



A STUDY ON COOPERATIVE MARKETING IN 21ST CENTURY

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Abstract :

Cooperative Marketing plays very important role in providing qualitative services and products to their customers. It brings together power of its members in terms of efforts, money, time and their mutual goals. It helps to promote all kinds of products and it delivers or mail to each home owner. It resulted into low marketing expenses, proper management of manpower and it helps to reduce postage charges for each company significantly. Cooperative Marketing is convenient for all kinds of consumers as well as pulling together all resources economically. Cooperative Marketing is a combined marketing strive. It supplies needed products and services to consumers. This paper explores the significance of cooperative marketing as well as its importance in 21st Century. This study also highlights different strategies adopted by cooperative marketing.

Key Words: Cooperative Marketing, Competition, Strategy, market.

I. Introduction

Cooperative word emerged from Latin word cooperari, which means that to work together. Its members voluntarily join this organization to achieve their common goals which is based on democratic principles such as unity, equality, liberty and economical justice. This cooperative marketing is an organization of people who take initiatives to help each other to sell their products as well as cater to economies that came from large scale business activities.

K.R. Kulkarni defines Cooperative Marketing is the marketing for the producers and by the producers that aim at eliminating the chain of middleman operating between the producers and the ultimate consumers and thus securing the maximum price of their produce. According to the Reserve Bank of India “a cooperative marketing society is an association of cultivators formed primarily for the purpose of helping the members to market their produce more profitably than possible through the private Trade.” (Anil Kumar Soni, 2013) This definition highlights Cooperative marketing helps producers to take their products to the ultimate consumers in reducing the gap between middlemen to consumers and to yield maximum profit for their products. Cooperative marketing is necessary for several benefits such as reduce malpractices, to improve agricultural system, to reduce excessive charges for example it helps farmers to get rid from money lenders as well as nowadays farmers are free to sell their products by their own price. In other words it helps to enhance their bargaining power. So it helps to eliminate all those pre-existing hurdles of Cooperative marketing

societies. Cooperative marketing societies runs on the basis of democratic principles. It is a voluntary organization which markets products for the mutual benefits of their members. Its members get their revenue and savings according to their shares in cooperative marketing. All the members are the owners and they contribute their commodities and in this way they become beneficiaries of their savings.

Cooperative Marketing is based on the concept of commercialization. Its uniqueness lies in the economic motives and characters which make them different from other organizations.

II. Review of Literature:

The following review of literature is based on some important articles published in national and internal reputed journals. This review on literature on cooperative marketing will help to understand presents status as well as its importance in respect to economic development of country.

This study highlighted that cooperative marketing in the field of agricultural marketing and rural development. Maximum numbers of respondents are satisfied with functioning of Markfed. (Anil Kumar Soni, 2013).

1. The provincial development and Marketing Federation set up in 1943. Its main objective is to co-ordinating and improving the work of marketing societies. It was engaged in the work of distribution of essential goods. (Ved Prakash Shrama, March 25, 1950.).
2. It was found that cooperative marketing plays important role in the intelligent marketing of produce, reduce speculation by middle agents, direct distribution to consumers, maintain stability of price and

market. The main objective of cooperative association to eliminate artificially forced reduction in price paid to the producers. (Ballantine, December 1923).

3. The National Agricultural policy (NAP) document published in July 2000 , it predicts agricultural growth rate in excess of 4 percent per year next to 20 years. It proclaims that to promote demand driven growth, to meet need of domestic markets and get maximum gains from export of agricultural products and to remain competitive in the era of new economic environment. (Shah, November 2014).
4. In this paper highlighted that many of the management problems of cooperative marketing associations would be greatly reduced if farmers, its members and non members knows their duties towards cooperative marketing associations and take their actions on the basis of their understandings. (FETROW, March 1928.)

III. Objectives of the study:

This study has following objectives-

1. To study the meaning of Cooperative Marketing.
2. To find out the strategies adopted by the companies dealing in Cooperative Marketing.
3. To Study the significance of Cooperative Marketing in today's competitive era.

III. Methodology of the study:

This study is directed to explore the importance of Cooperative Marketing and its strategies adopted by Cooperative marketing in today's scenario. This paper is based on secondary data. The researcher has adopted following methods to collect data.

A. Data collection method:

1. Secondary Data

Research is a continuous process and is invented new experiments, new discoveries, new ideas and opinions. This study is totally based on Secondary Data, which are collected from Published Articles from Reputed Journals, Reference Books and websites etc.

IV. Importance of Cooperative Marketing

Cooperative marketing Plays very important role in creating valuable benefits to its members as well as it ensures combined efforts produce a synergy which helps to produce superior products in addition to more value addition for its members and they ultimate consumers.

The following points are shed lights on importance of Cooperative Marketing;

V. Need for Cooperative Marketing

1. Co-operative marketing helps to improve its marketability of products in national and international markets.
2. Co-operative marketing guard against the price rises which helps to protect the interest of owners against unnecessary price burden.
3. **Credit facility:** It provides credit service to farmers and help them to sell their products after harvesting.
4. **Availability of Storage facilities :** It helps to provide storage facilities to farmers so that they can wait for good price for their products.
5. **Generate employment :** Effective co-operative marketing societies or system generate employment opportunities to millions of person involved in different activities.
6. **Yield better result -** because everyone collaborates and adds their bits, both ideas and produces. In addition, the ability to place bulk orders makes the costs go down substantially.

VI. Some Disadvantages of Co-operative marketing :

Co-operative marketing suffers from following disadvantages .

1. **Lack of commitment:** it happens because no one member of co-operative marketing is responsible to anything. It also reduce the business goodwill for all.
2. **Lack of Marketing Strategy:** Marketing strategy sometime fail because of lack of target audience to whom it is perfect applied. It may be applicable to some part of target audience.
3. **Delay in Information sharing:** lack of sharing information among members hampers the progress of organization. Trust becomes an important fact which can hamper how the products get sold in the market.

VII. Objectives of Cooperative Marketing :

Following points highlights the objectives of cooperative marketing:

1. **Economic efficiency:** its main objectives is to maintain economic efficiency by providing timely products in markets and eliminates middle agents.
2. **Shared resources :** it is important characteristics of co-operative marketing. Its members contribute their shares for produce and market it and even for its members also.
3. **Broader visibility:** it has wider scope in respect to market its products .
4. **Access to target market:** it main focus on its target market.
5. **Consumer convenience:** It always take care of its consumers in respect to make available products as per their convenience.

VIII. Main functions of Co-operative Marketing Societies:

The following are the main features of cooperative marketing societies.

1. Dealing in Purchase and Sale of products – cooperative Marketing societies buy and sell their members' products. It involves bulky transactions. It helps to reduce marketing costs, earning good returns on their investment.

2. Effective Distribution channels – Main ingredients – seeds, material, etc., are all provided at reasonable price. It provides credit facilities to their members to produce products.

3. Availability of Storage facility – Many societies set up their own storage houses or hired warehouses for their members to keep their products and provides security to their products.

4. Provide infrastructures or Supplying implements – Cooperative societies often provide infrastructural needs to their members. This helps in increases both the quality and quantity of productions. Market information are to be provided on time. This information helps their members to understand market scenario properly.

5. Maintain Stability of prices – The societies can manage the supply of products based on market requirements. This is the best way maintaining stability in prices and helps to avoid fluctuations in prices due to external factors.

6. Participation in International trade – Initiative in export trade of the country can happen more quickly, ensures better prices produces. The marketing cooperatives expands the markets wide for their members and their customers.

Conclusion

Cooperative marketing is an initiative to democratize and leave an open and fair field for producers to market. As a result, individual chances and risks are significantly minimized, and members have lesser cause to worry. A problem shared becomes a problem lessened. If the business achievements and figures of Indian mark fed interminably since organizing of the new state are totally observed, in all probability, it may be resolved that mark fed is perseveringly powerful being created of the welfare and life standard of the minor and medium farmers, taking after the headings and oversees of the state government, additionally in like manner got triumph in fulfilling its focuses. This has engaged mark fed to get various rewards on national level, thusly mark fed and the state is tremendously satisfied. This, and additionally mark fed is guaranteed and occupied with getting new strategies and much gainful courses for improvement of its business works out.

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