

Member Participation in Retail Societies

WHAT MOTIVATION?

by

STEPHEN LAWRENCE

".....the Co-operative Movement is committed to democracy since this alone provides a rationale for its continued existence."
(Halsey and Ostergaard, Power in Co-operatives, p. 227)

When the Rochdale Society of Equitable Pioneers was founded in 1844, the weak bargaining position of impoverished, unorganised consumers in relation to powerful suppliers was to be seen in acute form : payment in kind (through the truck system), pernicious systems of credit, adulteration of food, wide variations in quality and monopoly pricing. Consequently, many working people acted to free themselves from indebtedness to the shop-keeper by trading with the emergent Co-operative movement whose growing reputation for selling quality goods at fair prices was supported by the chance of accumulating savings through the dividend. In addition, the Co-op. was born in an era when working-class representation in the political system of the nation remained very much a dream. Thus, the democratic structure of retail societies offered a large section of the community an opportunity to expand their area of independent action, and represented an important incentive for individuals to take out, and fully utilise, Co-operative membership.

A Changing Environment

During the post-1945 period, however, the situation had altered in a number of important respects:

1. Because of the general rise in living standards (though this improvement can be exaggerated under the mesmerism of the phrase, "affluent society"), the basic concept of Co-operation no longer appeared to be as pertinent as in the earlier years of Co-operative growth. In an increasingly comfortable society, when people were no longer obliged, out of necessity, to stick together, individualistic considerations tended to replace group consciousness.
2. The Co-op was now more similar to its private sector rivals than had been the case in the nineteenth century when its characteristic opponent was the independent retailer who enjoyed a less than favourable public image. From the end of the last century a variety of multiple chains had begun to offer merchandise of reasonable quality at 'fair' prices and quickly constituted a powerful threat to the Co-op's established competitive position.
3. The dividend no longer provided the same incentive for consumers to become members of Co-operative societies since relative prosperity reduced working-class dependence on the 'divi' as an encouragement to thrift.
4. Many of the social functions of the retail society were being superseded by the activities of the State, e.g. Co-operative reading rooms were once commonplace, and an encouragement to direct member contact. In the twentieth century, public libraries, radio and television, by fulfilling many of the functions of reading rooms, reduced both their usefulness and their importance, as a means of promoting interest in Co-operative affairs.
5. The success of the Parliamentary Labour Party, as a result of the extension of the franchise,

reduced, for many Co-operators, the significance of retail society democracy.

The conclusion that must be drawn, therefore, is that there is a general trend in modern society away from voluntary effort and mutual help as a means of meeting existing requirements, and towards a reliance on provided opportunities. Given this scenario, the need for renewed promotion of the Co-operative ideal is both more difficult and more essential to achieve.

How can this be done?

Some of the factors which have a potential influence on membership participation will be beyond the immediate control of the Movement - the level of income, the provision of state services etc. It is worth considering, however, the practicality of adapting certain aspects of the Co-operative approach to member activity in order to bring it more into line with contemporary needs and pressures. In this respect it is necessary to examine ways in which the Co-op can satisfy those aspirations which might prompt the ordinary member to participate more fully in the democratic process of societies.

In persuading members actively to engage in Co-operative deliberations, the motivation to do so must be regarded as the single most important factor. Without a powerful incentive, attempts to encourage greater grass roots involvement will prove ineffectual. In the past, self-help, in the absence of state provision, was the common aspiration of members and the stimulus for active participation. Altering social, political and economic circumstances, however, have decreased the significance of the local society for the member. As a consequence, it is likely that the

Movement is less prominent in the mind of the average member, and the appeal of Co-operation less wide than formerly.

The problem, therefore, is to persuade individuals that democratic participation in, rather than just membership of, the Co-operative Movement, will, in the long run, be beneficial to them. The first part of the solution to this problem may lie in the Co-op catering more forcefully for the current needs of members as consumers. Their closer identification with a retail society, in the first instance, is more likely to be achieved through their recognition of the economic attributes of that society - its shops and services - rather than through their recognition of the merits of the democratic procedure.

Consumer Education

Traditionally, the Co-op has concerned itself with the protection of consumers from various forms of trading malpractice, and while many other things have changed, the need for consumer protection has not! The sheer variety of products, coupled with the prevalence of advertising, complicates the modern purchasing decision. Moreover, in a supposedly information-rich environment consumers often lack that data which would allow for a reasoned assessment of the purchase offer i.e. there are information gaps. For example, there is a considerable gap between what is actually available to be known and what people need to know about consumer products. There are also basic differences among consumers - a gap between the 'information haves' and the 'information have-nots'. People differ in the amount of information they have and - importantly - in the amount of information they have access to. Given this situation, it is possible to suggest that the age-old Co-operative concern for consumer well-being could

be effectively manifested in attempts to close existing information gaps. Success in this area might in turn advertise the concept of Co-operation amongst consumers previously disinterested in its wider aspects (wider than its retail activities that is).

How can the Movement increase the availability of information to consumers? A number of suggestions are made below as to the type of idea that could be taken up by the Co-operative Movement at this time:

1. The adoption of unit pricing. This is the identification of the price of a product in terms of its weight or cubic capacity, to overcome problems created by manufacturers who deliberately package goods in odd sizes and fractions of ounces to make comparisons difficult. Effective comparison can be facilitated by the provision of posters listing prices per unit in descending order.
2. The provision of a consumer reference corner. It has often been suggested that all Co-op shops should make the consumer magazine 'Which' available to shoppers (see for instance, Young and Rigge, Mutual Aid in a Selfish Society, Mutual Aid Press, Paper No. 2, p.38). This suggestion could be expanded to offer a corner of the store given over to the display of written material ranging from government reports pertinent to the lives of Co-operative shoppers, to leaflets produced by various public and private agencies.
3. The Community Bulletin Board. This could be used by members to advertise local events or to act as a channel to enable customers to

advertise unwanted articles, or items offered for sale or swap.

4. Co-op. own labels. These could carry more substantial information than at present e.g. as well as stating such mandatory details as net weight or volume, they might include such optional details as ingredients listed in order of their predominance by weight, the nutritional content of the product, the calorific value of the product, recipe suggestions etc.
5. Greater contact between customer and staff. If employees are regularly oriented as to the nature of the commodities being sold in the store they will be in a much better position to give assistance to the customer seeking advice on the attributes of specific products, brands etc.

This list of suggestions is by no means exhaustive and is only intended to indicate the kind of options open to the Movement. The question may be asked, however: what benefits will accrue from their innovation? The answer must necessarily be speculative, but if the suggestions ensure that members recognise that the Co-op. exists for the benefit of its users then they might also give members the motivation to take a more active part in the life of the retail societies. If this occurs, half the battle is won. Thereafter, the problem becomes one of cultivating the contact between the member and the society.

Member Relations Programmes.

Programmes intended to strengthen the link between the members and the societies must, of course, be ongoing i.e. they must begin in earnest

on the day the individual takes out membership, and must continue while that person retains membership.

1. Introductory material - this material will be vitally important, representing the first official contact that the individual has with the Co-op. The information packet should not only outline the Movement's retail activities, but should stress the distinctive nature and value of Co-operative association. At the time of joining it would also be helpful if people were asked to complete a form indicating, from a list of alternatives, the type of Co-operative activity that interests them. This will provide the society with a clear impression of member interests and a list of contacts to approach regarding specific projects in the future.
2. Co-operative Magazines - continuing communication with the membership, other than through face to face contact (this becomes more difficult as societies expand in size), can probably be best achieved by the publication of a society newsletter. This might contain, for example, product information, news of the society, calendars of co-operative events, articles from directors, interesting local news etc.
3. The Members' Meeting - this has generally been regarded as the main instrument of Co-operative democracy, since it is the essential means by which control can be exercised by members. However, a common problem has been the lack of continuity in attendance; only a few dedicated Co-operators regularly attending official meetings is a situation

characteristic of most societies. It would seem, therefore, that when a member attends a meeting for the first time, he or she must be given reasons for maintaining this interest in Co-operative government.

A recurrent criticism of members' meetings is that they are dull and uninteresting, yet this need not be the case. A few simple rules could ensure that meetings are more lively and hence more attractive to some potentially active members e.g.

- a) Agendas should be circulated well in advance and offer opportunities for contributions from the floor on matters of real importance, i.e. meetings should not simply rubber stamp policies already carried into effect.
- b) Maximum time should be assigned to speakers so as to allow everybody the chance to contribute to the debate.
- c) Information presented by officials should be made as concise and straightforward as possible.
- d) To generate added interest, well-known and knowledgeable speakers could be asked to address meetings on topics of importance to the general membership.

4. Social Nights - rather than relying totally on participation at 'official business' meetings, some social evenings could be arranged with members invited to bring friends not currently associated with the Co-op. Such an evening may have several positive outcomes -

- a) It may induce greater member interest.
- b) It may produce better understanding amongst the membership.
- c) It may introduce strangers to the society and encourage them to become members.

Again, these suggestions do not chart every potential course, but are intended to provoke some thought and argument on the best means of improving member-society contact.

Conclusion.

Times have changed, and what proved to be an attraction to Co-operators one-hundred years ago has seemingly little relevance to those individuals currently holding membership with the Co-operative Movement. This is not to say that the Co-op. has no role in modern society, it is only to say that the role has changed. Consequently, it is essential that the change is recognised and the Co-operative approach to the membership adapted accordingly.

The touchstone lies, perhaps, in the Co-op.'s attitude to education. In the first instance, the Movement has a responsibility to offer the consumer protection which goes beyond the restraint of fraud and inherently dangerous goods. In this sense, nothing will be as effective as forearming and forewarning the consumer by education at the shop level. Secondly, the Movement has a responsibility to ensure that members are fully encouraged to participate in the process of Co-operative government. Therefore, the more informed they are about the activities and objectives of the Co-op. the more likely they are to realise the opportunities open for participation in the control of retail soc-

ieties.

Education must be central to the Movement's work with the membership, and it is perhaps fitting to end with the words of Jack Bailey:

"Co-operators have still to learn that education is not a mere badge to be worn on the Movement's coat, a grudging salute to tradition and a costly concession to the starry eyed. It is an expression of faith, a recognition that Co-operation is something more than an orderly arrangement of things, it is a way to better living."

(Bailey, The British Co-operative Movement, p. 154.)

Note on the Author

STEPHEN LAWRENCE: Graduated in Economics and Economic History at University College of Wales, Aberystwyth and then on S.S.R.C. award completed two year's research there leading to Master's degree. Now lecturer in economics at University of Evansville - British campus and July - December 1981 will be in the U.S.A. on exchange lectureship.