic profile of the respondents, it is indicated that most of the respondents are female, 25-31 years old, mostly married, elementary school graduate, employed and earning between 7,890 - 15,779. The result of the study showed that most of the respondents are not aware about the different types of a cooperative. Some have answered they are aware about credit and multipurpose cooperative, but also there are few who knew about service and producers cooperative. Therefore, the level of awareness is low; the residents do not understand and are not aware about the different types of a cooperative. Based on the gathered data, most of the respondents were agree with the 22 statements about a cooperative. Based on the ranking, most of the respondents believed that cooperatives help in promoting rural development and increasing the supply of products and service providers but they don't believe that cooperatives help lessen the number of crimes.

RECOMMENDATION

In order to effectively market a cooperative in the barangay the researchers suggests the following recommendation: Now a days many Filipino are looking forward to achieve better quality of life, most of the times the top of mind of the people will be "Money ", because money is one of the main entity of the increasing need to provide for daily living and community development may come after. Promoting a cooperative in barangay Makiling will be quite hard. People won't engage themselves to an organization if they won't benefit from it; it's an underlying fact within these days. Based on the results most of the respondents in barangay Makiling are earning 7,890-15,779 and are classified as low income but not poor. With this data, some people with a monthly income like this will be struggling to budget their income for their families especially there is no assurance that prices of any products (daily necessities) will not proliferate

in the whole year, it is already expected, and it will also depend on their family size. If people will contribute for the cooperative, the family income must be given a consideration in settling the contribution rates of each member for the cooperative. In this first phase of cooperative building, it is the crucial part on how to encourage the people to join a cooperative; without losing the essence of a cooperative.

Next step will be conducting a seminar it is proven that most of the residents are not aware with the different types of cooperatives, they have initial knowledge about a cooperative but they don't know the difference with every each type of it. Somehow, it is also indicated in the results that the residents are aware with credit and multipurpose cooperative. If the residents would be asked what will be the type of cooperative they want to establish, it is possible that they will answer credit or multipurpose cooperative because they are aware of it. Within the process, it is much preferable to directly propose the cooperative that the person's responsible have decided. Make sure to provide complete information and plan about that proposed cooperative, and also to make use of brochures that will serve as a guide for the residents to know about the cooperative, it includes financial computation, how the cooperative works, what are the benefits and what the process is.

Encouraging the residents to join might be very tricky, a possible way for this is to develop a special offer to answer the prospect's question "WHY JOIN NOW?" in order to answer this, the proposed cooperative must identify its unique value proposition or what makes it different and better to other cooperative and its benefits to the lives of the residents. This will also be included on the seminar proper. Once the cooperative is established, the next step will be promoting the cooperative to increase its membership count. For this, the cooperative can conduct activities or program that will catch the attention of the residents like raffle draws and contests. During these programs, they can promote the cooperative to the residents; as per the evaluation of perception of the residents towards a cooperative, the results in chapter 3 can be used as a basis to monitor and manipulate the process inside the cooperative to sustain member satisfaction and loyalty. In chapter 3 the top 2 result and the lowest must be greatly considered as per the highest evaluation, "Cooperatives

promote rural development", the result shows that the people perceived and agreed that a cooperative is an organization that promotes rural development. This can be used as a strategic information for a marketing strategy, for example; the cooperative once established should engage the organization into a community project that will benefit all residents like donating or providing trash cans, medical assistance or even multi-functional halls etc. "Cooperatives increase the supply of products and service providers", for this; establishing a store with affordable priced products that is owned by the cooperative may be a good proposal, a consultation firm, conducting a training seminar for men and women can be some of the possible programs that a cooperative can run disregarding whatever type of a cooperative it is. And for the least agreed, "Cooperatives help lessen the number of crimes", the residents are not fully agreeing that this is one of the benefits that a cooperative can give. In this case, the existing cooperative can also secure the public safety by as it is given, educating the people and giving job opportunities. If people are educated and thought with proper discipline and have a stable job, no one would think of doing ill intentions for the community because they are very well provided of what they need to live. Continue doing and monitoring this until the cooperative reaches its target number of members within the expected time. With this method, if people are entertained and satisfied, people will talk about it; this will cause WOMM or word of mouth marketing this is another type of marketing method which does not include too much effort for the organization. People themselves will promote the cooperative to others.

Next is to secure good connections with other organizations, reach out especially to those who can benefit and contribute through people who can connect with and persuade others, these people and organization can help the cooperative build ties, promote and help the cooperative to distribute their products and services. Through this, strong distribution and boosting sales will be very much possible to achieve. And lastly, there is no effective and efficient plan if there are no committed officials and leaders that will execute each planned activities and tasks. For every successful organization there must be a leader who will direct, assign task to monitor the status and progress, and lead the planning, organizing and the execution of any planned activities. As the leader is more committed and

dedicated to the organization the members will follow after. For additional recommendation, it will be a good action if the barangay/cooperative will conduct a fund raising event to raise a fund for the cooperative, it can be a pageant or a fun run. This will only be applicable after the cooperative has been established.

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