



# COOPERATIVES BUILD A BETTER WORLD - RURAL TRANSFORMATION THROUGH DIGITALIZATION OF COOPERATIVES IN TAMIL NADU-A STUDY

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## ABSTRACT

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*The year 2025, is the International Year of Cooperatives declared by UN. India has placed a strong emphasis on agricultural production, ranking second in the world such as crops rice, fruits, and vegetables after China. Marketing is getting crucial in the field of agricultural products to consumers, selling output, obtaining a fair price, building relationships, and delighting customers. Cooperative society is an organization of group of people with collective responsibilities and thoughts for the development of needy, especially the under-privileged. It is based on the values of the development of agriculture, forestry, banking, credit, agro-processing, storage, marketing, dairying, fishing and housing and its network covers 85 per cent of rural households. The society started the production of value added products like Turmeric powder, Coriander powder, Chilly powder, Sambar powder, Rasam mix powder, Curry masala, Garam masala, Mutton masala, Chicken masala, Ragi powder, Bajji and Bonda mix, Kumkum powder. The Products are sold in the brand name of "Mangalam" at a reasonable price to the consumer throughout the state without any added flavours and colouring. Started sale of products through mobile app.TAPCMS is producing value added products like Ground nut oil, Gingelly Oil, Coconut oil, Turmeric powder, etc., in the brand name of "Arthanareeswara"*

*Develop their own Website and Mobile App for Digital Market, Tie-up with other popular digital marketing companies, offer online sale to private companies, Governments Supports, Maintain You tube Channel. Cooperatives are facing lot of challenges in the digitalized world. Private and other traders are selling their products at cheaper rate with compromising quality but cooperatives are meant for its quality and have some uniqueness. Some of the challenges are as follows. Less capital base, lack of professional management and lack of interest among the producers.*

**KEY WORDS:** Cooperative Society, Marketing, Digital, Mangalam, Arthanareeswara

## INTRODUCTION

The year 2025, is the International Year of Cooperatives declared by UN second time because cooperatives build better world. India is an agricultural country that is directly or indirectly dependent upon the agricultural sector. India has placed a strong emphasis on agricultural production, ranking second in the world such as crops rice, fruits, and vegetables after China. Marketing is getting crucial in the field of agricultural products to consumers, selling output, obtaining a fair price, building relationships, and delighting customers.

Cooperative society is an organization of group of people with collective responsibilities and thoughts for the development of needy, especially the under-privileged. It is based on the values of the development of agriculture, forestry, banking, credit, agro-processing, storage, marketing, dairying, fishing and housing and its network covers 85 per cent of rural households. It occupies a key position in agricultural development with support in resource and input use, harvesting of water

resources, marketing channels, storage facilities, distribution channels, value addition, market information and a regular monitoring network system. (Virendrakumar et.al., 2015).

Cooperative movement in India since its introduction has been considered more as a product of Government Policy rather than a people's movement. Nevertheless 99% villages and 75% of the rural population in India are serviced by the cooperatives today. It is estimated that there are 5.45 lakh cooperatives functioning with 2.36 crore members and a working capital of Rs. 34,000 crores, that have made significant contribution to the development of institutional infrastructure, formation of private capital, distribution of agricultural inputs, and processing and marketing of the produce, which are the key components of value chain development (NCUI, 2016). The Cooperative Marketing Societies also help the farmers in processing, storing and Marketing of Agricultural Produce of the farmer members at remunerative price,

Selling of Agricultural inputs at reasonable price, Issuing Produce Pledge Loan for Agricultural Produce, Processing of Agricultural Produce, Marketing of Value-Added Agricultural Produce. The Structure of Cooperative Marketing Societies in Tamil Nadu is a Two-Tier structure (Govt.of TN Policy Note Cooperation, Food and Consumer Protection Department (2021). With these objectives the Cooperative Marketing Societies are functioning at taluk levels <https://vamnicom.gov.in/uploads/files/5520.pdf>.

### Digital Agricultural Information for Farmers

The Government of India is taking series of activities to boom the agricultural sector towards food security and doubling the farmer's income. One among is PM Kissan Scheme in which they provide Rs.6000 per year in three instalments for all eligible farmers in the country. This is very big scheme implemented across the county. To increase the agricultural output and to clarify the doubts regarding farming practices, marketing information the Government have introduces Agrimarket mobile app. Another one is related to Crop insurance related information can get through Crop insurance mobile app in which all the agricultural related information is available. In Tamil Nadu. The Government introduced Uzhavan mobile app for the purpose of agricultural related information.

### This study focuses on two different cooperatives took initiatives for digital marketing their products namely

Erode and Trichengode Cooperative Marketing Societies in Tamil Nadu in addition to that The Government of Tamil Nadu introduced Coop Bazaar mobile app combining together collection of all other cooperative products under one app.

### Digital Marketing under Agricultural Cooperative: Value-Added Products

Cooperative marketing societies are functioning in Tamil Nadu producing value -added products in their brand name and distributed across the State. The very popular Cooperative Marketing Societies are Erode and Trichengode Cooperative Marketing Societies are introducing various value-added products and started marketing digitally it is welcoming initiatives under cooperatives.

### The Erode Agricultural Producers Cooperative Marketing Society

Turmeric private commission on mandis where there and the farmers were not given importance to sell their products at reasonable price. Commission agents ruled over the entire turmeric market and prices offered was not affordable. So the farmers belongs to erode taluk area started a new cooperative society to sell their produce. Thiru.S.K.Paramasivam Ex. M.P., a veteran Cooperator organized the Erode Agricultural Producers Cooperative Marketing Society Ltd on 31st January 1960 and commenced its business from 29th June 1960 onwards

The prime Objective of this Mangalammasala is to providing Valuable quality products to the consumer in reasonable prices and also providing reasonable price to the farmer members of the cooperative societies to their produce. [www.mangalammasala.com](http://www.mangalammasala.com) is the first compressive online shopping website for value added product of cooperative

societies in Tamil Nadu. The Flavors of South India wrapped with joint hands of care and quality. This Society bring heritage to your home. Experience on rich taste of cooperation from the soils of erode through The Erode Agricultural Producers Cooperative Marketing Society. The Raw materials of spices, masala, grocery, millets and oils are directly procured from the farmer's members of the concern co-operative societies. The society started the production of value-added products like Turmeric powder, Coriander powder, Chilly powder, Sambar powder, Rasam mix powder, Curry masala, Garam masala, Mutton masala, Chicken masala, Ragi powder, Bajji and Bonda mix, Kumkum powder. The Products are sold in the brand name of "Mangalam" at a reasonable price to the consumer throughout the state without any added flavours and colouring. Started sale of products through mobile app.

The Society has entered an agreement with IFFCO Kishan Sanchar Ltd for masala sales throughout the Country. As per the agreement Erode APCMS will be marketed by IKSL throughout India in the name "SWARNAHAR".

### The Tiruchengode Agricultural Producers Cooperative Marketing Society Ltd

In order to eliminate the monopoly roles and to control the middlemen and cut-throating competitors between the line of production and sales, The Tiruchengode Agricultural Producers Cooperative Marketing Society Ltd., (TAPCMS Ltd.) Tiruchengode is started on 30.4.1930 at the foot hill of Lord Arthanareeswara having registered on 16.04.1930 to give up liftment to the farmers and other agricultural members. Since inception, the TCMS has been working very successfully and profitably in its business operation by rendering more and more (required and essential) services to its member farmers. In addition, it is acting as an exemplary society in the field of agricultural marketing in India. Thus, it is regards as TCMS Model. The TCMS model-need to be adopted by other APMCSs through establishing coordination and amalgamation with TCMS (Suresh 2019). TAPCMS is producing value added products like Ground nut oil, Gingelly Oil, Coconut oil, Turmeric powder, etc., in the brand name of "Arthanareeswara" (Rajamanickam. N, 2021)

Turmeric Grinding unit was established at head office on 19.10.2018, with financial assistance of Rs. 15.50 lakh Under National Agricultural Development Programme 2016-17(NADP). "Arthanareeswara" brand turmeric powder produced from quality turmeric which is procured from auction.

The Society manufactures quality products such as Cocount Oil, Gingelly Oil and Groundnut oil, under a reputed Brand Name "Arthanareeswara" and sells them to cooperatives, agricultural members and Public at a reasonable price. Urid and Thoor dhal are procured from Cooperative Marketing Societies and Market Committee. Processed pulses are selling through various sales section of society and other cooperative institutions with brand name of "Arthanareeswara".

Quality paddy varieties like ponni, are being purchased from regulated market comittee, Gingee and grinds them and sells the "Arthanareeswara" brand of rice through various sales section of society and other cooperative institutions.

The Society is crushing the neem seeds through its unit and produces the Neem Seed Powder and sells the same through its head office, branches and other Cooperative Institutions. “Arthanareeswara” Neem Seed Powder produced from quality neem seeds, which is a natural fertilizer and insect repellent.

Pure Coconut oil handmade soap produced and sold in the name of “Arthanareeswara” Brand

### Coop Bazaar

The Department of Cooperation has introduced a mobile app called ‘Coop bazaar’ through which consumers can purchase grocery items including hill products such as pepper, honey and spices produced by cooperative societies across the state. As many as 64 products which include cooking oil, honey, coconut oil, pepper, gingelly oil, groundnut, coffee powder, turmeric powder, and others will be made available through the app during the first phase. “Black pepper from Kolli Hills and natural honey extracted from Sathyamangalam forest are now accessible to residents of Chennai. Until now, these products were primarily purchased by city dwellers only during tours.

Additionally, about 20 types of high-value fertilizers have been introduced for sale. Urban consumers can purchase them for their home gardens or rooftop gardens,” an official from the cooperative department said. The Cooperative department has tied up with a few partners for delivery of these products. Payment can be done via UPI and credit/debit cards. The products are from cooperative societies in Erode, Thiruchengodu, Salem, Pollachi and Kolli Hills. The Tamil Nadu Cooperative Marketing Federation (TANFED), a state-level apex body, acted as coordinator for developing the app.

Under the Digital India initiative, the government has prioritized transparency and ensured that beneficiaries receive their entitled benefits. Speaking at the 17th Indian Cooperative Congress held in New Delhi’s Pragati Maidan on the International Day of Cooperatives, Prime Minister Narendra Modi emphasized the need for the cooperative sector to serve as a model of transparent and corruption-free governance. “For this, digital systems should be promoted in the cooperative sector,” he said.

The event, centered around the theme ‘Amrit Kaal: Prosperity through Cooperation for a Vibrant India,’ witnessed the Prime Minister launching e-commerce portals for cooperative marketing, as well as a portal for cooperative extension and advisory services.

As India is known in the world for its digital transactions, Modi urged the cooperative societies and banks to stay ahead when it comes to digital transactions. It will increase transparency and efficiency in the market while also enabling better competition. During the Amrit Kaal, the role of the cooperative sector in the growth of villages and farmers is going to be big. “Sarkar and Sahkaar (Government and cooperative) will together provide double strength to the dream of the Viksit Bharat”.

Based on the above said background this study is aimed at the Opportunities available for cooperatives under digital marketing and assess the challenges before cooperatives.

### Opportunities for Digital Marketing

There are lot of scope for marketing value-added products through online. Cooperative brands are very popular among the consumers for their quality products. Those who prefer quality definitely will go for cooperative brand. Some of the opportunities are as follows.

#### Develop their own Website and Mobile App for Digital Market

The interested marketing societies can take risk for digital marketing of their products. Develop their own websites list all available products with MRP also develop mobile app which very simple and cost-effective chances are more to reach maximum consumers. Which will increase the volume sales and reach ultimate consumers.

#### Tie-up with other popular digital marketing companies

The Cooperative marketing societies can tie-up with other popular digital marketing companies for marketing their products it is another cost-effective method of marketing product. **Offer online sale to private companies**

The marketing cooperatives can offer online sale not only to customers but also to the traders having good and reputed companies having interested in cooperative products. This another opportunity before cooperatives.

#### Governments Supports

Governments both the Central and State are very much helpful to cooperatives at present. After establishing a separate ministry for Cooperation by Central Govt. the cooperatives got very good momentum by establishing computerization process – e-commerce portal for Cooperative marketing and so on. The other side Tamil Nadu State Govt. have supported by establishing Coop Bazaar Mobile app in which all kind of cooperative value-added products available.

#### Maintain You tube Channel

The cooperative value-added products societies can develop and maintain YouTube channel to make reach and attract in online consumers. Further Make popularize cooperative brand through Facebook, email marketing can be done for existing consumers. Now a day’s smart phone users are more so, give advertisement through smartphone it will reach more customers.

#### Challenges before Cooperatives under digital marketing

Cooperatives are facing lot of challenges in the digitalized world. Private and other traders are selling their products at cheaper rate with compromising quality but cooperatives are meant for its quality and have some uniqueness. Some of the challenges are as follows. Less capital base, lack of professional management and lack of interest among the producers.

### CONCLUSION

Cooperatives all over the world have become an effective and potential instrument of economic development. Further the

Cooperative marketing societies are very much useful to farmers for getting good and reasonable price. So, they have lot of scope for marketing their products through digitally with Governments supports and guidance.

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