

**A COMPARISON OF THE RETAIL SERVICES RENDERED BY
PRIVATE RETAIL STORES AS AGAINST CONSUMER COOPERATIVE STORES
WITH REFERENCE TO HOMEMAKER'S GROCERY PURCHASES**

Reg. No. H

By
PREMA, D.K.

**A Thesis submitted to the University of Madras,
in partial fulfilment of the requirements for the
Degree of Master of Science,
March, 1964**

**A COMPARISON OF THE RETAIL SERVICES RENDERED BY
PRIVATE RETAIL STORES AS AGAINST CONSUMER COOPERATIVE STORES
WITH REFERENCE TO HOMEMAKER'S GROCERY PURCHASES**

**By
PREMA, D.K.**

**A Thesis submitted to the University of Madras,
in partial fulfilment of the requirements for the
Degree of Master of Science,
March, 1964**

ACKNOWLEDGEMENT

The author expresses her grateful thanks to Dr.(Mrs.) Rajammal P, Devadas, M.A., M.Sc., Ph.D (Ohio State), Principal, Sri Avinashilingam Home Science College, for her valuable suggestions given throughout the study. Sincere thanks are due to Miss.S. Bhatji, M.A., Professor in Economics, Sri Avinashilingam Home Science College, for her guidance and help. Thanks are due to Miss.R.Shanti, M.Sc., Lecturer in Mathematics, Sri Avinashilingam Home Science College, for her help in statistical analysis of the data. Thanks are also due to the retail store managers and homemakers in Coimbatore and Bangalore who gave their kind cooperation to the study conducted.

TABLE OF CONTENTS

	Page
LIST OF TABLES	i
LIST OF FIGURES	ii
LIST OF APPENDICES	iii
I. INTRODUCTION	1
II. REVIEW OF LITERATURE	5
A. Management of resources.	5
B. Homemaker's role as a purchaser	14
C. Problems faced by the Homemaker while purchasing.	22
D. The Retail Market.	27
E. The essence of cooperation with special reference to consumer cooperatives	34
F. A brief history of consumer cooperatives in (i) India (ii) Abroad.	38
G. Scope of consumer cooperative movement in India.	47
III. PROCEDURE	57
A. Selection of the methods for the study	57
B. Selection of the retail stores in Coimbatore and Bangalore.	58
C. Selection of the samples of homemakers in Coimbatore and Bangalore.	60
D. Preparation of the interview schedule for the homemakers.	61
E. Conducting the interviews and collecting the data.	62
F. Preparation of the questionnaire for the retail store managers.	62

LIST OF FIGURES.

No.		
1.	Influence of family income on the place of purchase of groceries.	68
2.	Time spent on Grocery purchase by homemakers and the place of purchase.	74

LIST OF APPENDICES

No.		Page
I.	Interview schedule to elicit information regarding the grocery purchases made by selected families.	iv
II.	Questionnaire to elicit information of the retail services rendered by the Grocery stores.	x
III.(a)	Calculation of chi square for the relation between the place of grocery purchase and number of family members - Bangalore.	xiv
	(b) Calculation of chi square for the relation between the place of grocery purchase and number of family members - Coimbatore.	xvi
IV.	Calculation of chi square for the relation between the place of grocery purchase and educational status of the homemaker.	xviii
V.	Calculation of chi square for the relation between the place of grocery purchase and income of family members.	xx
VI.	Analysis of mean difference in time consumption for grocery purchase by homemakers.	xxii
VII.	Price list of commodities in the selected retail stores (a) Bangalore (b) Coimbatore.	xxiii
VIII.	Rules and regulations of the consumer cooperative stores at Coimbatore.	xxvii
IX.(a)	Membership application form for the selected consumer cooperative store - Coimbatore.	xxviii
	(b) Membership application form for the selected consumer cooperative store - Bangalore.	xxx

I. INTRODUCTION

From time immemorial, the family has been the unit of production of household necessities. The members produced enough to satisfy their needs and consumed them without depending on outside help. Self sufficiency thus prevailed in the ancient family system. "Nearly everything that was produced was produced by the family" report Ogburn and Niskoff (1960)¹. The homemaker played a vital role as a producer and consumer. The need to purchase foods from the outside market did not exist, because of the self sufficiency of the family unit. Consequently there were no markets.

The outcome of the industrial revolution which started around the Eighteenth Century changed the production aspects in the home, making it possible for production to be carried on outside the home. Due to specialization in large scale production both the quantity and quality of the goods produced progressively increased. This great upheaval brought about significant changes in the home, as Gisbert (1960)² states "The modern family is no longer the economic unit that it was in the middle ages, where production, distribution and consumption developed in the home as a self-sufficient unit in an agricultural and handicraft economy."

Gisbert's (1960)² statement is endorsed by Biesanz and Biesanz (1959)³ with regard to small urban families. Merrill (1961)⁴ points out that the direct production of goods and services by the family has greatly decreased as a result of the changes in the social and economic structure.

Ogburn and Ninkoff (1960)¹ further state "The process of the transfer of economic functions from the urban family to outside agencies has gone quite far in the past century and has left now chiefly cooking, the care of the house, laundering and some sewing in the urban family." From a position of direct control over the economic factors that determine the family's well being it has become subject to forces largely outside its immediate control.

Industrialization has helped more people to gain employment. Therefore the individuals today have more money at their command. "Technological advancement is such that the contemporary family consumes more and better goods" states Merrill (1961)⁴. This has also brought in its train, a wide variety of goods from which a homemaker needs to select her requirements.

Reid (1934)⁵ views the process of selecting and purchasing as a productive activity. This activity is important in that it decides the level of living of the family. The homemaker is the chief purchaser for the family. Her choice determines the standard of living and welfare of the members of her family and influences their attitudes towards life. This is aptly expressed by Goodyear and

Klohr (1954)⁶ "Making choices at the market place is one phase of home making that has become increasingly important as the home has changed from primarily a production to a consumption unit." Making the right type of choices is particularly important in the case of food purchases. Food is one of the basic needs of human beings. Proper selection and use of foods results in healthy and intelligent persons who make life in the home harmonious and joyful. By choosing the right combinations of foods at the right time from the right place the homemaker can maximise the advantages accruing to the family. How effectively she makes her choice, will be decided by her assessing the family needs, judging the quality of foods, and deciding on the type of market from which she will purchase the commodities. According to Coles (1938)⁷ it is often the retailer from whom the homemaker in a small community secures goods. The retailer serves as a purchasing agent for his small community. A retailer who gives the homemaker quality goods, and other services, which she needs is an asset to her since he helps her to get maximum satisfaction for her expenditure.

Retailing services may be provided by either private retail stores or consumers' cooperative stores. Consumers cooperatives are being promoted through the Five Year Plans. Reid (1938)⁸ views the consumer cooperative as a democratic, non profit organisation trying to serve the homemaker as a consumer-buyer. The importance of the consumer coopera-

-tive is seen from the very fact that it caters solely to the needs of the consumer. The extent to which the consumer cooperatives have been helpful in making the homemaker a better consumer-buyer needs to be studied, in order to make them more effective.

This study aims at assessing the home maker's choice of shops for purchasing groceries; how that choice helps her in her household management and the role of the consumer cooperatives in helping the homemaker towards more efficient management of family resources. This would be done through the answers given by the selected homemakers to the interview schedule specially designed for the purpose.

The study is aimed at bringing out the problems faced by the homemakers while purchasing from consumer-cooperatives and finding solutions to them. It is hoped that the findings of this study will be of use to the cooperatives to base their future action to the extent feasible.

II. REVIEW OF LITERATURE

The literature available was reviewed under the following headings -

A. Management of Resources

1. Wise management of available resources in the home
2. Management in the various stages of purchasing
3. Factors affecting wise purchasing

B. Homemaker's role as a purchaser.

1. Consumer's sovereignty and choice
2. Homemaker - the Chief purchaser in the home
3. Aids to help the homemaker buy effectively
4. The homemaker and food purchases

C. Problems faced by the homemaker while purchasing

D. The retail Market

1. Market
2. Retailing
3. Retail services

E. The essence of cooperation with special reference to consumer cooperatives.

F. A brief history of consumer cooperatives in

1. India
2. Abroad

G. Scope of consumer cooperative movement in India

A. Management of Resources

1. Wise Management of Available Resources in the Home:

"The Home" in Indian philosophy is identified with the

woman of the House, says Devadas (1958)⁹. This is so because the home and family are used as synonymous terms and the woman is pictured as the one who could make or mar this institution. "Home is really another name for woman - the mother and wife."

Thiruvalluvar points out that "if the mistress of the house possesses the qualities of a true life partner, there is nothing that will be wanting in that house....." (1949)¹⁰.

The need for good management in the home is as essential as it is in the outside industry. "Good management, or scientific management, achieves a social objective with the best use of human and material energy and time, and with satisfaction for the participants and the public," says Miles (1956)¹¹. She further states that "scientific management exercises basic, systematic technique in discovering and establishing objectives, plans, standards, methods, schedules and controls, all within the laws of each situation and in an environment of high morale and thus exemplifies the best use of human and material energy."

Brech (1961)¹² considers management as being concerned with seeing that the job gets done; its tasks all centre on planning and guiding the operations that are going on in the enterprise."

Goodyear and Klohr (1954)⁶ point out that "Management is the process of realizing values and goals through the effective use of human and material resources." The

resources include human resources such as energy, abilities, attitudes, knowledge and material resources such as time, money and community facilities. Nickell and Dorsey (1963)¹³ opine that management in the home is a dynamic force in living, the mental work and power that puts the machinery of homemaking into action and keeps it going. It is planned activity and living directed toward the satisfying of wishes and the attaining of goals within the home. The three purposive, dynamic and fundamental steps of management given by Nickell and Dorsey are planning, which is mapping out of action in order to reach immediate and long term goals; controlling a plan in action means individual or joint effort in making the plan work and evaluating is looking back over what has been done and judging the results in the light of family goals.

Gross and Grandall (1954)¹⁴ opine "management occurs when there is some problem to solve some choice to make". Therefore to the homemaker of today whose resources are limited the practice of good management is very essential.

Goodyear and Klehr (1954)⁶ state "The inevitable overlapping in demands on time, energy, and other resources must be taken into account in planning" when several goals are sought simultaneously. Since resources are seldom adequate for the achievement of all goals, choices have to be made or some way found to increase resources.

Time management is necessary and important because of its limited nature. As Nickell and Dorsey (1963)¹³ point

out everyone has 24 hours a day. Money which is an important resource is often more limited than time to the homemaker; therefore great skill is needed on the part of the homemaker for the utilization of these resources.

Even when resources are unlimited, one is able to achieve greater satisfaction because of wise management or a better selection of the required goods and services, thus raising his standard of living, which according to Andrews (1935)¹⁵ is "His pattern of inner values, of subjective desires and insistences as to goods and services which he considers essential, and to achieve which he will make any reasonable sacrifice.....".

To improve one's standard of living, a wise choice of goods and services is necessary. In other words our purchases should be well managed and our expenditure pattern wise.

2. Management in the Various Stages of Purchasing: Kelley (1953)¹⁶ says that buying today recognizes three distinct stages preshopping, market selection and follow up. Experience gained in the previous purchase helps in planning and buying the next purchase.

'Preshopping' says Kelley (1953)¹⁶ takes into consideration two aspects: (a) valuation or ranking of relative importance of all life goals regardless of immediate prospects of their achievement. The long range goals have always to be kept in mind to see that our short term purchases help us towards them.

To guide one in this stage shopping lists and background lists are recommended by Wilhelm and Haiserl (1959)¹⁷. This view is endorsed by Kelley (1953)¹⁶ since it enables selection to be made economizing time and effort and also ensures accuracy of the selection made.

Wilhelm and Haiserl (1959)¹⁷ talk of the case where "a single purchase needs to be correlated with a whole programme". In such cases the trick is to think in terms of two basic features (i) taking an inventory on where you now stand (ii) looking ahead to what you hope to achieve.

In the first stage the main thing "is reflective thinking, to know what we have and list what we want according to priority. The next stage is to look ahead to the ultimate goals. If we think of both the present and the future, we can make each purchase carry us a little farther up the road we want to travel."

Market selection deals with securing the best goods available with a minimum of expenditure of time, effort, money and disappointment. "It connects preshopping and budgetary efforts with potentials for utility" says Kelley (1953)¹⁶.

Emphasizing the need for wise choice and its importance Treelstrup (1957)¹⁸ says "Choice is a fundamental problem for all human beings. It is also a very complex problem today" because "we are living in an embarrassment of riches age." Kelley (1953)¹⁶ states "market selection is a very

practical phase of consumer-economics in which skill can be developed with practice and achievements are easy to see." Market selection involves the making of decisions as to "what to buy, including what brand, where and how to buy, when to make certain purchases, with what frequency and in what amounts, negotiation of terms - whether cash or credit, what guarantees and services to utilize and similar factors necessary to translate money into real income."

Once goods have been purchased, they are still useless until anticipated benefits have been realized. This is viewed as the follow up stage by Kelley (1953)¹⁶ who says that follow-up is concerned with all activities necessary to secure maximum benefits from goods purchased, to measure the success of previous buying and to make effective use of experience for the future. He says "Adequate attention to follow up enhances the utility received from purchases, provides a system of measuring the success of preshopping and market selection and furnishes the best basis for the improvement of future buying." At this stage she recommends the family council to help in making good market selection.

A careful following of the different stages of buying results in what is known as 'wise purchasing', because here is the balance of interests competing for the homemaker's resources.

3. Factors Affecting Wise Purchasing: "How to buy more

housewives' most important business problem" says Andrews (1915)¹⁹ and how effectively the purchases are made depends on many factors.

Nystrom (1929)²⁰ giving an exhaustive list of factors affecting choice mentions ten factors. They are: The fundamental wants; the consumer's purchasing power; the habits of individuals and customs of groups, Fashion, Availability of the goods; non-availability of the goods needed; Advertising and Sales promotion methods; Producer's monopoly; Goodwill enjoyed by the concern and the knowledge possessed by the consumer regarding the commodities.

Wyand's (1937)²¹ classification is more broad-based, and he mentions the various factors affecting choice under two heads: (a) Immediate determinants and (b) Remote determinants.

The immediate determinants include the sense percepts and psychic factors. The remote determinants include individual and group determinants, physical determinants, economic determinants and institutional determinants. These determinants consist of the factors such as climatic influences, influence of private agencies, governmental influences and consumer cooperation. These are mentioned in addition to all the factors mentioned by Nystrom (1929)²⁰. Illustrating the influence of habit, Wyand (1937)²¹ says, "One of the outstanding characteristics of choice is its domination by habit - but no choice is ever made without reference to income."

Waite and Cassidy (1939)²² give the psychological basis of analysis and the effect of price upon choice. The psychological basis of the analysis includes the various human desires such as desire for rest, comfort, economy and all the other points given by Nystrom (1929)²⁰. Waite and Cassidy (1939)²² continue that "The consumer buys some goods at the ruling prices and eliminates other goods at the ruling prices. It is quite evident that the consumer is influenced in his purchase by the price of these particular goods." Time, intelligence, energy, health, habit and age are the other limitations mentioned.

Kelley (1953)¹⁶ mentions three factors that affect choice. They are (1) channels of communication such as reading periodicals, broadcasting and movies (2) social contacts like travel, meetings, conversation and club affiliations (3) experience.

Illustrating the effect of fashion on choice Sapir (1957)²³ says "For the vast majority of human beings the choice lies between unchanging custom and the legitimate caprice of custom which is fashion."

The effect of family composition on household purchases is indicated by Metheny (1962)²⁴ who says that children influence the food selection of families. Bigelow (1953)²⁵ lists the following factors that affect consumer's choice - knowledge, skills, equipment, materials, time and energy of family members, government regulations such as credit restrictions, import duties, pure food laws, building codes

and finally the market organisation, that is, trade practices and price fixing.

Coles (1938)⁷ says that "The value of advertising to the consumer depends first upon its effect upon consumers as 'Choosers' of goods and second upon consumers as 'Buyers' ". She continues "Advertising has far reaching effects upon our problems as choosers of goods and is extremely important in this respect.

The far reaching effects of advertisements on the homemaker's purchasing habits was revealed by the study conducted by Deshmukh (1962)²⁶ who found that more than 75 per cent of the homemakers were influenced by advertisements in their purchasing of beverages, toilet soaps, face powder, washing soaps and dental preparation.

Being limited by all these factors in choice making the homemaker should purchase wisely. As Kyrk (1953)²⁷ points out good buying is the resultant of two factors, one the methods and information available to the buyer, the other the devices and arrangements of the markets." She concludes "Neither the buyer, nor the market agencies is completely responsible for mistakes in selection."

B. HOMEMAHER'S ROLE AS A PURCHASER:

1. Consumer's Sovereignty And Choice: Today the consumer is said to be sovereign, meaning that he has the right to buy or not to buy. Foote (1958)²⁸ states "As freedom of choice in expenditure increases in the tangible form of discretionary income and time, the need for explicit criteria of judgment will become more consciously felt by the consumer. Better judgment is needed, and the more the consumer develops it, the more likely is he to be autonomous. And the more autonomous he is given a chance to become, the better judgment he is likely to develop. He needs to become able to state what he likes and what he does not and why."

Sounding a cautious note for wise choice Foote (1958)²⁸ says "The consumer is able nowadays to select from a wider range of sources than ever before. The glory of the modern market is that it gives us the world to choose from. But let there be choice, rather than mere collective whim. Let a pattern of choice be created self-consciously among the items we buy."

Explaining the sovereignty of a consumer Maynard et al (1937)²⁹ say "It is the consumer who determines what shall be produced and what shall not be produced, when it shall be produced, the place of purchase and the manner of its purchase." This rationality will give the proper directive to the producers to produce goods needed on the right lines and thus avoid waste in the outside economy.

but have a large voice in determining what is bought."

From the various studies made in the U.S.A. and in India by Coles (1938)⁸, Amburgey and Coles (1934)³¹, Prama (1963)³², Sumitra Devi (1963)³³, Krishnamurthy (1963)³⁴ it has been found that the homemakers were responsible for purchasing most of the families' requirements especially food purchases. This may be so because the "Housewives are the best judges of quality and variety of goods required. In urban areas women are taking increasing responsibility for purchasing household requirements from the market" are mentioned in the issue of the Government of India on consumer cooperatives (1962)³⁵.

The homemaker's role as purchaser is today becoming more difficult not only because of the variety of goods displayed in the market, but also because of the limited time available for her household duties. As Miller (1962)³⁰ points out, "Today more women work outside the home, expanding their interests in community and world affairs." In spite of this "the consumer today buys far more intelligently than she did a decade or two ago. A number of educational forces are responsible for this advance. These social, economic and educational changes, on the part of the consumer, as well as the struggle of business to win the favour of the consumer have resulted in increased cost of doing business; and there has been a corresponding shrinkage of net profits" says Sweitzer (1929)³⁶. Therefore if the homemaker is to utilise her resources to derive

maximum satisfaction she should purchase her requirements discriminatingly.

3. Aids To Help The Homemaker Buy Effectively: In order to be a good purchaser the homemaker needs to have certain information. William (1929)³⁷ states "She needs information with regard to a great variety of goods and she cannot spend a great deal of time in each individual purchase." She needs to be educated as a consumer-buyer. Andrews (1935)¹⁵ says "She must be trained to remember that the purchasing decision is hers to make, not the salesman's and that she should vigorously repudiate decisions attempted through pressure salesmanship to which she is so commonly subjected." He continues "the home buyer must know qualities and she must know prices."

Considering the attention needed by the consumer-buyer in the act of purchasing Wyand (1937)²¹ says "No person today can hope to use available income effectively without constant and assiduous attention to the varied details of what has become the art of buying. It is a fulltime job for any housewife and may well tax the ingenuity of the most intelligent." He continues "if the housewife wants value for value expended, she must be willing to take her buying function as seriously as the commercial purchaser takes his."

Militant buying, scientific facts to back claims, demanding specific and reliable labels, making newspapers aware of misrepresentations in advertising and exhorting

large retail establishments to instal testing units are necessary for the homemaker to make her an efficient buyer says Wyand (1937)²¹ quoting Margey. He says "To waste any portion of available purchasing power through stupid buying is as serious as the reduction of income through ineffectine producing". He further defines the wise consumer as one who is primarily concerned with quality and with the satisfaction of his personal aspirations.

Reid (1938)⁸ mentions the following seven factors as guides for judging the quality of a product. They are experience, inspection, testing, price, brand names, reputation of the retailer and advice of the sales clerk. Besides this the customs and tradition in purchasing also may help. The individual homemaker may be guided by such sensory factors as smell, taste, feeling and sight to judge the quality.

The Money Management Institute (1958)³⁸ gives a few rules of good buymanship for consumer's benefit. They are: (i) Deal openly and honourably with those who serve (ii) Realize that the costs of store services such as credit and return privileges are somewhere included in the cost of the goods (iii) Refrain from buying needlessly, preserve what you have, avoid unnecessary returns, and think before buying in order to get precisely what is needed (iv) When you particularly like or dislike a product or a label on a product, take time to tell the manufacturer and distributor what you like or dislike about the merchandise or

the label (v) Support legislation which governs what is used in making a product (vi) Take an interest in being a good consumer-citizen. Keep informed about conditions and problems, consumer legislation, government regulations, and labour conditions.

The homemaker as a purchaser should know both the qualitative and quantitative standards for the purchases she makes. Kelley (1953)¹⁶ defines standardization as "That which is set up and established by authority as a rule for the measurement of quantity, weight, extent, value and quality." According to Coles (1938)⁷ standards provide a means by which labels and advertisements may be made to serve their purpose as a source of information to consumers by eliminating guess work in buying.

Krishnamurthy (1963)³⁴ points out that with the increase in the varieties of consumer goods, the task of choosing goods of right quality has become very difficult and this has necessitated standardization of consumer goods. The Indian Standards Institute has devoted considerable attention on consumer goods standards. He continues "Indian Standards on consumer goods give the buyer as well as manufacturer known objective criteria to assess the quality of the goods." He further says that the Indian food standards ensure complete hygiene and cleanliness. It is the duty of the homemaker to make the best use of this guide while purchasing. This is supported by Singh's (1962)³⁹ statement "Standardization saves time otherwise wasted at

the bargaining counter for selecting an article". It is very essential for the homemaker to know about standardization as it protects the consumer against the sale of non standard and spurious goods.

The Newsletter of the Consumers Association of India (1962)⁴⁰ reports that the consumer should be wide awake and should be conscious of the quality of the produce he purchases.

The two basic systems of quantity standards in use are the British and the Metric. In India Metric system is in vogue now. "The Government of India brought in this system in order to bring about uniformity throughout the country" reports the Directory of Times of India (1958)⁴¹.

4. The Homemaker And Food Purchases: Since the homemaker's role as a purchaser is very significant and the well being of the family depends on her she has to make wise purchases. "Good buying is the selection of the best article available for the purpose with a minimum expenditure of time, energy and money" reports Kyrk (1953)²⁷. Health is wealth. Good food is very essential for a happy family. Today's homemaker needs to consider more carefully her food purchases due to the growth in the types of foods available and the increase in man's food fads. This is explained by Dewey (1915)⁴² who says "the food of the primitive man was very simple compared with the present day requirements.... Man has gone on surrounding his daily meals with increasing complexities".

"The quality and quantity of food purchased for the family depend mainly on the purchasing practices of the homemaker - her information and skill in choice making, her willingness to shop at the stores where the best buys are available and her actual selection of the food" says Troelstrup (1957)¹⁸.

Mentioning the importance of good food Kuppaswamy (1962)⁴³ says "more food and proper food is the only way to lift the present health standard of the masses." She continues that the public should be taught to choose food wisely and develop skill in its purchasing and preparation.

Karnad (1962)⁴⁴ says "The housewife is the caretaker of the family and is the best judge of the family's consumption needs. The responsibility of ensuring high quality foods, therefore, rests with the housewife."

C. PROBLEMS FACED BY THE HOMEMAKER WHILE PURCHASING.

"If one attempts to list the problems which face the woman responsible for her own or her family's purchasing one begins to realize how multifarious they are" says Cook (1929)⁴⁵ describing the complexity of purchasing problems of the homemaker.

In the case of purchases the problems of where, when, how much and what to buy become very important and in addition there is the problem of how to pay for the goods. Each consumer problem becomes more complex as the variety of products increases and as conflicting claims continue to be made regarding commodities and the several channels of distribution say Waite and Cassady (1939)²².

The U.S. Department of National Education Association (1950)⁴⁶ has attributed three reasons for the new problems faced by the consumer, changes in quality, quantity and variety of goods and services; changes in consumers; changes in the socio-economic environment. The shift from an agrarian economy to a highly industrialized system has required an increase of the socio economic competence of the citizenry.

Williams (1929)³⁷ points out that the homemaker's lack of specialization makes her problems as a buyer especially acute. Williams (1929)³⁷ and Cook (1929)⁴⁵ opine that the most important consumer problem is the analysing of needs and wants.

Kelley (1953)¹⁶ points out that "Market selection

involves decisions as to what to buy, including what brand, where and how to buy, when to make certain purchases, with what frequency and in what amounts, negotiation of terms - whether cash or credit, what guarantees and services to utilize and similar factors necessary to translate money into real income."

Waite and Cassady (1939)²² opine "The problem of what to buy is at once the most important and the most difficult of the several purchasing problems." "Selection of the best article for each purpose is the major goal of careful buying" says Kelley (1953)¹⁶. Bagelew (1953)²⁵ also concurs with this idea when he says "In determining what to buy, the consumer buyer is primarily concerned with the selection of the article which will best satisfy a particular want or a group of wants. This selection can be made intelligently only if the consumer-buyer has a clear idea of the uses to which the purchase is to be put; only if he has adequate information about what is available on the local market or can be secured in larger markets, and what generally constitutes good quality and sound values." A similar statement is made by Reid (1938)⁸ who says "A knowledge of the goods available in the market, their relative quality and price is essential."

Waite and Cassady (1939)²² point out that in recent years there has been a tremendous increase in the number and variety of stores catering to the needs of the consumer. Identical goods are sold at different prices in the stores

of the same community. These differences are substantial in many instances." Reid states that when the consumer-buyer turns to the market many stores are ready to serve her and are eager for her patronage. The number of stores, different varieties they sell, the location of the store all contribute to the consumer's problem of where to buy." The stores attract customers by three major appeals - quality, services and price.

Kyrk (1953)²⁷ considers the primary problem of the consumer-buyer as ascertaining which among the goods available have the qualities essential for her purpose and which have them to the highest degree. Reid (1938)⁸ states "For the majority of families price is an important consideration." In making price comparisons the buyer may find it difficult to recognize quality and unless quality can be recognized it is impossible to say whether the price in one store is higher or lower than the other. "If consumers are to get the most for their money, a greater knowledge of price is important."

The consumer is often confronted with the problem of when to buy. "Certain times are more favourable than others for buying," says Reid (1938)⁸. Waite and Cassady (1939)²² point out "Another possibility of saving lies in purchasing articles at the proper time." They say that food is an important group among the many products the prices of which vary during the year and the purchase of those products need careful consideration.

larger quantity on hand, on the investment involved in the purchase. ~~Proper~~ planning will enable quantity purchasing to save not only the household money but the time of the housewife as well.

Finally, consumers face the problem of how to pay for the goods. Consumers must decide whether to pay in cash or credit according to their convenience. "cash payment and thrift are closely identified in the minds of many people" says Reid (1938)⁶. She suggests a few alternatives when the consumer does not have sufficient funds to make payments. They are; postponing the purchase until the necessary funds are accumulated; buying on the instalment plan or the money being secured from some other source.

Bigelow (1957)²⁵ points out that the consumer-buyer is at a further disadvantage because the present day marketing system has grown up along lines determined mainly by producers who have something to sell. The increase in our productive capacity is putting on the market every year not only long lists of new commodities, but also a bewildering array of variations in the things families are accustomed to buy. "The comparatively rapid shift from scarcity to less scarcity has created new problems for consumers," observes Gordon (1957)⁴⁷.

"Food problems exist in almost every family regardless of income and home production" says Troelstrup (1957)¹⁸. Food management is therefore one of the most important jobs in the home. It is in the hands of the homemaker that the

problem of purchasing rests and she has to face it and solve it so that it is beneficial to the family.

D. THE RETAIL MARKET

1. Market: "A market is commonly thought of as a place where commodities are bought and sold" says Benham (1955)⁴⁸. "Market can be defined as any area over which buyers and sellers are in such close touch with one another, either directly or through dealers that the prices obtainable in one part of the market affect the prices paid in other parts."

The definition given by Teasley et al (1962)⁴⁹ further gives a detailed idea about the functions of the market. They call it "A centre about which, or an area in which, the forces leading to exchanges of title to a particular product operate and toward which and from which the actual goods tend to travel." Maynard et al (1937)²⁹ mention the following types of markets: local growers' market, central markets, secondary wholesale markets and retail markets. The function of each type of market varies considerably from the other. Cochrane and Bell (1956)⁵⁰ point out that the scope of any market is limited by the number of buyers and sellers, who are in close communication with one another and who handle a similar commodity. It is the sphere within which price making forces tend to operate. Among the various types of markets the retail markets are of greatest importance to the consumer.

The characteristics of a good market as given by Reid (1938)⁸ are:

markets and consumer cooperatives. The function performed or services rendered vary with different types.

With regard to the importance of retailing Kelley and Brisco (1957)⁵¹ report that "Retailers interpret and stimulate demand for known products and do creative merchandising for new ones." They say that retailing is the most expensive stage of marketing. Retailing stimulates a rising standard of living by increasing the wants of the consumers. The consumers are tempted to satisfy the wants created by the retailers' display and advertising and expand their wants. Since credit facilities are offered it helps to maintain a proper balance between spending and the ability to pay. Retailing converts purchasing power into the purchases needed for the maintenance of the functioning economy and employment in all other industries.

3. Retail Services: "Retailing includes all forms of selling to ultimate consumers as contrasted with wholesaling which is concerned with sales to business buyers," say Tousley et al (1962)⁴⁹. Kelley and Brisco (1957)⁵¹ point out that the primary functions of retailing, buying and selling are services, and retailing is classified as a service industry, in contrast to primary production. But modern retailing goes beyond this elementary concept and seeks to expand its services to consumers both through performing its primary functions more efficiently and by rendering additional services, in the interests of the consumer but also at a profit to the store.

Kelley and Brisco (1957)⁵¹ mention that the "Service rendered to customers is often the major factor determining success in retailing." They continue that a service is an intangible benefit in contrast to a commodity or merchandise both of which satisfy human wants. Performing a service consists of doing something in the interests of others, and in the case of the retail stores, it is the customer for whom the services are rendered.

Kelley and Brisco (1957)⁵¹ mention three categories of retail services: (a) Basic services (b) Facilitating services (c) Promotional services. The detailed list of services are discussed at length by Reid (1938)⁸, Kelley and Brisco (1957)⁵¹, Coles (1938)⁷ and Nystrom (1937)⁵². The retail services include delivery, wrapping, telephone and mail order service, packaging, small size purchase, handling of consumer complaints, returned good service and providing a variety of goods to choose from. Coles (1938)⁷ says "An important service is performed by the retailer when he rearranges goods or breaks up the large quantities as received from the wholesaler, manufacturer, or grower into the small quantities desired by the consumers." The consumers want goods in small quantities, and different kinds of goods in different varieties from which to choose. Reid (1939)⁸ mentions the provision of a variety of goods and services as one of the retailing service.

"Retail store delivery of merchandise to consumers is a service that has long been rendered without extra

charge by most stores. It is a service that seems necessary in connection with the sale of heavy, bulky goods which cannot be readily carried by customers" states Nystrom(1938)⁵². "Delivery is a service important to consumers for various reasons such as the sense of the sense of personal dignity; the families' attitude toward social conventions; if the article is bulky or heavy and it would be difficult for the buyers to transport it if customers order by telephone" says Reid (1938)⁸. "Although self service and limited service stores have grown rapidly in the past few years free delivery of purchases is a service that still must be offered by many types of retail stores," say Kelley and Brisco (1957)⁵¹. Its importance is in fact that ^{the} the delivery service of a store may be a definite builder of goodwill or if inefficient, may drive customers to competing stores. Kelley (1953)¹⁶ refers to packaging as the placing of products in individual containers for consumer convenience and appeal. He says that packaging has become a highly specialized division of sales promotion. Tousley et al (1962)⁴⁹ mention the functions of a package as: protecting the merchandise from the time it is produced until it is consumed; facilitating handling and storage of the merchandise by middlemen and consumers and assisting in selling the product. In addition to these functions, Kelley (1953)¹⁶ mentions reduction in transportation costs, increase in sanitation, aid to dealers, accuracy and standard weights and measures. Chatterjee (1961)⁵³ lists protection,

preservation, convenience, identification, uniformity and eye appeal as the basic functions of a modern package. He further says that protection is the vital function and protection is against pilferage, contamination, climatic extremes, storage and transportation conditions, bacterial action, insect infestation and damage. "Goods bought by customers to be delivered are in most retail stores wrapped or packed by the sales people..." says Nystrom (1937)⁵². Kelley and Brisco (1957)⁵¹ say that the prime purpose of the wrapping job is to protect the merchandise until it is in the customers' home, whether it is personally carried or delivered by the store. A similar idea is expressed by Reid (1938)⁶ who says, "The increasing dirt and dust of cities make it important to protect goods while on display." She says that new packages are also designed to create an impression of superior quality. But it interferes with inspection and tends to divert attention from the commodity itself to the container.

Selling by mail is carried on by mail order houses. Coles (1938)⁷ views mail order houses as organisations which solicit customers, receive and deliver goods by mail.

Kelley and Brisco (1957)⁵¹ and Nystrom (1937)⁵² opine that "telephone ordering which is a retail service is an effective aid in building up retail trade which is playing an ever-increasing role in retail sales" say Kelley and Brisco (1957)⁵¹..

The return goods service enables the consumer to return .

the commodity bought when found unsatisfactory.

Some stores offer self service. Nystrom (1937)⁵² describes a self service store as one in which the customer makes her choices from goods on display and pays for them through coin slots or at a cashier's desk.

"In modern retailing credit extension is a convenience to many customers, a virtual necessity for some, and an important avenue to profits for many stores" observe Kelley and Brisco (1957)⁵¹. They continue that retailers find that many of their potential customers expect credit service and will go to those stores where it is available. Many customers view credit as a service and convenience to them in shopping. "Credit is also a service which costs money and for which consumers pay" says Coles (1938)⁷. She mentions open-account credit and instalment credit as the two types of credit secured by consumers at retail stores. Reid (1938)⁶ states that instalment credit may be provided by the retailer.

Modern retail store policies open the doors widely to complaints from customers. The assumption that 'the customer is always right', a policy upon which many stores operate, invites complaints remarks Nystrom (1937)⁵². He further says that a careful consideration of the causes of complaints of customers together with prompt improvement wherever weaknesses are discovered is necessary to the maintenance of proper trade relations and to holding public goodwill. Bringing out the importance of this service Kelley and

and Brisco (1957)⁵¹ remark that in every store, there are occasions during each business day when the customer and the store disagree, misunderstand one another or the customer does not receive the service she expects. Customer satisfaction is the basic foundation of a successful retail business.

The other consumer services listed by Kelley and Brisco (1957)⁵¹ are, parking facilities, drinking fountains, rest rooms, cafeteria, parcel check room, notification of new merchandise arrival, sale of tickets for travel or entertainment and supervised play facilities for children. In addition to these services Coles (1938)⁷ mentions credit facilities, first aid, special wrapping services, post office, telephone and restaurants.

The services rendered by the retail stores differ according to the category to which they belong.

E. THE ESSENCE OF COOPERATION WITH SPECIAL REFERENCE TO CONSUMER COOPERATIVES

The various definitions of cooperation given by Voorhis (1963)⁵⁴, Waite and Cassady (1949)²², Natesan (1953)⁵⁵, Gordon (1957)⁴⁷, Bhatnagar (1960)⁵⁶, Banerjee (1961)⁵⁷, Srivastava (1960)⁵⁸ and Tousley et al (1962)⁴⁹ are based on the following points: that cooperation is a free, voluntary association of human beings with limited means on the basis of equality in order to improve the standard of living. The organisation is owned and controlled by the consumers who patronise it. The motive force of the

cooperatives is not profit but service to the members. There is the elimination of middle man's profit and also abandonment of competition in distribution. Cooperation assures both moral and material advantages to consumers. The basic principle of cooperation is implied in the saying "All for each and each for all." It is organized by the people of a particular locality or community with common economic interests. The motto of cooperation is self help through mutual help.

A very apt definition is given by Calvert quoted by Hough (1959)⁵⁹ who says that cooperation is a form of organisation, wherein persons voluntarily associate together as human beings on a basis of equality for the promotion of the economic interests of themselves by honest means.

Cooperation is a mode of doing business. Differentiating cooperative society from other modes of doing business, Sathyanathan and Ryan (1962)⁶⁰ mention four points which are based on the Rochdale principle. These principles are mentioned by Reid (1938)⁸, Coles (1938)⁷, Waite and Cassady (1939)²², Douglas (1936)⁶¹, Tousley et al (1962)⁴⁹ and Faier (1962)⁶². They are: (i) Those who use the society are its proprietors, or owners (ii) Those who use the society (members) control the society. They elect its committee of management and supervise its activities. In doing so, each member exercises only one vote and not as many votes as he holds shares. (iii) When the net profits are distributed they are given to each member in proportion

to the volume of business done with the society in the form of bonus after providing for reserves. (iv) Dividend on share capital is respected to a fair rate; the society is motivated by a spirit of service to its members and not by a desire to pile profits on capital. They further say, a cooperative society is a voluntary organization of human beings, where the members exercise equal rights in a spirit of self-help and mutual-help and share its fruits in proportion to the contribution which each has made towards its business. Gordon (1961)⁶³ differentiating the purposes of a private enterprise and cooperative enterprise on the basis of the points given by Rochdale pioneers, adds the following points (i) While the primary purpose of ~~a private purpose~~ of a private enterprise is to make profit for the owners, the primary purpose of a cooperative enterprise is to perform an economic service at cost for its members (ii) True cooperatives sell for cash only. (iii) Consumer cooperatives sell their merchandize at current market prices.

Cooperatives are of different kinds. Today the cooperatives have become very broadbased covering a variety of activities. The classification of the different types of cooperatives as remodelled by Srivastava (1960)⁵⁸ is based on the Reserve Bank of India's classification. It includes -

1. Credit societies
2. Consumer societies
3. Production societies
4. Marketing societies

5. Housing societies

6. Others

"A consumer cooperative society is one which is organized by people as consumers with a view to avoid or reduce the middle man's profit in the retail price" writes Bhatnagar (1960)⁵⁶.

Canoyer and Vaile (1957)⁶⁴ report that "Consumers cooperation is an attempt on the part of the consumers to increase their income and to improve their scale of living by reducing merchandising costs and by making available the amount and quality of those things which the consumer wants."

The distinction between consumer leagues or associations and consumer cooperative societies is given as follows in the Encyclopaedia of Social Sciences (1959)⁶⁵. "Consumer cooperatives are to be distinguished from consumer leagues or other public or semipublic organizations which seek to protect consumer's rights in the course of their dealings with producers of consumption goods. Consumer cooperatives are actual economic enterprises in the form of stores or shop set up by associations of consumers to distribute fundamental consumption goods usually staple food items but also at times, clothing, furniture and the like."

Referring to the advantages of consumers cooperatives Reid (1938)⁶ remarks "An important advantage to consumers appears to lie in the fact that cooperatives in principle at least have no motive for misrepresentation or fraud."

Mentioning the role of consumer cooperatives in consumer protection, Krishnamurthy (1963)³⁴ points out "Consumer protection could only be effected by assessing the quality of goods. Consumer's association or consumer cooperatives would play significant part by giving detailed information from time to time about the quality, performances and suitability of the consumer goods irrespective of the claims in advertisement."

The principles and advantages of consumer cooperatives mentioned above show that cooperatives render many valuable services to the consumers apart from the retailing services rendered in general by private retail stores. But the advantages are not only economic. Douglas (1936)⁶¹ points out, that cooperation has something more than an economic advantage. It is the cultural and ethical development which it brings. He says cooperation promotes a much greater degree of interest in an understanding of real facts about distribution and production, it helps to hold able men in the service of their fellows who might otherwise be forced to become economic privateers and it provides an economic refuge to capable persons who are discriminated against by profit making society for their progressive views. He concludes that cooperation operates powerfully to reconcile the conflicting claims of egoism and altruism,

F. A BRIEF HISTORY OF CONSUMER COOPERATIVES IN -

1. India: Tewari (1963)⁶⁶ points out that the concept of

cooperation is not new to the Indian mind. Mutual help and cooperation have been the way of life in Indian villages since ancient times. He traces the history of cooperation to the days of the Upanishads.

Cooperation was based on a spirit of mutual help which only rarely manifested in large scale organizational forms. Modern cooperation on the other hand, is based on the principle of collective work and is practised in an organised form on a large scale. Cooperative societies have a significant place as the economic wing in this movement of Panchayat Raj emphasizes Tewari (1963)⁶⁶. The Government of India publications division issue (1961)⁶⁷ reports that a good panchayat will also have to lean heavily on cooperative organisations.

Hough (1959)⁵⁹ referring to the origin of the cooperative movement says: "The Madras presidency even before the launching of the movement officially, had organised cooperative undertakings in the form of the indigenous nidhis or mutual loan associations."

Jain (1954)⁶⁸ points out that the cooperative movement is a 20th century development. As Nateshan (1953)⁵⁵ writes, in 1895 Sir Frederick Nicholson was placed on special duty to study the chances of success of the cooperative movement in India. Nicholson submitted his report in 1897 in which he emphasized the need for the development of credit societies as also to encourage thrift and economy among rural classes... The Government of India appointed a committee

under Sir Edward Law in 1901 to consider the question on an all India basis. Legislative action was taken in 1904 on the recommendations of this committee. The Publication Division (1958)⁶⁹ issue reports that the first Cooperative Credit Societies Act was passed in 1904 and its primary objective was the organization of cooperative credit societies in urban and rural areas to relieve indebtedness and promote thrift.

The Second Cooperative Societies Act was passed in 1912 reports Nateshan (1953)⁵⁵. After the passing of the Act in 1904 in the eight years that followed, the movement made considerable progress, but the main weakness was that a large part of the finances of these societies had to come from Government Kurukshetra (1963)⁷⁰. In 1912, there were 8,177 societies with over four lakh members and Rs.336 lakhs as working capital. The deficiencies experienced in the working of the first legislation were sought to be remedied by the Cooperative Societies Act of 1912, which made it possible for the formation of societies for purposes other than credit.

Government of India Act of 1919 made cooperation, a provincial subject Kurukshetra (1963)⁷⁰. This was indeed another milestone in the march of the movement. Though a provincial subject the Government of India continued to take interest in the progress of the movement. This decentralization and the economic boom which followed the first world war contributed to the spread of the movement. The

depression of the thirties gave a rude shock of the movement. In 1937-38, 63 per cent of the loans had become overdue and half the number of societies went into liquidation. The situation called for drastic and urgent action. The provincial government set up committees to review the position and took action on their recommendation to stabilize the movement.

Kurukahetra (1963)⁷⁰ reports that the next landmark in the progress of the cooperative movement was the setting up of a cooperative planning committee appointed in 1945. It recommended that efforts should be made to bring 50 per cent of the villages and 30 per cent of the rural population within the ambit of the reorganized societies within a period of ten years. It was also urged that the Reserve Bank should provide greater assistance to cooperatives. Dey (1961)⁷¹ points out that cooperation as obtained in the pre-independence age could not fit in with the new era opened for India after independence.

Sami-ud-Din (1963)⁷² opines that in India consumer cooperation had not made any progress till 1939 (II World War) although the cooperative societies Act 1912 had facilitated their organization. He further says that the II World War brought in its wake scarcity of essential commodities, hoarding at all levels and consequently rising level of prices. The distributive phase of cooperative activity had before the II World War, met with different success in India. Food rationing during the war gave the

consumers branch of the cooperative movement generally a tremendous fillip.

Bhatnagar et al (1960)⁵⁶ are of opinion that only after the I World War the movement could make substantial progress. Cooperative stores were organized in several parts of India Madras being the pioneer state. He adds that the first cooperative store on the Rochdale pattern in India was opened in one of the suburbs in Madras in 1904. During war cooperative stores became important and increased in numbers.

Dey (1961)⁷¹ points out that the cooperative movement has been in India for more than half a century. Till 1947 the cooperative movement had not gathered any momentum with the result that progress was slow. After independence the need for a reorientation became imminent.

An issue of the Publications Division (1960)⁷³ reports that till 1947, the cooperative movement had not gathered any momentum with the result that progress was slow. After independence the need for a reorientation became imminent when India embarked on the First Five Year Plan in April 1951, special efforts were made to promote cooperation. This was accelerated in the Second Five Year Plan with the result that the movement began to gather strength and make faster progress. "With the emergence of the era of planning, the cooperative movement entered a new phase and more than the physical achievements, the ideology of cooperation was given importance in the successive Five Year Plans" (1963)⁷⁰.
Kurukshetra.

"The Second Five Year Plan envisaged the activities of cooperatives in a deeper way as to have a greater impact on the economic life of the people" reports the social education bulletin (1961)⁷⁴. This plan encouraged giving loans to credit worthy purposes.

Goswami (1962)⁷⁵ reports that in view of the importance of consumer's cooperation a programme for their development and revitalization has been taken up under the Third Five Year Plan, with the provision of financial assistance from Government. He further states that the Third Plan clearly recognized the importance of price stability, particularly in the case of basic essentials so that undue hardship might not be imposed on the low and fixed income groups.

Referring to the progress made by the cooperative movement in India, Nehru (1963)⁷⁶ says "It has done good work in selected areas of India, rather more in the South than in the North but limited work nevertheless. Therefore it is evident that though cooperative movement in India is existing for more than half a century it has not made sufficient progress.

Hough (1959)⁵⁹ reports the consumer cooperative societies are not confined to urban areas though they have made their spectacular development there.

It is understood from the publications division of the Government of India (1960)⁷³ that the government began to gather strength and made fast progress during the Second Five Year Plan.

Lokanathan (1963)⁷⁷ observes that between 1939 and 1952, the number of consumer stores increased from 396 to 9757.

Many schemes are being formulated by the Government of India. It is understood from the report of Government of India (1962-63)⁷⁸ that to hold the price line of consumer goods, a scheme is organised consisting of a large net work of consumer stores. It is proposed to organise 200 cooperative wholesale central stores with about 4000 members primary cooperative stores branches in these cities.

The phasing of the programme of organisation under the scheme is as given below:

<u>Year</u>	<u>Wholesale</u>	<u>Primary</u>
1962-'63	70	700
1963-'64	130	3,300

This information was given in the State Cooperation Minister's Conference (1963)⁷⁹. The Government of India Report (1962-63)⁷⁸ informs that a liberal pattern of assistance has been evolved under the scheme, according to which a wholesale store is eligible for financial assistance upto a maximum of Rs.4.1 lakhs towards share capital, accommodation, purchase of trucks, construction of godowns and managerial expenses. Similarly a primary store/branch unit under a wholesale store is eligible for financial assistance upto Rs.4,500 towards share capital and managerial expenses. Forty six wholesale stores and 465 primary stores/branches were organised in 14 States and one Union territory upto 25-1-63.

in England the idea of such cooperatives brought fruit to a group of 28 weavers forming the first consumers cooperative society. It was established with a very practical view, that of making meagre earnings provide more goods than was possible when the purchasing was done through customary retail stores. The number of stores and volume of sales steadily increased."

According to the information given in the Encyclopaedia Britannica (1957)⁸² in Great Britain the cooperatives were of many kinds, including consumers stores, exchange bazaars, producers societies set up by trade unions, farms and Owenite propogandist societies.

Reid (1938)⁸ states that "Various types and numbers of consumer cooperative organisations were attempted in the United States preceding and following the establishment of the famous Rochdale cooperatives."

"A consumer advisory board was made a part of the national recovery administration and a standard division was organised in the board" observes O'Brien (1949)⁸³. She further says that the consumer movement in the U.S.A. aimed at improving the consumer's position in the market, making it possible for the consumer to find and recognize on the retail market the articles which meet the family's needs and income.

Reid (1938)⁸ opines that Swedish cooperatives expanded during the war and have since continued moving in that direction and over one third of all households in Sweden

have members in cooperative societies. The local societies in 1899 united and formed the cooperative union. Cooperative societies in Sweden have undertaken manufacturing; developed more efficient merchandising; has helped to develop cooperative marketing of farm products and the cooperative milk supply and today the cooperative union has become the leader in determining prices.

Ames (1956)⁸⁴ says "perhaps the most amazing thing about the consumers' movement is its ability, year after year, to continue and in some cases increase the rate of its progress." The complete centralisation of the movement, the high degree of solidarity existing between the local societies and their central organization and the choice of its leaders are the factors which have given the consumers' movement in Sweden its commanding position.

"In Finland more than 50 per cent of the population is affected by consumer cooperative enterprises" says Coles (1938)⁷.

"In many other European countries consumer cooperatives occupy a place of considerable importance. On the whole they have been much more important in Nordic countries than in Latin ones", remarks Reid (1938)⁸.

G. SCOPE OF CONSUMER COOPERATIVE MOVEMENT IN INDIA

"If there is one subject more than another which requires enthusiastic approach, full of faith and a crusading zeal, it is that of cooperation" - says Nehru (1960)⁷³. 'India', Nehru (1963)⁸⁵ feels should be humming with cooperation as

its basic activity in every village and finally make the cooperative approach the common thinking of India.

Bringing out the importance of the cooperative movement Krishnamachari (1964)⁸⁶ states it is "the soul of community development." He adds that the need to develop cooperatives has just begun to reach the weaker sections of the village community.

Dey (1963)⁸⁷ states, that the success of the consumer cooperative stores should be determined by how efficiently it satisfies the requirements of the consumers at reasonable prices.

The scope for the development of consumer cooperatives can therefore be understood by appraising the situation as it is and finding solutions to the problems faced. As Lokanathan (1963)⁷⁷ remarks, "If consumer stores to be established under the emergency are to avoid the same fall which overtook them at the end of the last war, one should analyse the causes of failure of the previous efforts and take measures to ensure their abiding success." Malhotra (1963)⁸⁸ is of the opinion that the history of consumer cooperatives in India shows that they have worked well during periods of scarcity and controls and that under normal conditions they have not been able to compete with trade. He lists a few factors which lead to the success or failure of consumer cooperatives. They are: Management, Trained personnel, office bearers, financial resource, store administration, member loyalty, and the role of the Government

price shops and that all essential and controlled commodities should be channelled through these stores.

Frabhu (1963)⁹⁴ remarks, "Up till now Rs.10 crores have been spent on consumer cooperatives. They have not reduced market prices or even sold below them. On the other hand, there were complaints that there has been profiteering." He further says "Consumer cooperative societies, which wish to compete in the open market for their stocks, have been a general failure. This is because officials are unequal to the bargaining and also because the societies cannot stand the fluctuations in prices."

4. Member Loyalty: Kamath (1962)⁹² opines that members should exercise more allegiance to the store. The mere starting of the stores is not enough. Cooperators must welcome the decision to rely on consumer stores for protecting the consumer interests.

One of the two basic requirements mentioned by Lokanathan (1963)⁷⁷ for the success of consumer cooperatives is the loyalty of members based on the proper understanding of the principles and value of cooperation. To give their loyalty to any organisation the members must understand and appreciate the basic philosophy for which it stands. Hence the Government of India (1963)³⁵ states that the promoters must understand the basic principles of cooperation. It is an advantage if there are a few amongst the members who are familiar with the methods of modern retail business and know what a consumer expects from a retail store.

Malhotra (1963)⁸⁸ states that members' loyalty to the store declines when prices are not attractive; variety is absent; quality is substandard and service is poor. All this happens when honourary work becomes a burden. The managing committee should promote member loyalty and concentrate on consumer education.

5. The Role of Government and Consumer - Education: The government should obtain assistance from experienced commercial hands when formulating policies. To have a quick appraisal of how the centrally sponsored scheme is working, a committee of experts drawn from the government and commerce might be asked to give their carefully considered recommendations and the work revised where necessary. Until this is done, the pressure to expand consumer cooperatives should be released.

Lokanathan (1963)⁷⁷ is of the view that if the government's objective is only to ensure that essential commodities are sold to the consumer at controlled prices, it would be best to be content to open fair price shops in large numbers. He observes that the moment scarcity disappears and the urge to be^a member of a cooperate society is removed, it becomes difficult to prevent a rapid decline of membership. The only way by which this danger can be removed is for a programme of cooperative education to accompany the establishment of primary stores and to ensure that members do understand and accept the principles of a consumer society.

Voorhis (1963)⁵⁴ observes that the growth of cooperatives can be accelerated primarily by education on a greatly increased scale directed along two lines; the popularization of the cooperative idea and the training of personnel for management administration and leadership generally for cooperative organisations of every type and on every level.

For accelerating the growth of consumer cooperatives on sound lines specially in the context of the national emergency the government of India had sponsored a number of schemes (62-63)⁷⁸. These include organisation of cooperative stores among the general public in urban areas; industrial workers of public and private sector undertakings; government employees, and a scheme for ensuring supply of essential goods to the population through service and marketing cooperatives. Mankekar (1963)⁹⁵ comments that though the government policy is to encourage consumers' movement, it has not so far publicised this movement enough nor educated the consumer in the field.

In the fourth Indian Cooperative Congress, Nehru (1964)⁸⁶ reiterated the need to free the movement from government control and ensure that it was born out of public initiative and was not a movement organised by the government from the top. But the Government of India would help in every way to enable the movement to progress and prosper because government was keen and conscious that it should be spread.

Recommendations: A few recommendations made in the State

Cooperation Ministers' Conference (1963)⁷⁹ are: the programme of consumer cooperatives should not be conceived only as a temporary measure but should be built up as a permanent and integral part of the cooperative structure. As the success of the cooperative would depend on efficiency, quality of service and proper management, these aspects should receive special attention from the very beginning. Every primary store branch should generally aim at enrolling at the end of two years 20-25 per cent of the families living in the area of its operation.

Regarding the pattern of consumer cooperatives in rural areas the conference recommended that it would not be desirable to organise separate consumer stores for the purpose and that the village society should perform this function as well....

Naidu (1963)⁹⁶ opines "By properly integrating the activities of the village cooperatives with that of marketing cooperatives it is possible to increase the marketable surplus of agricultural produce for urban consumption."

The Fourth Indian Cooperative Congress endorsed the need and urgency for the organization of consumer cooperative in both urban and rural areas and urged the Government to persuade private manufacturers of consumer goods to reserve a percentage of their requirements. In this Congress Dey (1964)⁸⁶ said, "Cooperation in the face of competing priorities in the Fourth Plan would only have its due share if it was backed by popular sanction and was supported by

the overwhelming pressure of public opinion."

Mankekar (1963)⁹⁵ states that the chief reason for the slow progress of the consumer's societies is that the people are not aware of the advantages of these organisations which are set up by the consumers to safeguard their interest and to get their money's worth when buying their everyday necessities. She continues "In our country the atmosphere for consumers' cooperation has yet to be created and people have to be made aware of the need and benefits of such cooperation. "However, the most important factor in the development of this movement remains the consumer's participation. The people, if they want to check inflation, black marketing, adulteration and profiteering, must organise themselves to fight these anti-social trends through cooperation."

III PROCEDURE

The study was intended to compare the services rendered to the homemakers by the privately owned retail stores, and the cooperatively owned stores, with reference to their grocery purchases in two selected urban localities in Coimbatore and Bangalore. The choice of these two urban areas was to make the study more broad-based and find out the services rendered by consumer cooperatives in two different cities.

The procedure included:

- A. Selection of the survey methods for the study.
- B. Selection of the retail stores in Coimbatore and Bangalore.
- C. Selection of the samples of homemakers in Coimbatore and Bangalore.
- D. Preparation of the interview schedule for the homemakers.
- E. Conducting the interviews and collecting the data.
- F. Preparation of the questionnaire for the retail store managers.
- G. Administering the questionnaire to the store managers.

A. Selection Of The Survey Methods For The Study.

Since this study involved two groups namely homemakers and retail store owners, two different methods of survey were necessitated. The interview method and the question-

naire method were adopted.

1. The interview method was adopted for the study of the homemakers. The interview schedule which as defined by Young (1956)⁹⁷ is "a planned list of questions to be asked during the interview," is best suited for eliciting information from the not very educated and shy homemakers. Besides this, the advantages as stated by Goode and Hatt (1952)⁹⁸, and Good and Scates (1954)⁹⁹ are that it permits the interviewer to express and interpret the question in such a fashion that the respondent can understand it easily and respond adequately.

2. The questionnaire method was selected to elicit information from the retail store managers since they were all literate and familiar with office correspondence.

Good and Scates (1954)⁹⁹ consider that the "questionnaire is a major instrument for data gathering in descriptive survey studies and is used to secure information from varied and widely scattered sources."

Jahoda et al (1950)¹⁰⁰ point out, "The impersonal nature of a questionnaire, its standardized wording, and instructions for recording responses, ensure uniformity from one measurement situation to another."

The questionnaire method which is defined by Pope quoted by Gee (1950)¹⁰¹ is a set of questions to be answered by the informant without the personal aid of an investigator or enumerator.

B. Selection Of The Retail Stores In Coimbatore and Bangalore

Two types of retail stores were selected on the basis of their popularity, locality and standing, one from Bangalore and the other from Coimbatore. The choice of these two urban localities was to make the study more broad-based and find out the services rendered in two different cities.

1.a. Cooperative Stores - Bangalore: The Bangalore city cooperative society was established in the year 1906. The progress of the society which is indicated by the increase in the number of members is given in Table I.

TABLE I

GROWTH OF THE CONSUMER COOPERATIVE - BANGALORE.

Year	Number of members
1906-1907	183
1911-1912	511
1916-1917	857
1921-1922	970
1926-1927	809
1931-1932	899
1936-1937	1009
1941-1942	1211
1946-1947	1309
1951-1952	1522
1956-1957	1931
1961-1962	2215

There is only one type of membership and the value of each share is Rs.25.

1.b. Cooperative Stores - Coimbatore: The Coimbatore District Central Cooperative Supply and Marketing Society was established in the year 1940. Table II shows the increase in membership.

TABLE II

GROWTH OF THE CONSUMER COOPERATIVE - COIMBATORE

Year	Number of members
1940-1941	67
1945-1946	216
1950-1951	260
1955-1956	286
1960-1961	367

There are two types of memberships class 'A' and 'B'. The value of class 'A' share is Rs.50/-, and is limited to institutions only. The value of class 'B' share is Rs.10/- and is meant for individual consumers and each member can have 25 shares only.

2. Private Retail Stores: On the basis of their popularity, four private retail stores two each from Bangalore and Coimbatore were selected. These stores were within a radius of one mile from the consumer cooperative stores selected.

C. Selection Of The Samples Of Homemakers In Coimbatore and Bangalore.

Two samples of homemakers each from Coimbatore and Bangalore patronizing the private retail stores and consumers cooperative retail stores were needed for this study,

In order to save time and distance the investigator had to select homemakers residing in the locality near her college in Coimbatore and residence in Bangalore.

1. Coimbatore: The list of homemakers who purchased from the cooperative stores and private retail stores was obtained from the respective stores. The first 50 names of homemakers who resided in the desired zones were selected in each case.

The criteria for selecting the homemakers was their residents in an area within a radius of two miles from the grocery stores. The areas which were selected were R.S. Puram and Tatabad.

2. Bangalore: On the same basis as in Coimbatore 50 homemakers residing in an area within a radius of two miles from the investigator's residence and the store in the zones of Basavangudi and Shankarapuram were selected.

D. Preparation Of The Interview Schedule For The Homemakers

An interview schedule was prepared as given in Appendix I to be administered to the homemakers;

It included details regarding the family composition, age, occupation and income; education of the family members; the homemaker's purchasing plan; time spent on purchases; reasons for selecting particular grocery store; services rendered by the store; quantity purchased; purchasing

problems and the homemaker's suggestions regarding improvement of retail services of the store.

E. Conducting The Interviews and Collecting Data.

The investigator established rapport with the selected homemakers through self introduction and explanation of the purpose of the interview. The homemakers were assured that the survey was conducted only to find out how far the stores where they are making their purchases are helpful to them. The questions were introduced gradually in the course of the conversation to cover all the points included in the schedule. The answers were recorded and the data consolidated.

F. Preparation of the Questionnaire For The Retail Store Managers.

After eliciting homemaker's purchasing problems through the interviews, the questionnaire as given in Appendix II, was drawn up to be administered to the private retail and cooperative store managers, to find out the problems they faced in catering to the needs of customers. It had two parts, the first part, common to all store managers, and the second part applicable only to the cooperative stores to elicit additional information.

The first part called for details regarding years of service; types of service rendered; the problems which arose while catering to consumers and action taken on their complaints. In the second part, cooperative stores were asked to indicate their membership rules and regulations

and give their views on the patronage of their members.

G. Administering The Questionnaire To The Store Managers.

The authorities managing the private retail stores and the cooperative stores were initially interviewed and the need for the information called for in the questionnaire explained. The questionnaire was then given and the replies collected and analysed.

IV. RESULTS AND DISCUSSION.

The results of the study of the retail services rendered by private retail stores as against consumer cooperative stores with reference to the homemaker's grocery purchases are discussed and presented under the following headings:

- A. The relationship between the place of purchase and the family background
 - B. Planning of purchases by the homemaker
 - C. Reasons for purchasing at a particular retail store
 - D. The retail stores
 - E. The policy of the retail stores
- A. The Relationship Between The Place of Purchase and The Family Background

The family background will include the following items -

1. Number of family members,
2. Educational status of the homemakers,
3. Occupation of the family members, and
4. Income of the family members.

1. Number of family members: The average family of those who purchased from cooperative stores and private retail stores was composed of three members. Table III shows the distribution of family members and the place of purchase. It can be seen that there is no relationship between the number of members and the preference for the store. This

has been proved by the chi square test (Appendix III)

TABLE III

THE NUMBER OF FAMILY MEMBERS AND PLACE OF GROCERY PURCHASE

Number of family members	Place of purchase	
	Cooperative stores	Private retail stores
1-2	2	6
3-4	30	30
5-6	36	33
7-8	15	15
9-10	8	10
11-12	9	6
Total	100	100

2. The Educational Status of the Homemaker: The educational status of the homemakers interviewed is given in Table IV, and represented in Figure 1. It was found that of the total of 200 homemakers 43 per cent were educated up to elementary school, 27 per cent up to high school, and 9 per cent were college educated. Twenty one per cent were illiterate. Applying the χ^2 test given (Appendix IV), the education of the homemaker appeared to have no relationship to the place of purchase.

Since it was proved that the education of the homemaker had no bearing on the purchase we may infer that the

homemakers know, understand and appreciate what they are able to get and demand for, and get what they do not have, and thus use any situation to their advantage.

3. Occupation of family members: The various professions followed by the heads of the family did not have any significant correlation with the place of grocery purchase. This was proved by the chi square test.

4. Income of Family Members: The total income of the families surveyed ranged from ₦.100 to ₦.1,200 per month. Table V and figure 1 shows the percentage of families belonging to two different monthly income ranges purchasing from the cooperative stores and private retail stores.

FIGURE-1

INFLUENCE OF THE FAMILY INCOME ON THE PLACE OF PURCHASE OF GROCERIES

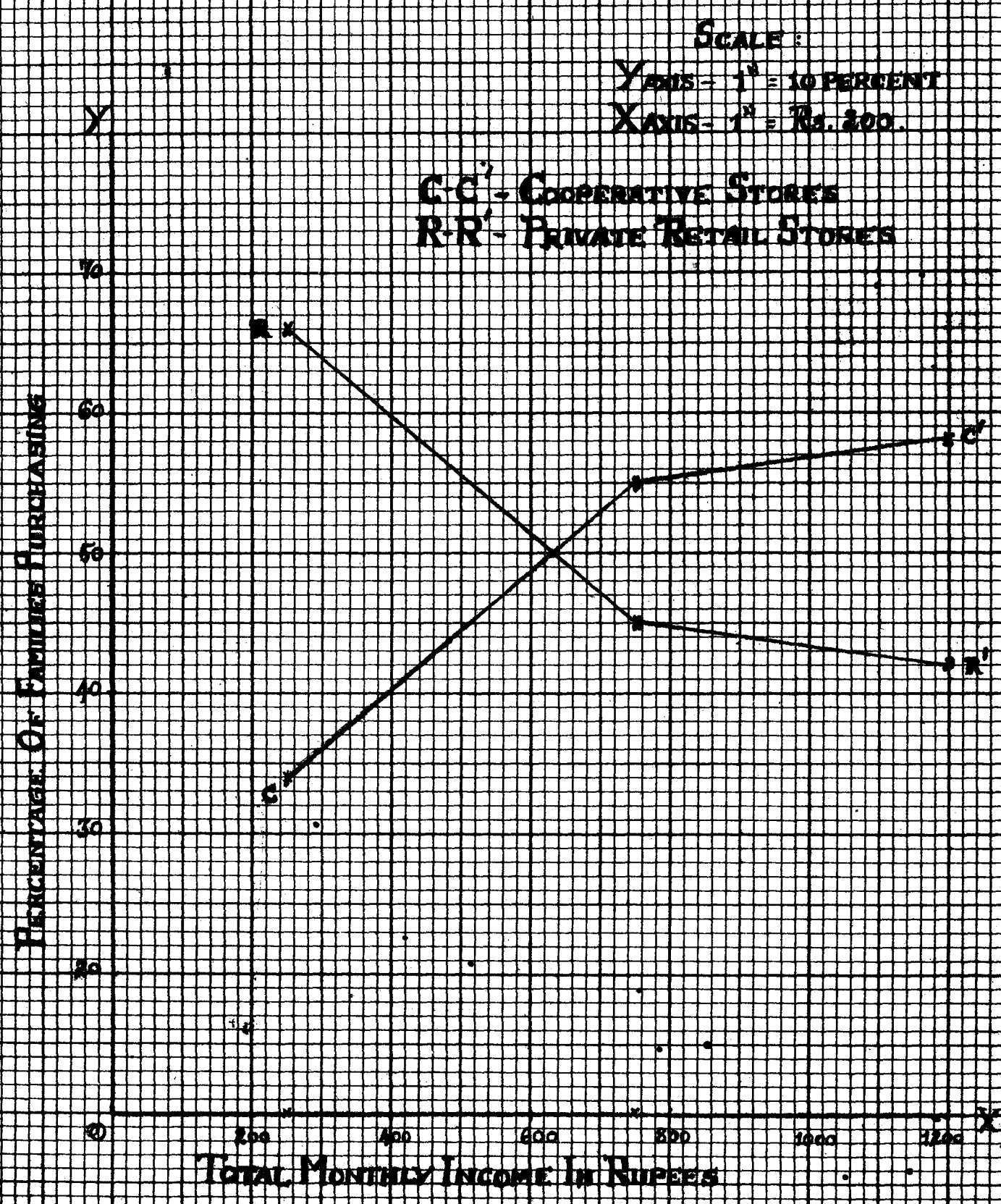


TABLE V

TOTAL INCOME AND THE PLACE OF GROCERY PURCHASE OF
THE FAMILIES SURVEYED

Families purchasing at	Monthly income ranges in Rupees		
	Upto 250	251 to 750	751 and above
	<u>percentage of families.</u>		
Cooperative Stores.	34	55	58
Private retail Stores.	66	45	42

As can be seen from Table V and figure 1 as the income range increases, the percentage of families purchasing from the cooperative stores increases and the percentage of purchasing from the private retail stores decreases. This difference is statistically significant in the chi square test, given in Appendix V. There was a significant correlation between the place of grocery purchase, and the income level of the families surveyed. The reasons for the smaller income groups, preferring the private retail stores may be due to the fact that the cooperatives insist upon an initial deposit of Rs.100/- to give credit facilities to the customers. The private retail stores on the other hand, give easy credit which helps the families in the lower income brackets.

If the cooperatives are to be really meaningful and

serve a wider group of people, the amount for the initial deposit must be lowered.

B. Planning Of Purchases By The Homemaker.

Planning of purchase by the homemaker will be studied, under the following headings -

1. The planning of purchase
2. The time spent on purchasing
3. The quantity purchased

1. The Planning Of Purchase: The criteria taken as indicative of planning were: Quantity planning, quality planning and money planning. Table VI shows the place of purchase and the mode of planning of grocery purchases adopted by the families surveyed. Table VI shows that the maximum number of families planned their grocery purchases in terms of quantity; some of them in terms of quality and very few in terms of money. So far as quantity planning is concerned there is not much of a difference between those who buy from the cooperative stores, ^{and those who buy from private retail stores.} The homemakers who planned in terms of quantity may be sure of getting quality goods at fair price from the cooperative store and therefore may not be planning in terms of money or quality. In the case of the 18 families which do not plan in terms of quantity it was found that the income level was below Rs.300/-. This was just enough to make both ends meet and as such they had to purchase in terms of the income available to them.

TABLE VI
PLACE OF PURCHASE AND MODE OF PLANNING OF PURCHASE

Mode of Planning the Purchase	Place where the families purchase								Grand Total No.
	Cooperative Stores				Private retail Stores.				
	Banga-lore	Coim- batore	Total No.	Per-centage	Banga-lore	Coim- batore	Total No.	Per-centage	
Quantity	45	47	92	51.1	44	46	90	48.9	182
Quality	5	12	17	40.5	19	6	25	59.5	42
Money	4	2	6	28.5	7	8	15	71.5	21

2. Time Spent On Purchasing: Table VII shows the place of purchase and the time spent on purchasing the monthly provisions.

As can be seen from Table VII on the whole the average time spent by homemakers on shopping their monthly requirements was less in Coimbatore than in Bangalore and that the time spent on shopping at the cooperative stores was less than the time spent on shopping at the private retail stores. This is illustrated in figure 2. When these differences were statistically analysed applying the students' 't' test - Appendix VI - the following were evident:

a) There was no significant difference in the time spent on grocery purchases between the homemakers buying in private retail stores and cooperative stores in Bangalore. This may be due to the reasons that the services rendered by these two stores were similar.

b) There was a significant difference between the time spent on the purchase of groceries between the homemakers buying in the cooperatives, and private retail stores in Coimbatore.

This may be due to the fact that services rendered at the cooperatives were better and that the homemakers purchasing at the cooperatives might have made a more planned approach to purchasing.

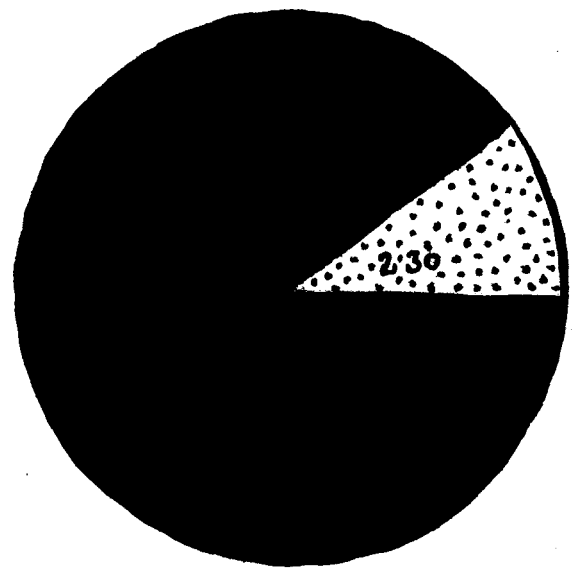
TABLE VII

THE PLACE OF PURCHASE AND THE TIME SPENT ON PURCHASING

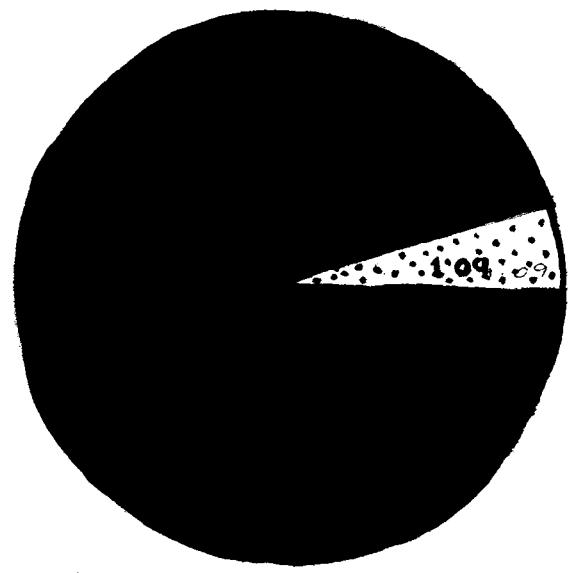
Time spent on purchasing.	Place where the families purchase								Grand Total. No.
	Co-operative Society				Private Retail stores.				
	Banga-lore	Coimba-tore	Total No. Per-centage	Banga-lore	Coimba-tore	Total No. Per-centage	Banga-lore	Coimba-tore	
30 minutes	5	14	19	4	9	13	-	-	32
One hour.	4	18	22	6	7	15	-	-	37
Two hours.	16	14	30	10	23	33	-	-	63
Three hours.	14	3	17	2	9	11	-	-	26
Four hours.	4	1	5	12	3	15	-	-	20
Five hours.	2	-	2	2	-	2	-	-	4
Six hours.	1	-	1	2	2	2	-	-	3
Seven hours	2	-	2	2	-	2	-	-	4
Eight hours.	2	-	2	6	-	8	-	-	10
Average time spent on shopping.	2.30	1.09		3.04	1.52				

FIGURE - 2
TIME SPENT ON GROCERY PURCHASE BY HOMEMAKERS
AND THE PLACE OF PURCHASE.
A - COOPERATIVES ; B - PRIVATE RETAIL STORES.

A

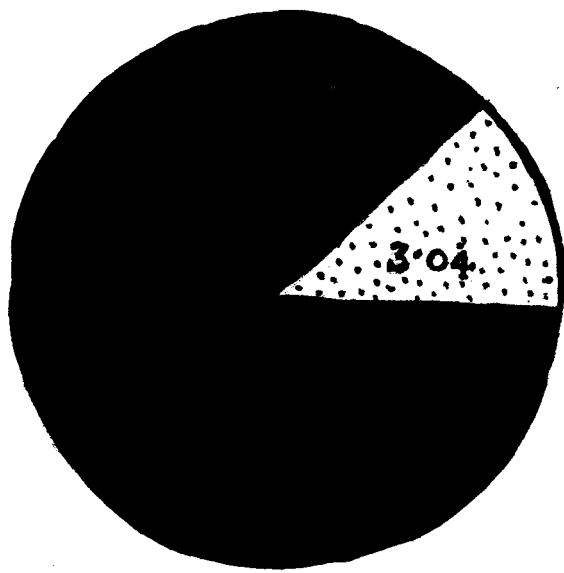


BANGALORE

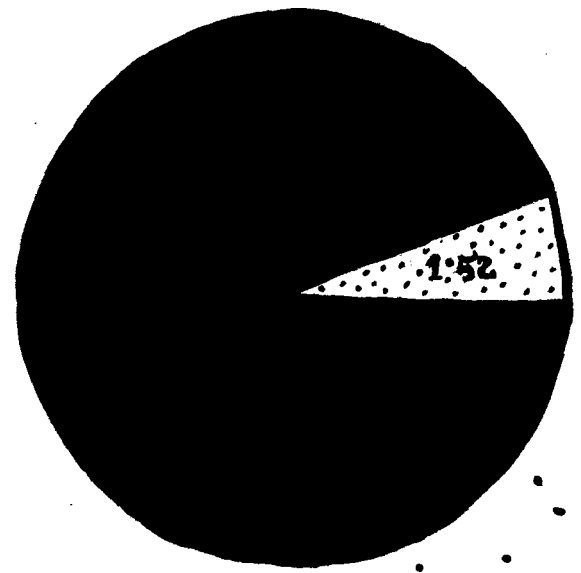


COIMBATORE

B



BANGALORE



COIMBATORE

c) There was significant difference in the time spent on purchase of grocery requirements between the homemakers buying in the cooperative stores in Coimbatore, and Bangalore, and the homemakers buying in private retail stores in Coimbatore and Bangalore.

The services rendered by the private retail stores and the consumer cooperatives in Coimbatore do not differ to any great extent. But there are differences in the services rendered by the retail stores in Bangalore and Coimbatore. Ordering by telephone and house delivery are available in both types of stores in Coimbatore but not in Bangalore. Hence more time is spent on purchasing in the latter city.

3. Quantity purchased: The influence of the quantity purchased on the place of purchase was studied. It was found that in the case of some commodities the quantity purchased decided the place of purchase. Dhal, red chillies and tamarind were bought in larger quantities seasonally. The homemakers who shopped both in the cooperative stores and in the private retail stores bought these commodities from retailers other than those from whom they usually purchased. These purchases were made because the particular commodities were either not available in the stores or because bulk purchases were cheaper when made in the other shops.

C. Reasons for Purchasing at a Particular Retail Store.

The reasons given by the homemakers for patronizing a particular retail store are given in Table VIII.

TABLE VIII

REASONS FOR PURCHASING IN PARTICULAR RETAIL STORES.

Reasons for buying	<u>Cooperative stores</u>			<u>Private retail stores</u>		
	B	C	Total	B	C	Total
1. Membership	37	14	51	..	..	..
2. Fixed fair price	14	25	39	4	4	8
3. Good quality	7	23	30	29	36	65
4. Home delivery	..	18	18	..	6	6
5. Reliability of quality and quantity	9	9	18	4	7	11
6. Availability of all goods.	11	7	18	4	8	12
7. Nearness of the stores	12	6	18	20	20	40
8. Credit facility	11	3	14	10	9	19
9. Returned goods service	5	5	10	10	10	20
10. Quick service	5	1	6	3	3	6
11. Management known	..	2	2	9	12	21

Note: B - Bangalore

C - Coimbatore

The main reasons for the homemakers in Bangalore and Coimbatore preferring to purchase in particular private retail stores as revealed by their replies presented in Table VIII were: the good quality of goods offered, the nearness of the stores, the fact that the shop keeper was known to them, facilities for returning goods, and credit. The fact that 65 homemakers purchased at the private retail stores because of the higher quality of the goods sold there, shows that the private retail stores laid special stress on buying and providing quality goods to their customers. The nearness of the stores is another important reason for their purchasing from the private retail stores.

In the case of those shopping at the cooperative stores, the membership in the stores, fixed and fair prices, facilities for house delivery, reliability, availability of goods and nearness of the stores were the attractive features.

On the whole, more answers were received from those shopping at the cooperatives over a wider range of reasons. From the answers, it can be inferred that the services rendered by the cooperatives were appreciated by them.

D. The Functioning Of The Retail Stores: The discussion under the functioning of the retail stores covers,

1. Retail services rendered,
2. Problems encountered while purchasing,
3. Suggestions for improving retail services,
4. Consumers complaints to the retailers.

1. Retail Services Rendered: From the answers received it was seen that the homemakers were aware of the important services rendered by the retail stores, such as house delivery, credit facility, returned good service and telephone ordering.

Twenty five homemakers who made their purchases from the cooperative stores were not aware that information was given by sales persons; dividends on the share value invested by them; their right to vote, and their voice in the management; and the action that would be taken on complaints. The cooperatives must provide goods to customers at a just rate. A comparison of the prices between the cooperative stores and private retail stores, in Bangalore showed that for commodities such as rice, wheat, almonds, cashewnuts, red chillies, groundnuts, sooji, groundnut and cocconut oil; the prices were less in the cooperatives. In the case of Black gram, dhal, maida, green gram and dhal, sago, methi, tamarind and a few other commodities, the prices were more in the cooperatives.

In Coimbatore but for Pepper, and poppy seeds all other commodities are cheaper in the cooperative stores -

Appendix VIII

Twenty one homemakers purchasing from the retail stores were not aware of the facilities for returning goods, and telephone ordering available there. Eighteen-homemakers did not taken advantage of these services. On the whole, the homemakers were not completely aware of their privileges,

and did not make full use of the facilities available. It is here that the role of consumer education comes in. The services rendered by the retail stores as mentioned by the retail shopkeepers themselves both private and cooperatives are listed in Table IX.

TABLE IX

RETAIL SERVICES RENDERED BY THE GROCERY STORES

Services rendered	Cooperative stores		Private retail stores	
	Bangalore	Coimbatore	Bangalore	Coimbatore
1. House delivery	No	Yes	No	Yes
2. Credit facility	Yes	Yes	Yes	Yes
3. Telephone orders	Yes	Yes	Yes	Yes
4. Information about the arrival of new goods.	Yes	Yes	No	Yes
5. Information regarding quality of goods supplied.	Yes	Yes	Yes	Yes
6. Facility regarding returned goods	yes	Yes	Yes	Yes
7. Complaints Book	Yes	No	Oral	Oral
8. Goods on approval	Yes	No	Rarely	Yes
9. Fair and Just price	Yes	Yes	Yes	Yes
10. Bargaining	No	No	No	Yes

From the services mentioned in Table IX it can be

seen that the private retail stores and the cooperatives in Bangalore do not provide house delivery facility whereas all the stores in Coimbatore provide the facility. This may be the reasons for the lesser time spent on shopping by the homemakers in Coimbatore (Vide Table VII). The homemakers need house delivery facility, to save both time and energy by shortening her shopping hours. A still more advantageous step would be if orders were also taken over the telephone if the homemaker wanted such facilities. In such a case the time of the homemaker would be saved to a very greater extent. There is however a disadvantage in house delivery, in that the right commodity may not be given, and the homemaker may find the need to return the commodity. To safeguard against this, the homemakers must be made aware of the standards and grades of the goods available. The consumer cooperatives in cooperation with local women's organisations can take up the responsibility of educating women on assessing quality and recognizing standards.

The credit facilities offered by the private retailers and the cooperatives differed. The homemaker must become a member of the cooperative if credit facilities are needed. This is a difficult requirement for families who are in the lower income groups. If the cooperatives are to serve the masses easier credit facilities should be afforded to the consumer-buyers.

Information regarding the arrival of new goods and the quality of goods available, are given by the cooperative stores in Coimbatore and Bangalore, whereas such information is not available in the private retail stores at Bangalore. Facilities for taking goods on approval are allowed in both the private retail stores in Bangalore and in Coimbatore. These facilities are however not extended by the Coimbatore Cooperative Stores.

The consumer-buyers in the private retail stores both in Coimbatore and Bangalore had facilities to get their grievances redressed by lodging their grievances orally with the manager of the concerned store. Such facilities were not available to the consumer-buyer in the Coimbatore Cooperatives, whereas the Bangalore cooperatives maintains a 'complaintsbook'. The Coimbatore Cooperatives however welcomes suggestions from the customers. It has an advisory committee of women to advise customers on the purchase of articles. Such committees should have representatives from local women's organisations and clubs.

For any grocery store to flourish, there must be a just and fair evaluation of its working. The best judges are the customers themselves. Consumer cooperatives being democratic organisations, should reflect the views of the customers and cater to their needs. The consumers co-operatives need to organise monthly forums of consumers where the really interested members will bring forward their

views on how the working of the cooperative could be improved. This would lead to better understanding of the consumer by the store authorities and vice versa.

2. Problems Encountered While Purchasing: The problems encountered by the homemakers while purchasing are given in Table X...

TABLE X
PROBLEMS IN PURCHASING

Problems	Cooperative Store			Private Retail Store		
	B	C	Total	B	C	Total
1. In getting quality goods and clean groceries	20	30	50	5	6	11
2. In getting quick service	6	6	12	6	2	8
3. Nonavailability of variety of goods	1	4	5	3	9	12
4. Lack of prompt home delivery of goods	1	3	4	4	1	5
5. Discourteous treatment by salesman	1	2	3	1	1	2
6. In recognising the quality of goods	1	1	2	2	1	3
7. In listing the goods required	..	1	1	..	1	1

Note: B and C stand for Bangalore and Coimbatore.

The homemakers who frequented cooperative stores mentioned getting quality goods and clean groceries as .

their problems. This is borne out by the reason they stated for their preferring to purchase from cooperatives (Table VIII). Quality did not rank high for their preference, whereas those who purchased from private retail stores mentioned that they preferred their source of purchase because of quality goods.

The purchasers from private retail stores said that their most pressing problem was the non-availability of a variety of goods in the stores where they purchased. Non-availability of clean groceries has been mentioned by a few homemakers purchasing from the private retail stores also. The homemakers said that lack of clean groceries led to other managerial problems which involved the use of time and energy, other problems mentioned were: lack of quick service, prompt delivery of goods at home, courteous treatment and difficulties in recognizing the quality of goods and listing the goods required.

In general, the homemakers who purchased from cooperatives listed more difficulties than those purchasing from private retail stores. These responses were not based on the more complex and deeper issues such as cost, adulteration, and fair prices because the homemakers were either not aware of the difficulties or not willing to divulge the answers. The same questions were put to a group of thirty graduate women and three managers of hostels of Home Science Institutions. Their answers were strikingly different from that of the homemakers.

This again brings out the need for consumer education. The earlier studies conducted by Prema (1963)³² and Sumitra Devi (1963)³³, ^{revealed that} the crying need of the day is to make the consumers conscious of their rights and responsibilities towards their families and the society.

The private retail store keepers in Bangalore and Coimbatore mentioned two problems they faced while catering to the consumers. Consumers higgled when prices were fixed and recovering of dues from customers.

The problems faced by the cooperative stores were recovery of dues to some extent; Customers ordering for small quantities over the telephone and consumers crowding in the stores at the beginning of the month.

In the case of recovery of dues as far as the cooperative store is concerned the problem was not as serious as in the case of the private retail stores since the initial deposit safeguarded the interests of the cooperatives. Further more all belated payments after the due date, were charged an interest of six and a quarter per cent per annum. When the dues exceeded the deposit as in the case of a customer who is a chronic debtor, the cooperative stores stopped giving him credit and in extreme cases terminated the membership.

Telephone orders for small quantities of commodities is a wasteful procedure since it entails increasing costs for the stores and ultimately to the consumer-buyer. The need to plan in advance and use wise judgment is essential,

on the part of the homemaker to avoid such wastages. For good management of time and energy in the home, the homemaker should develop the habit of noting down all her requirements list, and order for larger units at one time. The use of a scribbling pad or a note book in the kitchen is a good technique. The pad will indicate all the major and minor items, easily, which one may not easily remember at the time of shopping.

Consumers should not all go at the same time for purchasing their monthly requirements. Homemakers should so plan their monthly purchases that they give enough time for the salesman to look to their needs carefully. It would be wise to make the purchases towards the end of the month or at least send in the requirements list early enough, so that the goods could be packed and set apart. The cooperatives could start taking the orders during the last week of the month to avoid crowding in the first week of the succeeding month.

The homemaker was asked to mention the various types of food adulteration she had come across and also what she did in case the food stuffs bought were adulterated. From the answers given it would appear that the homemakers are either not fully aware of adulteration or the retail stores may be offering good quality goods. Although we hear of adulteration being rampant these homemakers were not aware of it. In view of the fact that some homemakers did mention adulterated foods the investigator feels that the

majority of homemakers are either not able to judge the quality of the food or they were indifferent to the problem. Few homemakers however mentioned some commodities which they came across as adulterated. They are, Rice, Soji, dhal, mustard and oil. Rice, dhal and mustard were stated to have been mixed with stones and Soji adulterated with another inferior variety. Similarly oils of different kinds were mixed such as gingelly oil with ground-nut oil.

To find out whether the more educated homemakers knew about adulteration, the question relating to food adulteration, was put to 30 selected graduate homemakers.

Among the answers given by the selected Graduate homemakers 75 per cent of them mentioned about food adulteration which reveals that education does have an influence on their knowledge of purchasing and their concern in the market. The adulterated food stuffs mentioned by this group of homemakers were rice, wheat flour, bengal gram flour, maida, oil, turmeric powder, sugar, soji and mustard. The action taken by them was to clean and use if possible or return it to the stores. Some of the homemakers also mentioned that if the commodity was found unsatisfactory it was thrown away and wasted.

Therefore the investigator feels that consumer education is necessary in preparing the homemaker to recognize standard quality goods and thus be aware of adulteration. The general opinion of the homemakers with regard to their action when they get adulterated foodstuff was that they returned it

Coimbatore appear to be complacent about consumers complaints. This brings out the need for a complaints book, which would be scrutinized by the share holders themselves at one of their meetings. If the complaints are just and could be avoided, necessary action should be taken so that the services rendered are actually beneficial to the consumers.

E. The Policy of the Retail Stores Surveyed

The policy of the retail stores are discussed with reference to the credit facilities provided and manner and source of their purchasing. For the cooperatives further details regarding membership, rules and regulations and membership drive are discussed.

On the whole it was found that the Bangalore retail stores were established earlier than the retail stores in Coimbatore. The Coimbatore, however, though newer offered more retail services than the Bangalore retail stores. The policies of an older store are more difficult to change than in the case of a newly established store.

The credit facilities are offered by private retail stores on the basis of the customer's standing in the society and recommendation of old clients. In one cooperative the rule said that the credit limit would be fixed in proportion to their monthly emoluments and approved by the employer. In case of the consumer cooperative however the extension of credit facilities depended upon the value of

the individuals share in the cooperative and the fixed deposit. Credit facilities are afforded to consumer-buyers who pay an initial deposit of Rs.100 or if there is provision made for the deduction of the dues for salaried persons from their monthly salaries and they will be exempted from the payment of trade advance. The Consumers Cooperatives both in Coimbatore and Bangalore make seasonal purchases from private merchants, wholesale merchants and producers. The private retail stores on the other hand purchase mostly from wholesale merchants and private merchants.

The differentiation between members and non-members in both the cooperatives is made by giving a rebate of half a per cent on purchases made by members. Another important difference is that the non-members do not get credit facilities whereas members can get credit facilities.

The rules and regulations of the consumers cooperative at Coimbatore are given in Appendix VIII. The rules and regulations are comprehensive and enable the consumer-buyer to understand and demand the services that he needs. The consumer cooperatives at Bangalore did not have such printed rules. The membership application form for both the cooperative stores are given in Appendix IX.

There was no need for starting the membership drive in Bangalore since they already had more than 2000 members and they felt that for a consumer cooperative to be successful it should not be very huge and unwieldy. The more important

problem was to make the present members purchase regularly at the store which they were not doing at present. In Coimbatore however the consumers cooperatives were canvassing for more members by doing some propoganda.

V. SUMMARY AND CONCLUSIONS

From the study of the services rendered by retail stores, both cooperative and private with reference to the homemaker's grocery purchases, the following conclusions were drawn:

1. The size of the family, the occupation of the head of the family and the educational level of the homemakers did not affect their choice of stores for grocery purchases.
2. The income of the family had a significant correlation with the place of purchase. More families in the lower income brackets purchased at the private retail stores, because unlike the cooperative retail stores they extended credit on easy terms.
3. Planning in terms of quantity was done by the majority of homemakers, in both the retail stores. Planning in terms of quality and money was done by very few homemakers.
4. The homemakers who patronized the cooperative retail stores, spent less time on purchasing their requirements for the month, than those who went to private retail stores because of the quicker services they received.
5. The homemakers preferred to buy in the private retail stores, because of the superior quality of the goods, nearness of the stores, facilities for returning goods, easy credit, and the fact that the shopkeeper was known to them. Homemakers preferred to buy in the cooperative

retail stores because of fixed and fair prices, facilities for house delivery, membership in their stores, and reliability.

6. The services rendered by the cooperative retail stores were appreciated to a greater extent than those rendered by the private retail stores. The services rendered by the Coimbatore Cooperative Store was appreciated to a greater extent than those rendered by the Bangalore Cooperative Stores. This was evident from the replies received from the homemakers.

7. Nonavailability of quality goods and clean groceries was an important problem faced by homemakers, who purchased from the cooperative retail stores.

8. It is necessary that the homemakers should express their views and give suggestions at the store forums so that the stores can cater to the needs of patrons and consumers. The stores should maintain complaints book which would be considered at the forums every month.

9. From the private retail store managers' view recovery of dues from customers was the most important problem and the Homemaker's ordering for small quantities, crowding in the beginning of the month were the problems faced by the cooperative store manager.

10. The educational level of the homemaker influenced her knowledge of food adulteration. The graduate homemakers were able to detect the adulterated foods they came across.

But the next step that they should take when they come across adulterated foods was not realized by them. This can be solved by orienting the consumer towards better purchasing habits which would make them better managers in the home. The need for consumer education is hence an urgent issue since the homemakers were not aware of the latent powers in them as consumer-buyers.

11. By providing quality goods, courteous service and easier credit facilities the consumer cooperatives can serve the homemakers and the community to a greater extent. Success of the consumer cooperative movement rests on the stores effort to satisfy customers and the customers loyalty towards the store.

BIBLIOGRAPHY

1. Ogburn, W.F., and Niskoff, M.F., 'A HAND BOOK OF SOCIOLOGY', London, Routledge and Kegan Paul Ltd., 1960, pp. 451-452, 474.
2. Gisbert, P. 'FUNDAMENTALS OF SOCIOLOGY', New Delhi Orient Longmans, 1960, p.76.
3. Biesans, J., and Biesans, M. 'MODERN SOCIETY', New Jersey, Prentice Hall, Inc., 1959, p.258
4. Merril, F.E. 'SOCIETY AND CULTURE', New Jersey, Prentice Hall, Inc., 1961, pp.360-362.
5. Reid, M.G., 'ECONOMICS OF HOUSEHOLD PRODUCTION' New York, John Wiley and sons, Inc., 1934, pp.14
6. Goodyear, M.R., and Klohr, M.C., 'MANAGING FOR EFFECTIVE LIVING', New York, John Wiley and sons, Inc., 1954, pp.3,12
7. Coles, J.V., 'CONSUMER BUYER AND THE MARKET', New York, John Wiley and Sons, Inc., 1938, pp. 157-158, 25-26, 185, 273-281, 147, 442-446, 430, 229-230.
8. Reid, M.G. 'CONSUMERS AND THE MARKET', New York, F.S., Crafts and Company, 1938, pp.199-200, 8, 356-368, 29-30, 47, 60, 224, 125-126, 129, 131, 135, 149, 191, 227-242, 199-206.
9. Devadas, R.P. 'THE MEANING OF HOME SCIENCE', Coimbatore, Sri Avinashilingam Home Science College, 1958, pp.9-11.
10. 'THIRUKKURAL', Tirunelveli, The South India Siva Siddhantha Works Publishing Society, 1949, p.23.
11. Miles, M.C., 'THE ESSENCE OF MANAGEMENT', Calcutta, Orient Longmans, 1956, pp.20,28
12. Brech, E.F.L., 'THE PRINCIPLES AND PRACTICE OF MANAGEMENT', Great Britain, Longmans, 1961, p.8.
13. Nickell, P. and Dorsey, J.M., 'MANAGEMENT IN FAMILY LIVING', New York, John Wiley and Sons, Inc., 1963, pp.36, 128.

14. Gross, I.H., and Crandall, B.W., 'MANAGEMENT FOR MODERN FAMILIES', New York, Appleton Century Crafts, Inc., 1954, p.19.
15. Andrews, B.R., 'ECONOMICS OF THE HOUSEHOLD', New York, The Macmillan Company, 1935, pp.112-113.
16. Kelley, P.C., 'CONSUMER ECONOMICS', Illinois, Richard, D. Irwin, Inc., 1953, pp.362-364, 384-385, 373, 197-199, 276-277, 402, 213, 593.
17. Wilhelms, F.T., and Heimerl, R.P., 'CONSUMER ECONOMICS' New York, McGraw Hill Book Company, Inc., 1959, pp.143-146.
18. Troselstrup, A.W., 'CONSUMER PROBLEMS AND PERSONAL FINANCES', New York, McGraw Hill Book Company, Inc., 1957, pp.110-112, 126.
19. Andrews, B.R., 'THE MARKET AND THE HOUSE WIFE', A.H.E. Vol.III, 1915, pp.31-35.
20. Nystrom, P.M., 'ECONOMICS PRINCIPLES OF CONSUMPTION', New York, The Ronald Press Company, 1929, 51-69.
21. Wyand, C.S., 'THE ECONOMICS OF CONSUMPTION', New York, The Macmillan Company, 1937, pp. 174, 195, 218, 521-524.
22. Waite, W.C. and Cassidy, R., 'THE CONSUMER AND THE ECONOMIC ORDER', New York, McGraw Hill Book Company, Inc., 1939, pp. 134-135, 140, 294-295, 300-303, 320.
23. Westing, J.H., 'READINGS IN MARKETING', Englewood Cliffs, Prentice Hall, Inc., 1957, p.44.
24. Metheny, N., 'NUTRITIONAL SUFFICIENCY FINDINGS AND FAMILY MARKETING PRACTICES', J.H.E., Vol.LIV, 1962, pp.297-302.
25. Bigelow, H.F., 'FAMILY FINANCE', New York, J.B. Lippincott Company, 1953, pp.82, 99, 94-95.
26. Deshmukh, A., 'THE INFLUENCE OF ADVERTISEMENTS ON THE HOMEMAKER'S PURCHASING HABITS WITH REGARD TO SOME HOUSEHOLD GOODS IN COIMBATORE', A Thesis submitted to the University of Madras in partial fulfilment of the requirements for the degree of Master of Science, May 1962, p.72.

27. Kyrk, H. 'ECONOMIC PROBLEMS OF THE FAMILY', New York, Harper and Brothers Publishers, 1933, pp.435-436, 438, 101.
28. Foote, N. 'THE AUTONOMY OF THE CONSUMER', Selections in Economics, Epstein and Butler edited, Vol.II, pp.34, 38.
29. Maynard, H.H., Weidler, C.W. and Beckman, N.T., 'PRINCIPLES OF MARKETING', New York, The Ronald Press Company, 1937, pp.56, 181.
30. Miller, D.S. 'CHANGES IN THE CONSUMER GOOD MARKET SINCE WORLD WAR II', J.M.B., Vol.LIV, 1962, pp.9, 14.
31. Amburgey, J.N., and Celer, J.V., 'BUYING HABITS OF MISSOURI HOMEMAKERS', J.M.B., Vol.LXVI, 1934, pp.19-20.
32. Prema, A. 'THE PURCHASING HABITS OF A HUNDRED AND FIFTY SELECTED HOMEMAKERS IN COIMBATORE WITH SPECIAL REFERENCE TO FOOD, TEXTILES AND HOUSEHOLD EQUIPMENT', A Thesis submitted to the University of Madras in partial fulfilment of the requirements for the degree of Master of Science, 1963, pp.46, 82.
33. Sumitra Devi, 'THE INCOME AND EXPENDITURE PATTERNS OF A HUNDRED AND FIFTY SELECTED FAMILIES IN COIMBATORE CITY', A Thesis submitted to the University of Madras in partial fulfilment of the degree of Master of Science, 1963, pp.62-63, 95.
34. Kriahnamurthy, S. 'CONSUMER PROTECTION', News letter, Consumer Association of India, No.6, Vol.III, 1963, pp.1-4.
35. 'CONSUMER COOPERATIVES', Government of India, Ministry of Community Development, Panchayat Raj and Cooperation, 1963, p.9.
36. Sweitzer, C.E. 'THE CONSUMER AND THE RETAILER TODAY' J.H.B., Vol.XXI, 1929, pp.731-738.
37. William, F.M. 'PURCHASING PROBLEMS OF THE HOUSEHOLD BUYER', J.M.B., Vol.LXI, 1929, pp.724-730.
38. Money management Institute of Household Finance Corporation, 'MONEY MANAGEMENT-YOUR SHOPPING DOLLARS', Chicago, 1958, pp.29-30.

39. Singh, G. 'BENEFITS OF STANDARDIZATION TO CONSUMER', Consumer Association of India, News letter, Vol.II, June 1962, pp. 5-6.
40. FOOD ADULTERATION- NEED FOR DETERRENT ACTION'. Consumer Association of India, News letter, Vol.II, June 1962, p.1.
41. 'THE TIMES OF INDIA DIRECTORY AND YEARBOOK', 1958-59, Bombay, Bennett, Coleman and Co. Ltd., The Times of India Offices, pp.178-179.
42. Dewey, A. 'BUYING STORING AND HANDLING FOOD SUPPLIES', J.M.E. Vol.VII, 1915, pp.144-145.
43. Kuppaswamy, S. 'QUALITY FOOD-BETTER HEALTH', Consumer Association of India, Newsletter, Vol.II, December 1962, pp. 2-5.
44. Karnad, R. 'ROLE WOMEN IN IMPROVING THE QUALITY OF CONSUMER GOODS', Consumer Association of India, News letter, Vol.II April 1962 No.4, pp.2-4.
45. Cook, R. 'PROBLEMS OF CONSUMER BUYING', J.M.E. Vol.XII, 1929, pp. 92-94.
46. U.S.Department of National Education Association, 'A COLLEGE COURSE IN CONSUMER PROBLEMS. A HAND BOOK FOR INSTRUCTORS', Washington D.C., 1950, pp.12-14.
47. Gordon, L.J. 'THE FUNCTION OF THE CONSUMER IN A FREE CHOICE ECONOMY', The Kazanjan Foundation Lecturers, 1957, p.25
48. Benham, F. 'ECONOMICS', London, Sir Isaac Pitman and Sons, Ltd., 1957, p.167.
49. Tousley, R.D. Clark, E. and Clark, F.E., 'PRINCIPLES OF MARKETING', New York, The Macmillan Company, 1962, pp.10, 250-252.
50. Cochrane, W.W. and Eck, C.S. 'THE ECONOMICS OF CONSUMPTION', New York, McGraw Hill Book Company Inc., 1956, p.38.
51. Kelley, P.C. and Brisco, M.B. 'RETAILING', Englewood Cliffs, New Jersey, Prentice Hall, Inc. 1957, pp. 1-2, 6-7, 450-453, 460-462, 466, 470, 474, 476.

52. Nystrom, P.H. 'RETAIL STORE OPERATION', New York, The Ronald Press company, 1937, pp.407, 413.
53. Chatterjee, A. 'PROTECTING PACKAGING FOR THE CONSUMER', All India Seminar on Consumer Problems, Consumer Association of India, New Delhi, 1961, pp.1-5.
54. Veerhis, J. 'THE ROLE OF COOPERATIVE MOVEMENT IN FOOD PRODUCTION AND DISTRIBUTION', World Food Congress, F.A.O. Washington D.C. December 1963 pp.1-2.
55. Nateshan, K. 'COOPERATION', Madras, 1953 pp.1-4.
56. Bhatnagar, K.P. Migan, N.S., Bhagatiwal, T.N., and Hajela, T.N., 'COOPERATION IN INDIA AND ABROAD', Kanpur, Kishore Publishing House, 1960, pp.1-5.
57. Banerjee, J. 'COOPERATIVE MOVEMENT IN INDIA', Calcutta, Newana Printing Works Private Limited, 1961, pp. 5-13.
58. Srivastava, H.G.P. 'COOPERATION IN INDIA AND ABROAD', Meerut, Rastogi and Company, 1960, pp.3-7.
59. Hough, E.M. 'THE COOPERATIVE MOVEMENT IN INDIA', Bombay Oxford University Press, 1959, pp.40, 43-44.
60. Sathyanathan, W.R.S., and Ryan, J.C., 'COOPERATION' Madras, Oxford University Press 1962, pp.1-3.
61. Douglas, P.H. 'THE REAL ADVANTAGES OF CONSUMER COOPERATION', J.H.E. Vol.XXVII, 1936, pp.431-435.
62. Feler, R. 'ECONOMICS FOR MODERN LIVING', New York, College Entrance Book Company, 1962, p.50.
63. Gordon, L.J. 'ECONOMICS FOR CONSUMERS', New York, American Book Company, 1961, pp.348-349.
64. Canoyer H.C. and Vaile, R.S. 'ECONOMICS OF INCOME AND CONSUMPTION', New York, The Renold Press Company, 1954, p.282.
65. 'ENCYCLOPAEDIA OF SOCIAL SCIENCES', New York, Macmillan Company, Vol.III-IV, 1959, pp.285.
66. Tewari, R.C. 'VILLAGE LEVEL WORKER AND THE COOPERATIVE MOVEMENT', New Delhi, Ministry of Community Development and Cooperation, Government of India, 1963, pp.1, 12.

67. 'PANCHAYAT RAJ', Publications Division, New Delhi, 1962, p.3.
68. Jain, P.C. 'PROBLEMS IN INDIAN ECONOMICS', Allahabad, Chaitanya Publishing House, 1960, pp. 87-95
69. 'COOPERATIVES FOR RURAL DEVELOPMENT', New Delhi, The Publications Division, Ministry of Information and Broadcasting, 1958, pp.6-7.
70. 'COOPERATIVE MOVEMENT IN INDIA', Kurukshetra, Vol.XII, December 1963, pp.7-8.
71. Dey, S.K. 'COOPERATIVE MOVEMENT, THE BAROMETER OF PROGRESS OF OUR DEMOCRACY', Kurukshetra, Vol.I, December 1961, pp.3-5.
72. Semi-ud-Din 'ROLE OF COOPERATIVES IN NATIONAL EMERGENCY' Kurukshetra, Vol.XI, April 1963, pp.10-13.
73. 'COOPERATION IN INDIA', New Delhi, Publications Division, Ministry of Information and Broadcasting, 1960, pp.1-2.
74. Social Education Bulletin 'THE ROLE OF COOPERATIVES IN THE THIRD FIVE YEAR PLAN', Gandhigram, Vol.II, August 1961, pp.13-15.
75. Geewani, G.D. 'PROSPECTS OF CONSUMERS COOPERATION IN INDIA', Kurukshetra, October 2, 1962, pp. 65-67.
76. Nehru, J. 'WHY I AM ATTRACTED TOWARDS COOPERATION', Kurukshetra, Vol.II July 1963, pp.2-4.
77. Lekanathan, P.S. 'CONSUMER COOPERATIVES', Kurukshetra, Vol.II, October 1963, pp.39-42.
78. 'REPORT, 1962-1963, New Delhi, Ministry of Community Development and Cooperation, Department of Cooperation, pp.20-23.
79. 'RECOMMENDATIONS-STATE COOPERATION MINISTERS CONFERENCE', Kurukshetra, Vol.II, March, 1963, pp.4-5.
80. 'SPOT LIGHT ON COOPERATION', Kurukshetra, Vol.II July 1963, pp.24-25.
81. Ministry of Community Development and Cooperation, Government of India, 'MONTHLY NOTE FOR THE MONTH ENDING', 7-12-63.

82. 'ENCYCLOPAEDIA BRITANNICA', London, Encyclopaedia Britannica Ltd., 1957, Vol.VI, pp.392-399.
83. O'Brien, R. 'THE COOPERATIVE MOVEMENT IN THE U.S.', J.H.E. Vol.41, 1949, pp.505-508.
84. Ames, J.W. 'COOPERATIVE SWEDEN TODAY', Manchester, 1956, Cooperative Union Ltd., 1956, pp. 172-173.
85. Nehru, J. 'WHY I AM ATTRACTED TOWARDS COOPERATION', Kurukshetra, Vol.II, July 1963, pp.2-4.
86. 'THE FOURTH INDIAN COOPERATIVE CONGRESS', Kurukshetra, Vol.III, January 1964, pp.24-26.
87. 'CONSUMER COOPERATIVES', Dey, S.K. The Hindu, 23-7-63, p.1.
88. Malhetra, G.L. 'SEVEN ESSENTIALS FOR COOPERATIVE STORES', Yojana, Vol. September 1963, pp.21-25.
89. 'COMPLETION OF CONSUMER COOPERATIVE SCHEME BY MARCH', Dey, S.K. The Indian Express, 6-9-63, pp.5.
90. 'PROGRESS OF COOPERATIVES NOT UNIFORM', Bhide, M.R. The Deccan Herald, 8-2-63, p.4.
91. 'TRAINED MANAGERS MUST RUN COOPERATIVES', Dey, S.K. The Deccan Herald, 22-7-63, p.5.
92. Kamath, G.S. 'CONSUMER COOPERATIVE STORES', Yojana, Vol. December 9, 1962, pp.22-23.
93. 'STEPS TO BOOST CONSUMER STORES PLAN', The Deccan Herald, 3-8-63, p.6.
94. 'WHY COOPERATIVE MOVEMENT HAS FAILED', Prabhu, L.J.M. The Indian Express, 29-8-63 p.6.
95. 'CONSUMER COOPERATIVES-NEED OF THE HOUR', Mankekar, K. The Sunday Standard, 11-8-63, p-4.
96. Naidu, V.T. 'COOPERATIVES WILL HELP OUT NATIONAL DEFENCE EFFORT', Yojana, Jan 6, 1963, pp.21.
97. Young, P.V. 'SCIENTIFIC SOCIAL SURVEYS AND RESEARCH', Englewood Cliffs, New Jersey, Prentice Hall, Inc. 1956.

98. Goode, W.J., and Matt, P.K., 'METHODS IN SOCIAL RESEARCH', New York, McGraw Hill Book Company, Inc., 1952, pp.185.
99. Good, C.V. and Scates, D.E., 'METHODS OF RESEARCH', New York, Appleton Century Crafts, 1954, pp.637.
100. Jahoda, M. Etal. 'RESEARCH METHODS IN SOCIAL RELATIONS', New York, The Drydex Press, 1957, p.156.
101. Gee, W., 'SOCIAL SCIENCE RESEARCH METHODS', New York, Appleton Century Crafts, 1950, p.1314.
102. Guilford, J.P. 'FUNDAMENTAL STATISTICS IN PSYCHOLOGY AND EDUCATION', New York, McGraw Hill Book Company, 1956, pp.220, 539-540

APPENDICES

9. Where would you like to buy the following grocery items.

Items	Quantity	Cooperative Store	Retail Store	Frequency	Reason
Rice					
Wheat					
Ragi					
Cholam					
Wheat flour					
Maida					
Bengal gram powder					
Red gramdhal					
Bengal „ „					
Black „ „					
Green „ „					
Masur dhal					
Green gram					
Horse gram					
Cow gram (Karamani)					
Fried Bengal Gram					
Dried Peas					
Cashew nut					
Almonds					
Raisins					
Cloves					
Sago					
Poppy seeds					
Methi					

10. Do you have any difficulty while making your purchases?

- | | | | | | |
|----|--|------|------|------|------|
| 1 | Treatment | .... | .... | .... | .... |
| 2 | Listing the goods required | .... | .... | .... | .... |
| 3 | Recognizing the quality goods | .... | .... | .... | .... |
| 4 | Bargaining if necessary | .... | .... | .... | .... |
| 5 | Getting quality goods | .... | .... | .... | .... |
| 6 | Getting all the commodities you want | .... | .... | .... | .... |
| 7 | Credit facilities | .... | .... | .... | .... |
| 8 | Clean groceries
eg. Rice without stones | | | | |
| 9 | Adulterated foods | .... | .... | .... | .... |
| 10 | Quick service | .... | .... | .... | .... |
| 11 | Prompt delivery of goods bought | .... | .... | .... | .... |
| 12 | Any others | .... | .... | .... | .... |

11. What are the various types of adulterated foods you have come across.

APPENDIX II

QUESTIONNAIRE TO ELICIT INFORMATION OF THE RETAIL SERVICES RENDERED BY GROCERY STORES COOPERATIVE STORES/PRIVATE RETAIL STORES

1. Year of Establishment.
2. Do you offer the following services to your customers.

	Yes	No
a. House Delivery.		
b. Credit facility.		
c. Orders taken over telephone.		
d. Supply of information regarding the arrival of fresh and new goods.		
e. Information regarding quality goods		
f. Facility for returning goods if found unsatisfactory.		
g. Maintenance of complaints book.		
h. Supply of goods on approval.		
i. Fixed price.		
j. Bargaining.		
k. Any other?		
3. What are your problems while catering to the needs of the consumers?		
a. Haggling when prices are fixed.		
b. Returning goods unnecessarily.		
c. Wasting time by not having a shopping list.		
d. Baseless complaints.		
e. Recovery of dues from customers.		
f. Any others.		

4. What would you suggest in order to solve these problems?

5. Do consumers complain to you at any time about the services rendered by you?

- a. Quality of the goods
- b. The weights and measures used
- c. Prices
- d. Lack of variety in the goods sold
- e. Information of new products on the market.
- f. Prompt service.
- g. Packing.
- h. Incorrect understanding of the list.
- i. Arrangement of the goods in the stores.
- j. Any others?

Yes	No

6. What action do you take on complaints received from customers?

7. Under what conditions do you give credit facilities? (Tick appropriate item)

- a. The amount of purchases made
- b. The customer's standing in the society
- c. On recommendation of old clients
- d. Any other

8. Do you make seasonal purchases? Yes No

9. From where do you make your purchases?
(Tick appropriate item)

- a. Private merchants
- b. Cooperative Wholesale Stores
- c. Producers
- d. Wholesale merchants

For Consumers Cooperatives only

1. Membership:

Type of membership		Number		
1.				
2.				
3.				
Year	No. of members at the beginning of the year	No. of members joining during the year	No. of members with-drawing during the year	No. of members at the end of the year

2. How to become members? (Attach forms if any)
3. Rules and regulations (copy to be given please)
4. Do you differentiate between members and non-members?
If so, how?
5. Do members shop at the cooperative regularly? Yes No
6. Do you pay dividends regularly to the members? Yes No
7. Do you encourage those who buy elsewhere to become members? If so, how?
8. What have you done to increase the membership so far?

APPENDIX III

CALCULATION OF CHI SQUARE FOR THE RELATION BETWEEN THE
PLACE OF GROCERY PURCHASE AND NUMBER OF FAMILY MEMBERS
BANGALORE

No.	No. of members	Number of families purchasing from		
		Cooperative stores	Private retail stores.	Total
1.	1-2	5 (4)	3 (4)	8
2.	3-4	17 (16)	15 (16)	32
3.	5-6	16 (15.5)	15 (15.5)	31
4.	7-8	7 (8)	9 (8)	16
5.	9-10	5 (6.5)	8 (6.5)	13
Total.		50	50	100

Note: The numbers outside the brackets are f_o (frequently observed)
The numbers in brackets are f_e (frequently expected)

Obtained by: $\frac{\text{Row total} \times \text{Column total}}{\text{Grand total}}$

$$\frac{f_o - f_e}{f_e} \quad \frac{(f_o - f_e)^2}{f_e}$$

Row No.1

.1	.25
1	.06
.5	0.18
1	0.11
2.5	0.35

Row No.2

1	0.25
1	0.06
0.5	0.18
1	0.11
1.5	0.35

$$\chi^2 = \frac{\sum (f_o - f_e)^2}{f_e}$$

$$\chi^2 = 1.90$$

The value of χ^2 got from the data is not significant at 5% level for 4 degrees of freedom.

APPENDIX JV

CALCULATION OF CHI SQUARE FOR THE RELATION BETWEEN THE
PLACE OF GROCERY PURCHASE AND NUMBER OF FAMILY MEMBERS
COIMBATORE

No.	No. of members	Number of families purchasing from		
		Cooperative stores	Private retail stores.	Total.
1.	1-2	3 (3.5)	4 (3.5)	7
2.	3-4	14 (15)	16 (15)	30
3.	5-6	177 (19.5)	22 (19.5)	39
4.	7-8	9 (6.5)	4 (6.5)	13
5.	9-10	7 (5.5)	4 (5.5)	11
Total		50	50	100

Note: The numbers outside the brackets are f_o (frequency observed)
The numbers in brackets are f_e (frequency expected)

Obtained by: $\frac{\text{Row total} \times \text{Column total}}{\text{Grand total}}$

	$f_o - f_e$	$\frac{(f_o - f_e)^2}{f_e}$
<u>Row No. 1</u>		
	.5	.71
	1	.06
	2.5	.32
	2.5	.96
	1.5	.4

Row No.2

.5	.71
1	.06
2.5	.32
2.5	.96
1.5	.4

$$\chi^2 = \frac{\sum (f_o - f_e)^2}{f_e}$$

$$\chi^2 = 4.20$$

The value of χ^2 got from the data is not significant at 5% level for 4 degrees of freedom.

APPENDIX V

CALCULATION OF CHI SQUARE FOR THE RELATION BETWEEN THE
PLACE OF PURCHASE AND THE EDUCATIONAL STATUS OF THE
HOMEMAKERS

No. Educational status	Place of purchase		
	Cooperative stores	Private retail stores	Total
1. Illiterate	24 (21)	18 (21)	42
2. Elementary school	44 (43)	42 (43)	86
3. High School	20 (27)	34 (27)	54
4. College	12 (9)	6 (9)	18
Total	100	100	200

Note: The numbers outside the brackets are
fo (frequency observed)
The numbers in brackets are fe (frequency expected)

Obtained by: $\frac{\text{Row total} \times \text{Column total}}{\text{Grand total}}$

$$\frac{fo - fe}{fe} \quad \frac{(fo - fe)^2}{fe}$$

Row No.1

3	0.42
1	0.023
7	1.8
3	0

Row No.2

3	0.42
1	0.023
7	1.8
3	0

$$\chi^2 = \frac{\sum (f_o - f_e)^2}{f_e}$$

$$\chi^2 = 3.946$$

The value of χ^2 got from the data is not significant at 5% level for four degrees of freedom.

APPENDIX V/

CALCULATION OF THE CHI SQUARE FOR THE RELATION BETWEEN THE
PLACE OF GROCERY PURCHASE AND THE INCOME OF
FAMILY MEMBERS.

No. Income range in Rupees.	Number of families purchasing from		
	Cooperative stores	Private retail stores	Total
1. Upto 250	19 (27.5)	36 (27.5)	55
2. 251 upto 750	62 (56)	50 (56)	112
3. 751 and above	19 (16.5)	14 (16.5)	33
Total	100	100	200

Note: The numbers outside the brackets are f_o (frequency observed)
The numbers in brackets are f_e (frequency expected)

Obtained by: $\frac{\text{Row total} \times \text{Column total}}{\text{Grand total}}$

$f_o - f_e$	$\frac{(f_o - f_e)^2}{f_e}$
<u>Row No.1</u>	
8.5	2.6
6	0.6
2.5	0.3
<u>Row No.2</u>	
8.5	2.6
6	0.6
2.5	0.3

$$\chi^2 = \frac{K (f_o - f_e)^2}{f_e}$$

$$\chi^2 = 7.0$$

The value of χ^2 got from the data is significant at 5% level for 2 degrees of freedom.

APPENDIX VII

ANALYSIS OF MEAN DIFFERENCE IN TIME CONSUMPTION FOR
GROCERY PURCHASE BY HOMEMAKERS

Comparison of stores	Mean difference	S.E.	't' value	Level of significance
<u>Bangalore:</u>				
Retail stores Vs Cooperative stores.	5.8	± 17.49	0.331	P < 0.05
<u>Coimbatore:</u>				
Retail stores Vs Cooperative stores.	36.6	± 9.7	3.77	P > .001.
<u>Cooperative stores</u>				
Coimbatore Vs Bangalore.	90.8	± 5.58	14.2	P > .001
<u>Retail stores</u>				
Coimbatore Vs Bangalore.	61.0	± 19.32	3.20	P > .001

S.E. = Standard Error.

$$S.E. = \sqrt{\frac{\sum X^2_1 + \sum X^2_2}{(N_1 + N_2 - 2)} \cdot \frac{(N_1 + N_2)}{\left\{ \begin{matrix} N_1 & N_2 \end{matrix} \right\}}}$$

$$'t' = \frac{M - M_2}{\text{standard error of the mean difference}}$$

where M_1 and M_2 = means of two samples.

$\sum X_1^2$ and $\sum X_2^2$ = the sums of squares in the two samples.

N_1 and N_2 = number of homemakers in the two samples.

APPENDIX VIII

PRICE LIST OF COMMODITIES IN THE SELECTED RETAIL STORES

(a) BANGALORE.

Commodity	Cooperative stores	Private retail stores.
Rice	1-0	1-10
Wheat	0.70	0.70
Wheat flour	0.44	0.41
Maida	0.56	0.58
Bengal gram dhal	0.66	0.72
Black gram dhal	1.06	0.75
Red gram dhal	1.12	1.20
Bengal gram flour	0.78	0.90
Green gram dhal	0.82	0.80
Green gram	0.74	0.76
Almonds	0.76	0.80
Raisins	10.00	10.25
Cojra	2.80	2.90
Sage	1.00	0.90
Poppy seeds	2.00	2.50
Cashew nuts	0.58	0.76
Methi	1.20	0.90
Cumin seeds	0.50	0.50
Mustard	1.00	1.20
Coriander seeds	1.24	1.80
Pepper	0.40	0.45

Commodity	Cooperative stores.	Private retail stores
Red chillies	3.00	2.25
Tamarind	1.20	1.15
Ground nuts	1.10	1.20
Beaten rice	0.45	0.50
Jaggery	1.20	1.25
Sojoo	1.10	1.20
Ground nut oil	1.96	2.00
Gingelly oil	2.50	2.50
Cocoanut oil	3.50	3.75

APPENDIX VIII

PRICE LIST OF COMMODITIES IN THE SELECTED RETAIL STORES

(b) COIMBATORE.

Commodity	Cooperative stores	Private retail stores.
Rice	0-76	83.5
Wheat	0-53	0-60
Wheat flour	0-60	62-5
Maida	0-63	67.5
Bengal gram dhal	0-58	0.60
Black gram dhal	0-90	1.00
Red gram dhal	0-82	0.87
Bengal gram flour	0-76	0.77
Green gram dhal	0-85	1.00
Green gram	0-70	0.82
Almonds	0-35	0-36
Raisins	9.80	9.60
Copra	3.45	3.50
Sago	0.72	0.90
Popy seeds	2.30	2.20
Cashew nuts	6.00	6.75
Methi	0.80	1.00
Cumin seeds	5.20	5.40
Mustard	1.20	1.35
Coriander seeds	0.42	1.80

Commodity	Cooperative stores	Private retail stores.
Pepper	0.40	0.50
Red chillies	3.50	3.80
Tamarind	1.10	1.85
Ground nuts.	0.65	0.70
Beaten rice.	0.50	0.50
Jaggery	1.16	1.35
Sojee	0.50	0.53
Ground nut oil	1.70	1.75
Gingelley oil	2.25	2.50
Cocconut oil	2.90	3.00

APPENDIX - IX.

THE COIMBATORE DISTRICT CENTRAL COOPERATIVE SUPPLY & MARKETING
SOCIETY LTD., COIMBATORE.

=====

REGULATIONS GOVERNING SUPPLY OF PROVISIONS ETC., BY THE
RETAIL DEPOTS TO CUSTOMERS.

1. The object of running of the Retail Depots by the above Society is to make available at reasonable rates quality household requisites such as provisions, toilets etc.

2. Those who are desirous of availing of the services of the Retail Depots should enroll themselves as 'B' class members of the Society through the depots near their residence, by remitting a minimum share value of Rs.10/- and an entrance fee of R.O.25 nP. They should get the receipt for the amount paid from the Depot Keeper.

3. Supplies of provisions etc., on credit will be made, if the member deposits a sum not less than Rs.100/- in ~~Head Fixed~~ ^{Fixed} ~~Office~~ ^{Deposit} and approximately equal to the value of monthly requisites proposed to be drawn from the depot. Interest will be paid on the above deposit.

4. All the purchases made by the members will be accounted for separately to assess the annual purchases made by them and a rebate on such purchases will be announced as may be decided by the General Body after the receipt of the Audit Certificate with reference to the profits earned by the Society.

5. House delivery of articles will be arranged in cases where articles to the value of ₹ not less than Rs.35/- are purchased at one time.

6. A member purchasing on credit should settle the dues of the particular month before derawal of requisites for the next month i.e., at the commencement of each month, and at any rate not later than 10th of the month. If the amount is not paid before 10th of the succeeding month, the ~~Fixed~~ ^{Fixed} Deposit ^{amount} will be adjusted towards dues to the Society.

7. Controlled commodities will be supplied to the members as per instructions of the Government from time to time.

8. Indents should be placed either ~~th~~ by the member or any other person in the house authorised for the purpose if the supplies are required on credit.

9. Pass Books will

**The Coimbatore District Central
Co-operative Supply & Marketing Society, Ltd., No. K. 881,
COIMBATORE.**

APPLICATION FOR MEMBERSHIP (Individuals)

1. Name of applicant
2. Father's or husband's name
3. Occupation
4. Address
5. No. of shares applied for
6. Amount remitted Rs.
7. Name and address of nominee

Declaration :—

I agree to abide by the Rules and By-laws of the Society that are now in force and those that can be framed hereafter.

Station :

Date :

Signature.

P. T. O.

OFFICE NOTE.

1. Share application No.
2. Date of receipt of application
3. Name
4. No. of shares
5. Resolution No. & date of meeting
6. Admission No.
7. Remarks

Secretary.

APPENDIX XI

Application No.....	Member's Serial No.....
Date of Resolution.....	Share Nos.allotted.....
Date.....	Enrolled on.....

The Bangalore City Co-operative Society, Limited

APPLICATION FOR ADMISSION AS A MEMBER

To

THE SECRETARY,

THE BANGALORE CITY CO-OPERATIVE SOCIETY, (LTD.)

Sir,

Please admit me as a member of the Society, and allot me..... shares or any less number you think proper. I shall abide by the Rules of the Society.

I herewith deposit the sum of Rupees Two only, being entrance fee.

1.(a) Name of applicant, in full	(a)
(b) Applicant's father's name	(b)
(c) If the applicant is a married lady, her husband's name also	(c)
2. Age	3. Religion and Caste
4. Occupation(full designation to be given)	
a) Permanent or Temporary	a.
b) Period of service	b.
5. Average monthly income and sources of income	
a) Pay	a.
b) Allowances	b.
c) Other sources,if any,with details.	c.

6. Residential address, in full

7. Whether the applicant owns any site, landed or house property in his or her own right and if so, where and its description.

8. Whether the applicant is already a member of any other Co-operative Institution or Institutions (Society or Bank) in the City or elsewhere, and if so, of what?
If so, whether the Registrar's sanction has been obtained under Rule 6(c)

9. Name and address (in full) and age of the Nominee with father's name and how related to the applicant.

.....
Dated..... 196 |

Yours faithfully,

Signature.

Signature with designation of the two members who support the application. (1).....
.....
(2).....
.....

The advance of Rs. two received and credited to General Suspense Account on
Name notified under Bye-law 7(1) on
Letter No. and date of intimation of result.....

Price each. Ledger Clerk. Cashier.