

## EXAMINING THE PERFORMANCE OF CO-OP SHOPS POST PANDEMIC (COVID-19)

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### ABSTRACT

Due to the sudden and unexpected rise of Covid pandemic every person across the globe faced an unforgettable and unmanageable crisis. This affected their financial condition and their growth as well. Though it was the situation, Co-Op shops performed really well with positive growth which helped farmers to make their produce available to the needy consumers. The concept of Co-Op shops reduced the steps related with supply chain and distribution by supplying fresh farm produce to the end users. The Co-Op shop changed the frameworks as well as methodology for channels of distribution. This concept helped farmers for cropping patterns and post harvesting as well. This helped for better management along with continuous fresh farm commodities to the end user.

**Keywords:** Co-operative Shops, Demand- Supply, Supply chain, Covid 19 impact

### Introduction

The pandemic situation of Covid-19 affected entire industries including MSME, which resulted in unemployment, leading to financial instability. The Co-Op shops helped both farmers and consumers being a middleman for providing fresh farm produce to end users. Co-Op shops provide fresh vegetables, fruits and all required farm produce directly from farm to consumers. These Co-Op shops are with housing societies in urban areas where demand for fresh farm produce is more and during the Covid-19 pandemic it was the biggest challenge to provide these goods on a timely basis. Under this concept the residents of housing societies got fresh goods at affordable prices by minimizing steps related to channels of distribution.

### Review Of Literature

Harold (1987) said that the dairy cooperatives appear to be slowly transforming the nature of dairy production in the project. Friday (2021) covers the operations, formations, accounting system, annual reporting format and how to determine the dividend-sharing formula for every cooperative society. Cote (2019) narrates the theoretical level; our work has allowed us to develop three key ideas on which is based our conception of the management of cooperatives. A cooperative equilibrium model that aligns values and cooperative principles leading to a proper management framework better adapted for cooperatives. Mattas, Baourakis & Zopounidis (2018) find on collective management processes and cooperative initiatives within various sectors, offers crucial insights into the building of powerful tools for decision making in cooperative management systems. Dijk, Sergaki & Baourakis (2019) analyze the core elements of cooperative management. Fairbairn, (2001) Zopounidis, Kalogeras, Mattas, Dijk & Baourakis (2014) Presents new modelling tools for the analysis of agricultural and environmental policy, explains recent trends in agricultural cooperative systems and offers a powerful environment for decision making. it contends that re-centring movement agencies can better explain co-operative fortunes. For, it is argued, new co-operatives do not grow in a vacuum; they emerge from within a field of already existing co-operatives and assorted social movement ties. They are not merely socially embedded forms of economic action; they are democratically structured and member-controlled forms of economic action that emerge from within historically specific ensembles of social relations. Davis (1999) A conclusion is drawn that "organisations operating on the basis of community and mutuality are best placed to define customer quality standards as they can situate the whole person in their community... This provides a potential for identification of additional added value for the consumer and hence a competitive advantage for the cooperative. Issac & Williams (2017) says that building Alternatives provides an honest appraisal of a heroic venture of a cooperative enterprise, demonstrating that cooperatives are not only able to survive in a small niche, but are able to grow into substantial institutions within the social life of a region. The book does not gloss over the problems that come with this history, providing a rich empirical account that helps us learn from the challenges and successes. The story of ULCCS is not merely an inspiration to the world, but a guidebook to the resilience of cooperatives as alternatives within capitalism. Indian Cooperative Movement, A Statistical Profile-2018 report explains that, within a short span of time, the role of cooperatives extended beyond agricultural

credit. Rural cooperative societies are now entering into real estate, power, insurance, health-care and tourism sectors. Cooperatives have tremendous opportunities in solving the problem of unemployment, by training the rural population through cooperatives can be a big leap forward. Co-operative movement in our country shall not only stay, but also grow in times to come. 20th Annual Report FY. 2019-2020

National Cooperative Development Corporation (NCDC), a Statutory Corporation under the Ministry of Agriculture and Farmers Welfare was established on 14.03.1963 under an Act of Parliament (NCDC Act of 1962) for economic development through cooperative societies. The major objective of the Corporation is to promote, strengthen and develop the farmers' cooperatives for increasing production and productivity and instituting post-harvest facilities. The Corporation's focus is on programmes of agricultural marketing and inputs, processing, storage, cold chain, and marketing of agriculture produce and supply seeds, fertilizer and other agricultural inputs etc. In the nonfarm sector, the Corporation's endeavour is to equip cooperatives with facilities to promote income generating activities, with special focus on weaker sections such as dairy, livestock, handlooms, sericulture, poultry, fishery, scheduled caste & scheduled tribes, women cooperatives etc. Na National Cooperative Development Corporation (NCDC), a Statutory Corporation under the Ministry of Agriculture and Farmers Welfare was established on 14.03.1963 under an Act of Parliament (NCDC Act of 1962) for economic development through cooperative societies. The major objective of the Corporation is to promote, strengthen and develop the farmers' cooperatives for increasing production and productivity and instituting post-harvest facilities. The Corporation's focus is on programmes of agricultural marketing and inputs, processing, storage, cold chain and marketing of agriculture produce and supply seeds, fertilizer and other agricultural inputs etc. In the nonfarm sector, the Corporation's endeavour is to equip cooperatives with facilities to promote income generating activities, with special focus on weaker sections such as dairy, livestock, handlooms, sericulture, poultry, fishery, scheduled caste & scheduled tribes, women cooperatives etc. national Cooperative Development Corporation (NCDC), a Statutory Corporation under the Ministry of Agriculture and Farmers Welfare was established on 14.03.1963 under an Act of Parliament (NCDC Act of 1962) for economic development through cooperative societies. The major objective of the Corporation is to promote, strengthen and develop the farmers' cooperatives for increasing production and productivity and instituting post-harvest facilities. The Corporation's focus is on programmes of agricultural marketing and inputs, processing, storage, cold chain and marketing of agriculture produce and supply seeds, fertilizer and other agricultural inputs etc. In the nonfarm sector, the Corporation's endeavour is to equip cooperatives with facilities to promote income generating activities, with special focus on weaker sections such as dairy, livestock, handlooms, sericulture, poultry, fishery, scheduled caste & scheduled tribes, women cooperatives etc.

### Objectives

1. To understand the Co-Op shop and its sustainability post Covid-19.
2. To analyse the consumers' feedback on Co-Op shops.

### Hypothesis

- H1. Co-Op shops are sustainable over other shops.
- H2. Co-Op shops hold the success for creation of a consumer base.

### Research Methodology

Post pandemic Co-Op shops made excellent growth and stood up in the market as an emerging platform for farmers as well for consumers. Co-Op shops provide fresh farm produce with good quality commodities. The functionality of these Co-Op shops is based on some of the constraints like; time, price, sources and quality. The above mentioned constraints are considered and a set of relevant questionnaires was framed to understand the success of Co-Op shops. To understand the effectiveness, a well designed questionnaire with Likert scale was circulated among seventy respondents from Co-Op housing societies. The quantitative research approach along with descriptive research design was used for convenience and purposive sampling method. The data was collected with the help of a questionnaire to understand the opinion of respondents. The questionnaire ranged perceptions like time, price, convenience, supply and level of service.

### Data Analysis

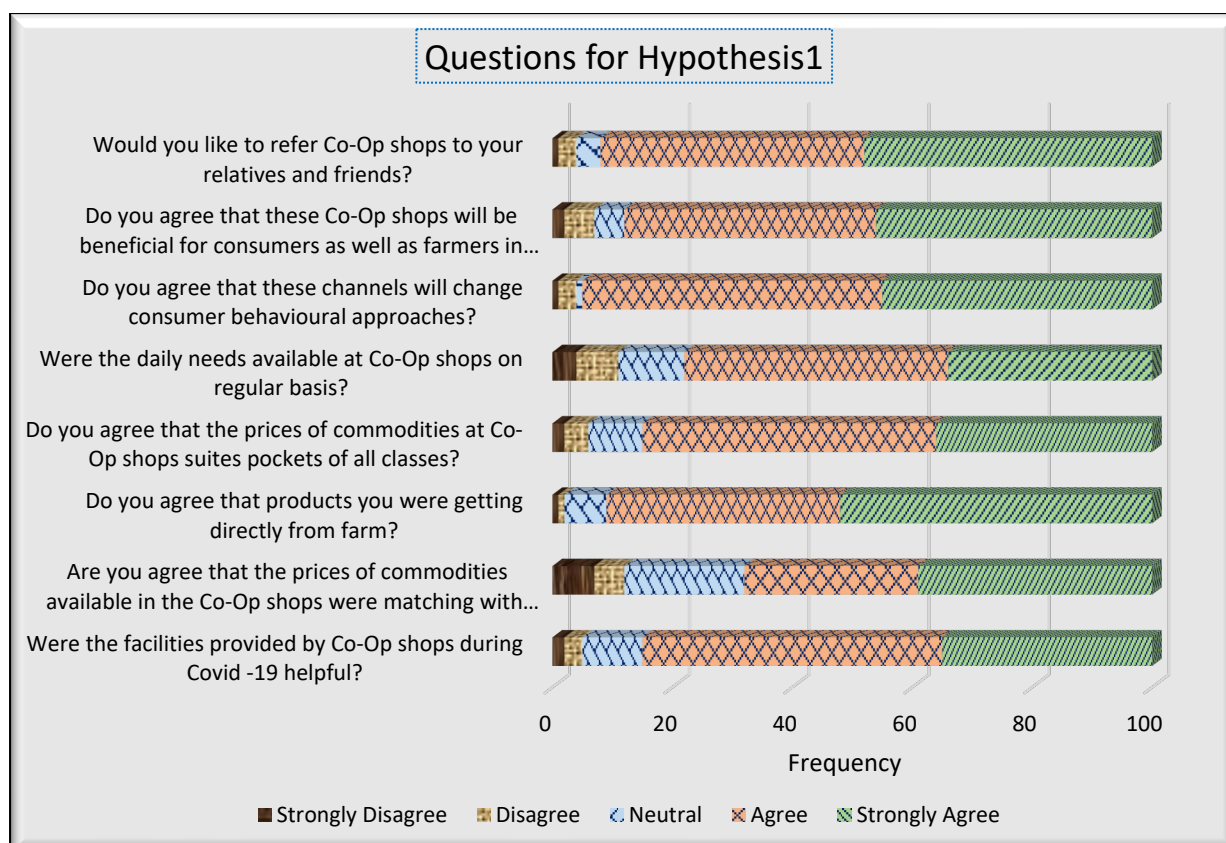
#### Frequency Distribution

The frequency distribution of respondents according to Questions for Hypothesis1 along with it's bar graph is as given below.

Questions for Hypothesis1	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
Were the facilities provided by Co-Op	2	3	10	50	35	100

shops during Covid -19 helpful?						
%	2.0	3.0	10.0	50.0	35.0	100.0
Are you agree that the prices of commodities available in the Co-Op shops were matching with your budget?	7	5	20	29	39	100
%	7.0	5.0	20.0	29.0	39.0	100.0
Do you agree that products you were getting directly from farm?	1	1	7	39	52	100
%	1.0	1.0	7.0	39.0	52.0	100.0
Do you agree that the prices of commodities at Co-Op shops suites pockets of all classes?	2	4	9	49	36	100
%	2.0	4.0	9.0	49.0	36.0	100.0
Were the daily needs available at Co-Op shops on regular basis?	4	7	11	44	34	100
%	4.0	7.0	11.0	44.0	34.0	100.0
Do you agree that these channels will change consumer behavioural approaches?	1	3	1	50	45	100
%	1.0	3.0	1.0	50.0	45.0	100.0
Do you agree that these Co-Op shops will be beneficial for consumers as well as farmers in upcoming future?	2	5	5	42	46	100
%	2.0	5.0	5.0	42.0	46.0	100.0
Would you like to refer Co-Op shops to your relatives and friends?	1	3	4	44	48	100
%	1.0	3.0	4.0	44.0	48.0	100.0

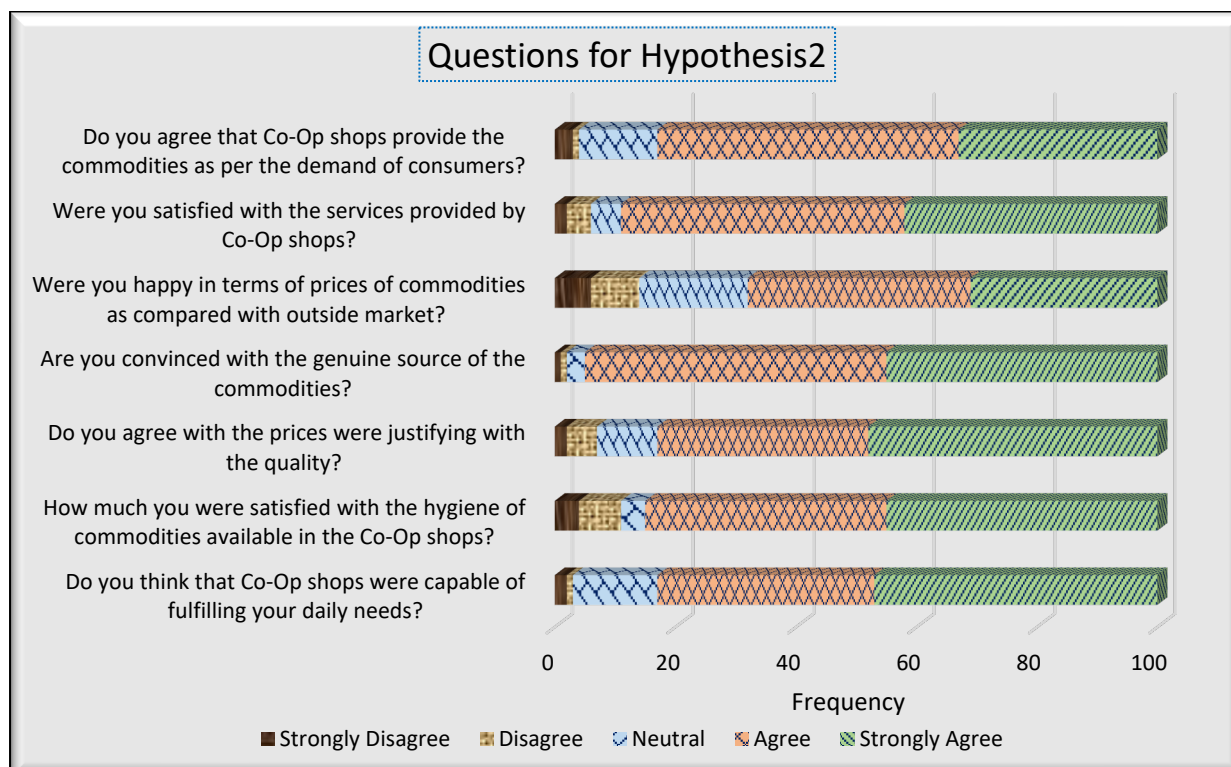
Table1: Questions for Hypothesis1



The frequency distribution of respondents according to Questions for Hypothesis2 along with its bar graph is as given below.

Questions for Hypothesis2	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
Do you think that Co-Op shops were capable of fulfilling your daily needs?	2	1	14	36	47	100
%	2.0	1.0	14.0	36.0	47.0	100.0
How much were you with the hygiene of commodities available in the Co-Op shops?	4	7	4	40	45	100
%	4.0	7.0	4.0	40.0	45.0	100.0
Do you agree that the prices were justifying with the quality?	2	5	10	35	48	100
%	2.0	5.0	10.0	35.0	48.0	100.0
Are you convinced with the genuine source of the commodities?	1	1	3	50	45	100
%	1.0	1.0	3.0	50.0	45.0	100.0
Were you happy in terms of prices of commodities as compared with outside market?	6	8	18	37	31	100
%	6.0	8.0	18.0	37.0	31.0	100.0
Were you satisfied with the services provided by Co-Op shops?	2	4	5	47	42	100
%	2.0	4.0	5.0	47.0	42.0	100.0
Do you agree that Co-Op shops provide the commodities as per the demand of consumers?	3	1	13	50	33	100
%	3.0	1.0	13.0	50.0	33.0	100.0

Table2: Questions for Hypothesis2



### Hypotheses

The parameter of interest in all the hypotheses is the proportion of respondents favoring the hypothesis & using such a sample proportion it would be decided whether the proportion is adequate or not, that is whether it is significantly greater than 50% or not. Hence significant results would imply that the population proportion under consideration is adequate that is greater than 50%. Since the parameter of interest is proportion; to test the hypothesis, the test used is z test for proportions. Here the hypothetical value of proportion is taken as 50%.

#### Hypothesis1: Co-Op shops are sustainable over other shops.

To test the hypotheses,

The null hypothesis,  $H_0$ :

Co-Op shops are not sustainable over other shops.

Vs.

The alternative hypothesis,  $H_a$ :

Co-Op shops are sustainable over other shops.

The test used is the z test for proportions.

Test statistics:

$$Z = \frac{\hat{p} - p_0}{\sqrt{\frac{p_0(1-p_0)}{n}}}$$

Here  $\hat{p}$  = sample proportion,  $p_0$  = hypothetical value = 50% = 0.50, n = sample size = 100

Calculation table:

Sr. No.	Questions	Frequency (Agree + Strongly Agree)	Proportion	Z Statistics	P value	Significance
1	Were the facilities provided by Co-Op shops during Covid -19 helpful?	85	0.85	7.00	0.0000	Significant
2	Are you agree that the prices of commodities available in the Co-Op shops were matching with your budget?	68	0.68	3.60	0.0002	Significant
3	Do you agree that products you were getting directly from farm?	91	0.91	8.20	0.0000	Significant
4	Do you agree that the prices of commodities at Co-Op shops suites pockets of all classes?	85	0.85	7.00	0.0000	Significant
5	Were the daily needs available at Co-Op shops on regular basis?	78	0.78	5.60	0.0000	Significant
6	Do you agree that these channels will change consumer behavioural approaches?	95	0.95	9.00	0.0000	Significant
7	Do you agree that these Co-Op shops will be beneficial for consumers as well as farmers in the upcoming future?	88	0.88	7.60	0.0000	Significant
8	Would you like to refer Co-Op shops to your relatives and friends?	92	0.92	8.40	0.0000	Significant

Table 3 calculation table

If p value < 0.05, the level of significance; the alternative hypothesis is accepted.

Since p value is less than 0.05 for 8 questions out of 8 questions; the alternative hypothesis can be accepted for all questions.



**Conclusion:**

For all the questions an alternative hypothesis is being accepted.

**Hence Co-Op shops are sustainable over other shops.**

**Hypothesis1 is accepted.**

**Hypothesis2: Co-Op shops hold the success for creation of a consumer base.**

To test the hypotheses,

The null hypothesis,  $H_0$ :

Co-Op shops don't hold the success for the creation of a consumer base.

Vs.

The alternative hypothesis,  $H_a$ :

Co-Op shops hold the success for the creation of a consumer base.

The test used is the z test for proportions.

Test statistics:

$$Z = \frac{\hat{p} - p_0}{\sqrt{\frac{p_0(1-p_0)}{n}}}$$

Here  $\hat{p}$  = sample proportion,  $p_0$  = hypothetical value = 50% = 0.50, n = sample size = 100

Calculation table:

Sr. No.	Questions	Frequency (Agree + Strongly Agree)	Proportion	Z Statistics	P value	Significance
1	Do you think that Co-Op shops were capable of fulfilling your daily needs?	83	0.83	6.60	0.0000	Significant
2	How much you were satisfied with the hygiene of commodities available in the Co-Op shops?	85	0.85	7.00	0.0000	Significant
3	Do you agree with the prices were justifying with the quality?	83	0.83	6.60	0.0000	Significant
4	Are you convinced with the genuine source of the commodities?	95	0.95	9.00	0.0000	Significant
5	Were you happy in terms of prices of commodities as compared with outside market?	68	0.68	3.60	0.0002	Significant
6	Were you satisfied with the services provided by Co-Op shops?	89	0.89	7.80	0.0000	Significant
7	Do you agree that Co-Op shops provide the commodities as per the demand of consumers?	83	0.83	6.60	0.0000	Significant

Table NO. 4 calculation table

If p value < 0.05, the level of significance; the alternative hypothesis is accepted.

Since p value is less than 0.05 for 7 questions out of 7 questions; the alternative hypothesis can be accepted for all questions.

Conclusion:

For all the questions an alternative hypothesis is being accepted.

**Hence Co-Op shops hold the success for the creation of a consumer base.**

**Hypothesis is accepted.**

### Findings

- i. Co-Op shops are giving additional market to the farmers as they are getting more opportunities to sell their products without any middlemen.
- ii. Consumers are getting options along with traditional market to get fresh goods directly to their societies.
- iii. The concept of these Co-Op shops are sustainable in upcoming period of time as this The concept is new to consumers as they are preferring the same as well.
- iv. Due to these channels farmers are getting an opportunity to decide their cropping patterns and saving their efforts.
- v. It helps to reduce post harvest losses of farm produces i.e. losses during handling multiple times during supply chain management which helps to save costs incurred for cold storage.

### Conclusion

From the above discussion it can be concluded that consumers are using these Co-Op shops as it meets their expectations in terms of prices, fresh availability and genuine source of fresh commodities. Farmers are getting additional markets in addition to traditional markets where they can sell their goods directly to the end user. Co-Op shops assist farmers to decide their cropping patterns which helps consumers to get fresh farm produce and which leads to avoidance of post-harvest losses, which helps to develop ecosystems for farmers as well as consumers. Considering these aspects Co-Op shops are having a good future in the upcoming period.

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