

## THE IMPACT OF COOPERATIVE SOCIETY ON THE ADVANCEMENT OF MARKETING ACTIVITIES IN OGUN STATE. (A STUDY OF ONWARD COOPERATIVE INVESTMENT AND CREDIT SOCIETY)

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### **ABSTRACT**

*The need to bring about lower marketing cost, better marketing services, improvement in the quality of products, elicit demand, extension of production credit and so on has led to the formation of some cooperative societies. Our focus is on the impact of cooperative societies in the advancement of marketing activities in Ogun State. Its objectives are to identify the impact of cooperative societies in securing fair price, enhancing the distribution/storage system and creating awareness for its members' products. Descriptive research design was adopted; the study population comprised all the members of onward cooperative society in Ogun State. Using non-probability (judgmental) sampling method, 120 questionnaires were administered of which 80 were retrieved. Descriptive statistics and multinomial logistic regression were used to present demographic data and the test of hypotheses respectively. The study revealed that cooperative societies have greatly impacted the advancement of marketing activities of its members in terms of securing better pricing, efficient distribution process, improved storage facilities and efficient marketing communication strategies. In line with the findings, the researchers therefore recommended that cooperative societies should continue to increase and provide necessary marketing support so as assist members increase their productivity and enhance the quality of their output.*

**Keywords:** Cooperative, Credit, Investment, Marketing and Advancement.

### **INTRODUCTION**

Nigerian economy has a lot of potentials for growth and development. The abundant and natural resources of the country remain largely un-explored. These have to be harnessed to the fullest for the general well-being of Nigeria in the world economy. Perhaps, one important way to the realization of this goal is through the encouragement of cooperative movement. (Anyawu, Oyefusi, Oaihenam and Dimowo 1996). Cooperatives are defined as "an autonomous association of persons who unite voluntarily to meet their common economic and social needs and

aspiration through a jointly owned and democratically controlled enterprise (International Cooperative Alliance-ICA, 1995). Cooperatives are established by like-minded persons to pursue mutually beneficial economic interest. Researchers are of the opinion that under normal circumstance Cooperative play significant role in the provision of services that enhance Business development. Regular and optimal performance of these roles will accelerate the transformation of such business organization and rural economic development. Ijere (1981), further explains that, it is the cooperative that embraces all type of business entrepreneurs including farmers and a well-organized and supportive Cooperative is a pillar of strength for businesses in Nigeria. The growing need for credit and access to the basic necessities of life and articles of trade led to the formation of most of the co-operative societies. A cooperative societies formed when at least two persons who have common problems joined together to solve such problem collectively (Akanni, 1986). Marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchange and satisfy individual and organizational objectives. It is an organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders. It is the activity, set of institutions, and processes for creating, communicating, delivering and exchanging offerings that have value for customers, clients, partners, and society at large.(American Marketing Association, 2007).

Co-operative marketing means the association of producers for marketing their products and the Co-operation of final consumers in purchasing goods and services for their own use. A consumer's Cooperative is voluntary association of ultimate consumers, organized to fulfill some of their needs for goods and services. Co-operative Marketing association are composed of groups of producers organized for the purpose of marketing the commodities they produce, producers have often felt that they did not receive the full value of their products when they were sold to local buyers whose margins were too large, because either of their inefficiencies or for wants of unorganized work The main object of o-operative marketing society is to secure for their members as much as possible for the products they sell. More specific objectives designed to bring lower marketing cost, better marketing service, Improvement in the quality of the products, Influencing supply and demand in the market, more accurate grading and classification, extension of production credit, purchase of farm supplies. Despite numerous benefits of the cooperative societies, many cooperators

seem not to gain or reap substantially from being membership of various co-operative societies in terms of capital formation, advancement of marketing activities and the improvement of their welfare status. This is associated with unfair pricing regime, distribution inefficiencies and inability to create positive product awareness. The study uncovers the impact of cooperative society in securing fair price for its members' products, analyze the distribution and storage system and to determine the extent to which this has influenced awareness creating of their products inefficiencies, lack of modern storage facilities and poor marketing communication strategies. The major concern bothers on the aforementioned objectives which led us to the research hypotheses tested for this study.

## **CONCEPTUAL FRAMEWORK AND REVIEW OF LITERATURE**

Co-operatives vary in meaning for different purposes and with the profession of the people. However a co-operative is a voluntary association of people, engaging in a democratically controlled business organization, operating at cost which is owned, capitalized and controlled by member patrons as users, sharing risks and benefits in proportion to their participation to achieve a common economic goal. Therefore, a co-operative can be defined as a business which is owned, capitalized and controlled by member patrons as users, sharing risks and benefits proportional to their participation ( Akanni, 1986). According to Nnanna, Englama and Odoko (2004), Co-operatives societies are persons, employees, usually of limited means who voluntarily come together on a basis of equality and equity for the enhancement of members corporate and individual welfare. The International Labour Organization (ILO) has provided what is regarded as an internationally accepted definition of co-operative. It is an established fact that many household in the country today, live below the poverty line, in fact, investigation has shown that the highest percentage of Nigeria's workforce work in the public sector and earn their monthly salary of below one dollar per day (Godwin, 2011). The rural community, whose main occupation is agriculture, produces the food consumed in the country, but which is hardly sufficient to feed the people, because farmers still use crude farming implements to till the land. The federal government, in a bid to fight the menace of poverty therefore, has set up some agencies essentially to provide financial assistance particularly to youths and women involved in small scale businesses. So recently, Cooperative societies, a concept that was given birth from the traditional thrift collection, began to spread like wild fire in virtually every part of Nigeria. Aryeetey (1997), stated that the informal rural financial resources in Africa perform better than the formal

system because they have adapted to the high-risk environment. There is hardly any workplace in Nigeria today particularly government establishments, where a cooperative society is not operational. It's quite effective because transactions of money are carried out in conjunction with employers of labour on behalf of their staff. For example, staff's savings into the co-operatives are deducted at source and repayment of loans is done through deductions from staff salaries as requested by the operators of the societies (Godwin 2011). In the same vein, there are co-operative societies that have been set up by private initiative, i.e. group of people seeking a common economic goal and hoping in the long run to improve their economic status. Furthermore, Olesin (2007), posits that the idea of cooperative society is what everybody saves in a pool and members can take loans to buy household items or do business. These people-oriented cooperative societies have capital base in some cases running into millions of Naira which they use to execute multipurpose projects that are commercially viable for the benefit of members. Due also to the multipurpose nature of these societies, they are engaged in selling of shares, purchase of agro-allied products, estate and in addition to members savings.

### **BASIC PRINCIPLES OF CO-OPERATIVE SOCIETIES**

Cooperatives worldwide generally operate using the same principles as adopted in 1995 by the International Cooperative Alliance. The principles are part of a cooperative statement of identity, which also includes the definition of a cooperative and a list of cooperative values.

**Voluntary and Open Membership:** Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

**Democratic Member Control:** Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary cooperatives, members have equal voting rights (one member, one vote) and cooperatives at other levels are organized in a democratic manner.

**Member Economic Participation:** Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. They usually

receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

**Autonomy and Independence:** Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

**Education, Training and Information:** Cooperatives provide education and training for their members, elected representatives, managers and employees so they can contribute effectively to the development of their cooperatives. They inform the general public particularly young people and opinion leaders — about the nature and benefits of cooperation.

**Cooperation among Cooperatives:** Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

**Concern for Community:** While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.

## **TYPES OF COOPERATIVE SOCIETIES**

Cooperative societies are of various types depending upon their objects and nature of work. Some of the cooperatives have been formed to help consumers and others have been established to help producers. There are some societies which help the farmers in providing credit for the purchase of fertilizers and seeds etc. and some help them in the promotion of trade. Some of the important types of cooperative societies are:.

**Producer's Cooperative Societies:** The producer's cooperatives are established by the small producers. The members of the society produce goods in their houses or at common place. The raw material, tools money etc. is provided to them by the society. The output is collected by the society and sold in the market at the wholesale rate. The profit is

distributed among the member in proportion to the goods supplied by each member.

**Consumer's Cooperative Societies:** Consumer's cooperatives are established to remove middlemen from the field of trade. These societies purchase foods at the wholesale prices and sell these goods to the members at cheaper rates than the market prices. However, the goods are sold to the nonmembers at the market rates. The profit, if any, is distributed among the members in the shape of bonus according to their purchase ratio.

**Marketing Cooperative Societies:** The marketing cooperative societies are formed by the small produces for the promotion of trade. The two main objectives of these societies are, to sell the good at reasonable prices by eliminating middlemen and to make the ready for the product of the member. These types of societies are formed by the small agriculturalist and artisans. These societies collect the products of its members and make its grading and keep them in warehouses and sell them in the market at whole sale rate when the market is ready for these products. The profit is distributed among the member according to the ratio of goods supplied by them.

**Credit Cooperative Societies:** These cooperatives are formed for the financial help of the members. These societies provide loans to the members at low rate of interest. In rural areas these provide loans to the farmers for the purchase of seeds, fertilizers and cattle. In urban areas these societies provide loan to its members for the purchase of raw material and tool.

**Farming Cooperative Societies:** These solicits are formed by the small agriculturalist to get the benefits of large scale forming. These societies provide help to the farmer for the improve method of cultivations by providing large scale forming tools such as tractors, threshers and harvesters etc.

**Housing Cooperative Societies:** These societies are formed for the procurement of land for the construction on houses on homogeneous basis. These societies are formed by those members who are intended to construct their own home. These societies provide loan to the members for the construction of houses. These also purchase construction material in bulk and provide this material to its member at cheaper rates.

**Insurance Cooperative Societies:** These societies make contract with insurance companies for the purchase of different insurance policies for its member at lower premium. This society may take a group insurance policy for its members. The main object of the society is to minimize the risk of its member.

**Transport Cooperative Societies:** These societies are formed to provide the services of transport to its members at lower rates. Welfare bus scheme is an example of this type of society. A pass is handed over to the member for traveling on approved routes.

**Storage Cooperative Societies:** These societies are formed for the provision of storage facilities to its member for perishable and nonperishable goods at lower rates. These societies also provide grading and distribution services to its members.

**Labour Cooperative Societies:** These societies are formed by unskilled labour for selling their services at reasonable wage rate. This type of society makes a contract with different firm for the provision of labour to them.

**Miscellaneous Societies:** Some other important societies, in addition to the major form of societies discussed above are, Processing cooperative societies, Fisheries cooperatives societies, Forestry and poultry forming etc.

## **MARKETING**

Marketing, being a relatively new discipline has enjoyed and still enjoying so much varied and lively debate, particularly about its meaning. It is one the major organic functions in any organization, which is continually growing and developing, with academics, marketing educationist professionals and practitioners are on regular basis introducing new techniques, mechanisms focus and approaches at a rate too unthinkable and unimaginable for other professions. Kotler, (2003) defined marketing as a human activity directed at satisfying needs and want through exchange processes. He further asserts that it is the process by which companies create value for customer and build strong customer relationship in order to capture value from customers. In the view of Keller, (1998) marketing is a social process by which individuals and groups obtain what they need and what through creating offering, and freely exchange products and services of value to other.

The UK Chartered Institute of Marketing, the largest marketing body in Europe has given a definition which has become generally accepted in Europe. It defines marketing as the management process which is responsible for identifying, anticipating and satisfying customer's requirements efficiently and effectively at profits.

## BASIC CONCEPTS IN MARKETING

The production concept: The industrial revolution of 1800 signaled the commencement of the production concept which is the concept in marketing. Before then, almost everything was handmade and made to measure. This implied that goods were relatively expensive and relatively few. The production concept believes that consumers will buy products that are available and highly affordable therefore, emphasis was then on production and distribution efficiency through improvement in manufacturing process, so as to reduce costs and increases efficiency. Thus the concept holds that consumers will favor products that are available and affordable. Profit is then generated through large volume of sales.

### Selling Concept

Further industrialization brought an unprecedented increase in output and competition, unlike what happened earlier in which producers produced on the other of consumers: they now produce in anticipation of orders. The increased volume of production could no longer be taken up by the immediate population and therefore the need to create demand became obvious. Therefore, the need for organization to undertake a large scale selling and promotion became inevitable. The large scale selling and promotion efforts include:

- Employment of salesmen
- Advertisement and
- Aggressive selling

This were done to enable the producers obtain order not only from their immediate environment but also from distant communities.

### Marketing Concept

The marketing concept can be seen as the managerial orientation or philosophy that recognizes that successful marketing is a function of careful and pains - taken identification of ever - changing consumers needs, it holds that the only way for organization to achieve their goals depend on the determination of needs, wants, and desires of the target market sand delivering the desired satisfactions more effectively and efficiently than the competing firms. Therefore, the satisfaction of the consumer is the focal

point. The consumer satisfaction is the extent to which a product perceived performance matches buyers expectations. So, the product performance fall short of buyers expectations, he or she is dissatisfied. On the other hand, if performance matches or exceed expectation; the buyer is delighted and satisfied. Kotler (2003). However, relationship marketing has replaced the earlier concepts or philosophies. This advocates greater bonding between the customers and the business owners.

## **MARKETING MIX ELEMENT**

Marketing mix refers to the apportionment of effort, the combination, the designing and the integration of the elements of marketing into a program or mix which on the basis of an appraisal of the marketing forces will best achieve the objective of an enterprise at a given time. These are omnibus generalization, but Kotler (2003) says marketing mix is the set of controllable variables that the firm can use to influence the buyers responses. However, variable and element in the definition refer to components. Therefore, when we talk of marketing mix, we are referring to all the components of marketing. Four classifications were done by MC Knight, (2002), which he called marketing 4P's in order to achieve this, differential mix become imperative. However, it is increasingly recognized, particularly in the service industry that this 4P's are too limited in providing the basis for thinking about marketing as well planning marketing strategy. This is the basic for considering the idea of an expanded mix, with the following additional element.

- i. People
- ii. Physical Evidence and
- iii. Process Management.

These components are all the management activities earlier mentioned in the definition of marketing. These activities are grouped into 7 distinct and inter-related areas namely:

- i. Product
- ii. Promotion
- iii. Place/ Distribution
- iv. Pricing
- v. Physical Evidence
- vi. Process, and
- vii. People.

## CO-OPERATIVE MARKETING

This means the association of producers for marketing their products and the Co-operation of final consumers in purchasing goods and services for their own use. A consumer's Cooperative is voluntary association of ultimate consumers, organized to fulfill some of their needs for goods and services. In the view of DiBona (2009), when a manufacturer supports the efforts of a retailer, but can also be used by multiple businesses looking to pool their resources to defray costs for marketing activities is termed cooperative marketing.

### Objectives of Co-operative Marketing

The main object of Co-operative Marketing society is to secure for their members as much as possible for the products they sell. More specific objectives designed to bring about this result include the following:

- (a) Lower marketing cost.
- (b) Better marketing service.
- (c) Improvement in the quality of the products.
- (d) Influencing supply and demand in the market.
- (e) More accurate grading and classification.
- (f) Extension of production credit.
- (g) Purchase of farm supplies.
- (h) Finally, education in both production and marketing methods which will lead to more specific operation.

## THEORETICAL FRAMEWORK

The only known and recognized theory, which backed the activities of the co-operative, is the "theory of Democracy" but this theory of democracy focused majorly on - classical theory

### Theory of Democracy

The principal objective of this theory is to make co-operative an easy and profitable organization in which their aims and objectives are achieved. The theory provides at least some of the materials required to enable us to make a realistic assessment of decision-making in retail co-operatives. An appraisals, however requires more than facts. If we desire to make some judgment about how democratic co-operatives really are, we need first of all a clear conception of the meaning of the term "Democracy". Although there is no agreed definition of democracy, even though a cursory study of the uses of the term by modern writers and politicians shows that there is no agreed meaning.

Some equate it with the rule of the majority, others emphasize the importance of protecting the rights of the minority. Some regard it as a system, which maintains certain valued institutions, such as freedom of speech and association, while others said a way, which totalitarian democracy. Co-operative democracy could be viewed as the democratically controlled in the co-operative set-up, that is, democracy within co-operatives. The concrete elements in a co-operative democracy may of course, be different from those in a state democracy. For example, in a co-operative, the members take the place of the citizens and the Board of Directors take the place of the Government of the state. But these substitutions do not involve a change in the meaning of democracy. And any conclusions, which hold good democracy within the states, will apply equally well to democracy within co-operative societies.

### **The Classical Theory and Democracy**

The classical theory was developed in the eighteenth centuries. In essence, it holds that democracy is a method of government, which realizes the common good by a system in which the people themselves decide political issues, the decision taken can be said to express the will of the people. So stated, the presumption is that all the people participate in decision making, the system is one of direct democracy. The physical and practical impossibility of everyone taking part in every decision in all save relatively small groups; is recognized and leads to the introduction of the notion of representation and thus of indirect or representative democracy. In this attenuated form, the people's will is not expressed, directly by themselves but indirectly through representatives who are elected by people and who meet periodically in assembly to carry out the will of the people. Representation on this view is an important device to enable democracy to be applied in large scale groups and small groups like co-operatives and trade union but it is nothing more than this: it changes the form but not the substance of democracy. Provided that the representatives do not attempt to substitute their wills for the people's will and regular periodical elections help to ensure this. Thus, democracy of co-operative is thus seen as an institutional arrangement for arriving at co-operative decisions realize the common goals by making the people itself decide issues through the election of representatives who assemble in order to carry out its will.

### **MATERIALS AND METHODS**

Based on this study, the population of this study comprises all members of onward corporative society in Ogun State. The sampling method used is non-probability (judgmental) it is based on the researcher belief that a

particular sample will provide the information needed for the study. Hence 120 selected members form the sample size. The data was collected by means of well-developed structured questionnaire. The descriptive technique was used to present demographical data. Data were double entered for verification to minimize human data entry error, while Multinomial Logistic Regression was used for other analysis and test of the hypothesis. Errors, inconsistencies and missing data were verified with the original questionnaire. 120 Questionnaires were administered of which 80 were retrieved.

## **STUDY AREA**

This study targeted members of cooperative societies in rural Nigeria, focusing on Ogun State, in the south-western region of Nigeria. Created in 1976, it borders Lagos State to the south, Oyo and Osun states to the north, Ondo to the east and the Republic of Benin to the west. Abeokuta is the capital and largest city in the state. The state's nickname is "Gateway to Nigeria". It was created in February 1976 from the former Western State. The 2006 census recorded a total population of 3,751,140 residents. The primary occupation of the people is Agriculture and 80 percent of the total land area is arable. The state has evergreen forest vegetation and the soil is mostly suitable for the cultivation of cash crops such as oil palm, cocoa, rubber, cotton. Cassava, pineapple, cocoyam, citrus, banana, plantain etc are other food crops produced in the state. The state has 21 Local Government Areas (LGAs)

## **DESCRIPTIVE STATISTICS**

From then responses obtained it was observed that 28 representing 36.4% of the respondent are within the age bracket below 30years old, 40 representing 51.9% of the respondent are within the age bracket 30-45 years old, 9 representing 11.7% of the respondent are within the age bracket 45years above, majority of the respondents are within the age bracket 30-45 years old, 27 representing 35.0% of the respondents have primary school education, 26 representing 33.8% of the respondents have secondary school education, 24 representing 31.2% of the respondents have tertiary education. The analysis shows that majority of the respondents have primary education, 27 representing 35.1% of the respondent are Christians, 37 representing 48.1% of the respondent are Muslims and 13 representing 16.9% of the respondents are traditional believers, the analysis also reveals that majority of the respondents are Muslim.

**MULTINOMIAL ONE:** For the items on the impact of cooperative society in securing fair price for its member's products, the responses are as follows strongly agree, agree, undecided ,strongly disagree and disagree having the responses 41.5%, 32.5%,19.1% 2.9% and 4.% respectively.

**Table 1 Model Fitting Information**

Model	Model Fitting Criteria	Likelihood Ratio Tests		
		Chi-Square	Df	Sig.
Intercept Only	179.565			
Final	150.573	28.992	24	.020

**Source:** SPSS output May 2017

**Table 2 Goodness-of-Fit**

	Chi-Square	Df	Sig.
Pearson	111.902	96	.028
Deviance	108.127	96	.087

**Source:** SPSS output May 2017

**Table 3 Pseudo R-Square**

Cox and Snell	.561
Nagelkerke	.582
McFadden	.317

**Source:** SPSS output May 2017

**Table 4 Likelihood Ratio Tests**

Effect	Model Fitting Criteria	Likelihood Ratio Tests			
		-2 Log Likelihood of Reduced Model	Chi-Square	Df	Sig.
Intercept	150.573 <sup>a</sup>	.000	0	.	
Item price. D1	150.949	.376	3	.045	
Item price.D 2	157.771	7.198	6	.003	
Item price. D3	155.952	5.379	6	.496	
Item price. D 4	168.398	17.825	9	.037	

**Source:** SPSS output May 2017

In table 1 above we have final row presenting an information that the full model statistically predicts the dependent variable (items on fair price) with  $0.020 < 0.050$ , the table 2 gives the Pearson chi square showing significance on the significant row which indicates that the model is a befitting one for the data with  $0.028 < 0.05$  (p-value) but looking at the table 4 (likelihood ratio estimate) it shows that just three variables out of the response are synonymous to the items on fair price having 0.045, 0.003 and  $0.037 < \text{p-value}(0.05)$ , with Item priceD1, Item priceD2 and

Item price. D4 that was added statistically significantly improve the model compared to just the intercept while the other variables D3 is not significant with  $p(0.496) > 0.05$ , which means the variable are not existing well in the model. While the Table 3 pseudo R-Square tells us that 56% by Cox and Snell, 58% by nagelkerke and 32% variation in fair price are caused by the active role of the corporative society.

**H<sub>0</sub>:** Co-operative societies do not assist in securing fair price for its member's products

**H<sub>1</sub>:** Co-operative societies assist in securing fair price for its member's products

From the goodness of fit table 2, we have of the chi-square value less to the standard significant level at Pearson 0.028 is less than 0.05 with this result therefore we reject the null hypothesis and accept the alternative hypothesis.

**MULTINOMIAL TWO:** For the items on the role of co-operative Society in enhancing the distribution/storage system of it's members products, the responses are as follows strongly agree, agree, undecided ,strongly disagree and disagree having the responses 17%, 41.5%,19.1% 16.0% and 6.4% respectively.

**Table 5 Model Fitting Information**

Model	Model Fitting Criteria	Likelihood Ratio Tests		
		Chi-Square	Df	Sig.
Intercept Only	149.765			
Final	123.129	26.637	32	.015

Source: SPSS output May 2017

**Table 6 Goodness-of-Fit**

	Chi-Square	Df	Sig.
Pearson	108.745	128	.009
Deviance	74.830	128	.062

Source :SPSS output May 2017

**Table 7 Pseudo R-Square**

Cox and Snell	.742
Nagelkerke	.668
McFadden	.218

Source: SPSS output May 2017

**Table 8 Likelihood Ratio Test**

Effect	Model Fitting Criteria	Likelihood Ratio Tests		
		Chi-Square	Df	Sig.
-2 Log Likelihood of Reduced Model				
Intercept	123.129 <sup>a</sup>	.000	0	.
It.distribution 1	124.649	1.521	4	.023
It.distribution 2	132.047	8.918	8	.049
It.distribution 3	129.750	6.621	8	.008

Source: SPSS output May 2017

In table 5 above we have final row presenting an information that the full model statistically predicts the dependent variable (distribution) with  $0.015 < 0.050$ , the table 6 gives the Pearson chi square showing significance on the significant row which indicates that the model is a befitting one for the data with  $0.009 < 0.05$  (p-value) but looking at the table 8 (likelihood ratio estimate) it shows the three questions asked on items on distribution are significant having  $0.023, 0.049$  and  $0.008 < p$  that was added statistically significantly improve the model compared to just the intercept, which means all the question administered pertaining to items on corporative role on distribution are significant. While the Table 7 pseudo R-Square tells us that 74% by cox and snell, 67% by nagelkerke and 22% variation in the dependent variable are caused by the role of the corporative society.

**H<sub>0</sub>:** Co-operative societies do not enhance the distribution/storage system of it's members products

**H<sub>1</sub>:** Co-operative societies enhances the distribution/storage system of it's members products

From the goodness of fit table 6 we have both of the chi-square value less to the standard significant level at Pearson  $0.009 < 0.05$  with this result therefore we reject the null hypothesis and accept the statement that Co-operative societies enhances the distribution/storage system of it's members products

**MULTINOMIAL THREE:** For the items on the role of corporative societies in assisting its members in creating awareness for their product, the response are as follows strongly agree, agree, undecided ,strongly disagree and disagree having the responses 42%, 19.1%,16.5% 16.0% and 6.4% respectively

**Table 9 Model Fitting Information**

Model	Model Fitting Criteria	Likelihood Ratio Tests		
		Chi-Square	Df	Sig.
Intercept Only	188.965			
Final	150.426	38.539	32	.008

Source: SPSS output May 2017

**Table 10 Goodness of fit**

	Chi-Square	Df	Sig.
Pearson	98.371	128	.006
Deviance	99.191	128	.012

**Table 11 Pseudo R-Square**

Cox and Snell	.831
Nagelkerke	.852
McFadden	.544

Source: SPSS output May 2017

**Table 12 Likelihood Ratio Tests**

Effect	Model Fitting Criteria	Likelihood Ratio Tests			
		-2 Log Likelihood of Reduced Model	Chi-Square	Df	Sig.
Intercept	150.426 <sup>a</sup>	.000	0	.	
It. AW 1	153.888 <sup>b</sup>	3.462	4	.026	
It. AW 2	162.344 <sup>b</sup>	11.918	8	.005	
It. AW 3	165.629	15.203	8	.015	
It. AW 4	161.706	11.280	12	.505	

Source: SPSS output May 2017

In table above 9 we have final row presenting an information that the full model statistically predicts the dependent variable (items on awareness) with  $0.008 < 0.050$ , the table 10 gives the Pearson chi square showing significance on the significant row which indicates that the model is a befitting one for the data with  $0.006 < 0.05$  (p-value) but looking at the table 12 (likelihood ratio estimate) it shows that just three question out of

the four questions asked on the role of co-operative societies in assisting its members in creating awareness for their products. three are significant having  $0.026, 0.0050$  and  $0.015 < p$  i.e AW1, AW2 and AW3 are added statistically significantly improve the model compared to just the intercept while the other variables AW4 is not significant with  $p(0.505) > 0.05$ , which means the fourth question administered on awareness is not significant. While the Table 11 pseudo R-Square tells us that 83% by cox and snell, 85% by nagelkerke and 54% variation in the dependent variable are caused by the independent variable.

**H<sub>0</sub>:** Co-operative societies corporative do not assist its members in creating awareness for their product

**H<sub>1</sub>:** Co-operative societies corporative assists its members in creating awareness for their product

From the goodness of fit table we have both of the chi-square value less to the standard significant level at Pearson 0.006 less than 0.05 with this result therefore we reject the null hypothesis and accept the statement that Co-operative societies corporative assists its members in creating awareness for their product.

### **FINDINGS, CONCLUSION AND RECOMMENDATION**

The study revealed that the corporative societies has a very great impact in the advancement of the marketing activities of its members in terms of securing better price , assist in the distribution process of members who lack the necessary facilities such as the transportation and storage facilities, facilitate in promoting or creating awareness of members products and also giving up-to-date information of the market to its members, it also revealed that many members of the corporative societies lack the above which make the corporative societies a sine quo none to members. In a larger spectrum, co-operative societies could as well serve as an improvement mechanism to local marketing system. It might be organized to pursue one or a combination of the economic objectives, viz: provide services at a lower cost, offer an alternative market outlet to offset monopoly in the local market, provide new or improved marketing services and channel technical information, new practices and new inputs to producers and better co-ordinate production and marketing. The environment for formation of cooperative is more favorable if marketing margins are high due to collusive behavior within the private trade or if there is great inefficiency in the private trade for other reasons. The followings are the recommendations of the study:

Firstly, cooperative societies should take some pragmatic programs to increase Members' marketing efficiency. This can be done by introducing Cooperative marketing workshops for the members. This system can enable them to take joint efforts of marketing their products. If this initiative is taken by the Department of Cooperative then the role of middlemen will be reduced gradually and thus member's economic welfare will increase.

Secondly, cooperative societies should continue to increase and provide necessary marketing support as was revealed that most members see corporative societies as their partner in progress so as to increase their productivities and enhance the quality of output.

Thirdly, cooperative societies should provide more storage facilities to members who do not have access to storage facilities which will ease their marketing efforts for their products.

Fourthly, formation of more corporative societies should be encouraged as it is an avenue where members can access fund for the advancement of their marketing activities.

Finally, education in both production and marketing methods should be encouraged to minimize operation waste so as to maximize operational and marketing efforts.

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