



## SAOS Conference Seminar

### Validating the benefits of Co-op Membership



Family farmers - together we grow

### Why are we doing the project?

- The project aims to equip co-ops and farmers to value, validate and communicate the full advantages of co-op membership
- We are developing a methodology for compiling the member value proposition

#### Key drivers

- There is a need to demonstrate value
- Desire to provide evidence for members



Family farmers - together we grow

## Why measure and report Member Benefits?

### The value for a Co-op include:

1. Facilitate a better understanding of what they do and where they add value;
2. Creates more persuasive information to build member commitment /loyalty
3. Source of promotional information for recruiting new members;
4. A route to drive business performance.



*Family farmers - together we grow*

The whole exercise will provide the co-op with a route to better understand members' needs, how the co-op creates value and how performance can be improved.



This has the potential to **transform** the Farm Co-op Sector

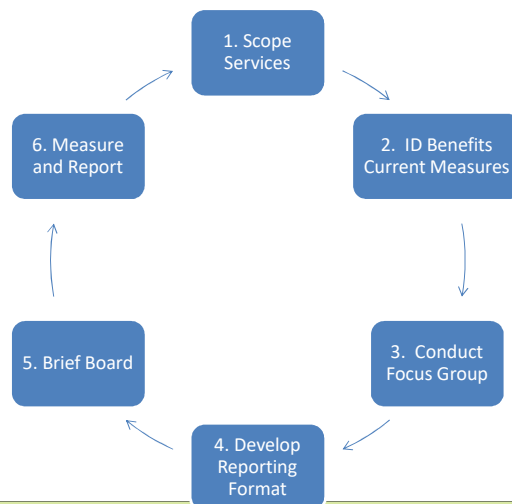
## Co-ops in the pilot

- Farm Stock
- Scottish Borders Produce
- Tayforth MR
- Aberdeen Grain



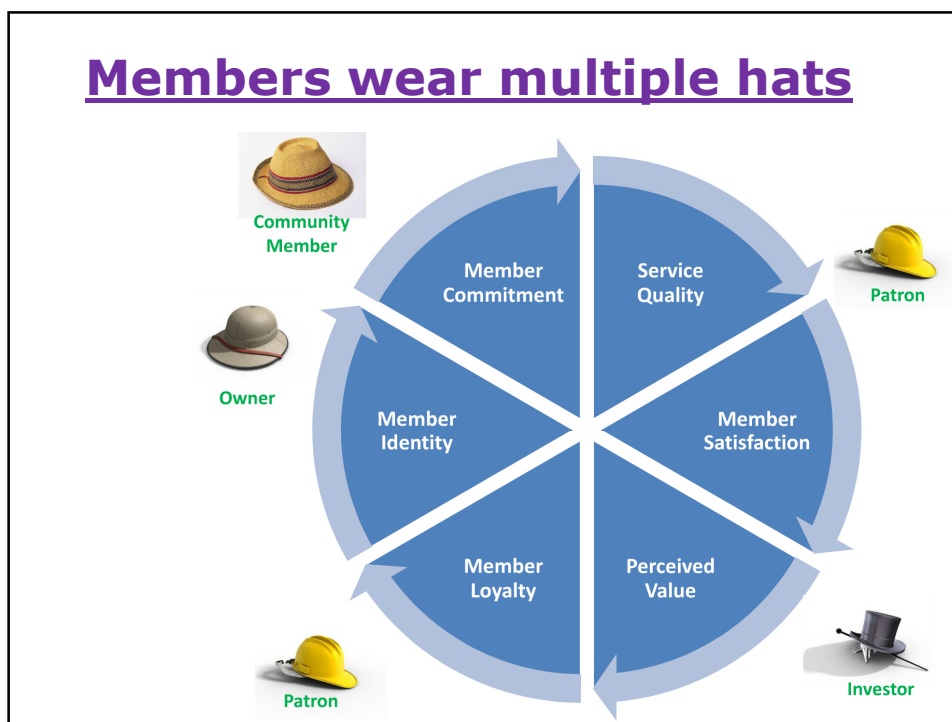
Family farmers - together we grow

## The Process: 6 linked stages



Family farmers - together we grow

## Members wear multiple hats



## Some of the newer roles where a co-op adds value

- Helps manage risk, market volatility and uncertainty
- Takes hassle way – frees up time for members
- Builds social capital – community of members
- Countervailing force – keeps the market honest
- Feedback /support to improve individual farm performance
- Provides peace of mind – reassure members
- Route to access innovation, keep abreast new technology, etc.
- Representative role on behalf of members
- Provide rural employment and local infrastructure;
- Supports local community activities – sponsorships, etc.
- Protects family farms
- Helps members become more resilient

## Some of the learning

1. Few co-ops measure and report member value on an annual basis.
2. Co-ops in the pilot all delivered more services /value than they realised
3. The managers role & attitude is impt. to the co-ops performance, values, member engagement.
4. The building of social capital and its importance is not well understood
5. Members value – risk man, taking hassle away, saving time, transparency, trust and community.



*Family farmers - together we grow*

6. Importance of the co-op's values: transparency, trust, integrity, honesty
7. Member communication is critical, how involved and engaged members feel with their co-op. Never be afraid to ask them how are we doing?
8. Co-ops are service businesses so service quality is critical for building member loyalty. Write it down and measure.
9. The quality of staff, their engagement and how well their managed.
10. Opportunity to promote the 'co-op brand'. Co-ops not good at promotion. Modest about successes



*Family farmers - together we grow*

## Finally...

- We are looking for more co-ops to help. Please contact us.
- Our aspiration is all co-ops will be measuring and reporting the value of membership on an annual basis
- This could be a game changer!



*Family farmers - together we grow*