
Survey of Vermont Co-op Members

October 2014

Conducted by:



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Research Objectives

- The objectives of the 2014 Vermont Co-op Survey conducted for the Cabot Farmers' Cooperative Creamery include the following key issues:
 - To demonstrate the value, benefits and worth/contributions of co-ops in Vermont
 - To understand Vermont co-op members' perceptions and attitudes toward co-ops as an entity
 - To test the co-op philosophy, mission and principles
 - To determine Vermont co-op members' attitudes, perceptions and behaviors/preferences to interacting with/purchasing from co-ops
 - To determine the perception of differing types of co-ops
 - To have information that will be of interest to the media

Methodology and Sampling

- Between September 8 and September 27, 195 individuals were contacted to take part in a survey. In total, 165 respondents were surveyed over the phone and another 30 were surveyed online. However, in order to collect 195 respondents, 826 households were initially surveyed and 631 did not qualify based on the criteria outlined in the survey (age, non-familiarity with cooperatives or credit unions or non-participation with cooperatives or credit unions).
- The survey was designed to gauge public opinion on Vermont co-ops and how they compare with non-cooperative Vermont businesses. The results are compared to a similar survey conducted in 2010. In 2010, the sampling frame consisted of individuals who were participating members of Vermont cooperatives or credit unions. Over the past four years, there have been many changes regarding telephone usage in the household. To compensate for non-landline households, the telephone sampling frame was enhanced with 30 surveys conducted online. The consultants believe that the 2014 sample is comparable to the 2010 sample.
- The average survey lasted 14 minutes and 12 seconds. The error margin for the study is plus or minus 7.1% at 95% confidence.

Key Findings/Executive Summary

- Co-op membership duration has increased for every type of co-op since 2010.
- Credit unions, food co-ops, and electric co-ops were the most common co-ops or cooperatives identified by respondents.
- When asked why they joined an electric co-op, many respondents said that they did not have a choice to join.
- Membership in credit unions and food co-ops has decreased in 3 out of 4 age groups from 2010.
- The definition of co-op given most often by respondents, regardless of co-op type, was a group of people working together.
- Compared to 2010, respondents in 2014 were 6% more likely to say that there were benefits to being a member of a co-op. This trend was more pronounced in the older age groups, but held true across all age groups.
- Compared to 2010, the percentage of 2014 respondents increased in every category of co-op membership benefits, with the exception of “saving money” and “higher quality products.”

Key Findings/Executive Summary

- Several types of co-ops saw the proportion of their members who say they are “active” participants decrease, especially credit unions and farms.
- Nearly 90% of respondents in 2014 agreed that members contribute equitably to the financial resources of their cooperatives. This is a significant increase from the 76% of respondents who agreed in 2010.
- Eighty-nine percent of members believed that cooperatives are democratic organizations; this represents an increase of 5% from 2010.
- Seventy percent of members agreed that all cooperatives’ profits are returned back to members. This belief was strongest in the over 70 age group, and weakest in the 24-44 age group.
- Compared to 2010, 2014 respondents felt that it was more important to buy or obtain products from a cooperative. Respondents who said it was either very important, important, or somewhat important to buy products from a co-op increased from 78% in 2010, to 83% in 2014.
- Overall, 2014 respondents are more likely to buy from a co-op than 2010 respondents. The percentage of those who were very likely to buy a product or service from a co-op increased from 71% in 2010, to 82% in 2014.

Key Findings/Executive Summary

- Of respondents who were more likely to buy a product or service from a co-op, nearly every category of reason why a respondent would buy from a co-op increased from 2010 to 2014.
- Sixty percent of respondents felt that Vermont co-op products or services are of a higher quality when compared to non-cooperative businesses and companies; this represents a 2% increase from the same category of 2010.
- The majority of respondents (90%) felt that Vermont co-ops provide a better or the same level of customer service compared to non-cooperative Vermont businesses or companies.
- Eighty-two percent of 2014 respondents agreed that Vermont co-ops have the best interest of consumers in mind when conducting business compared to non-cooperative Vermont businesses or companies. This represents an increase of 9% from the 73% of respondents who agreed in 2010.
- Across all types of co-ops, the proportion of respondents saying they would be more willing to purchase a product from a co-op has increased from the 2010 survey.

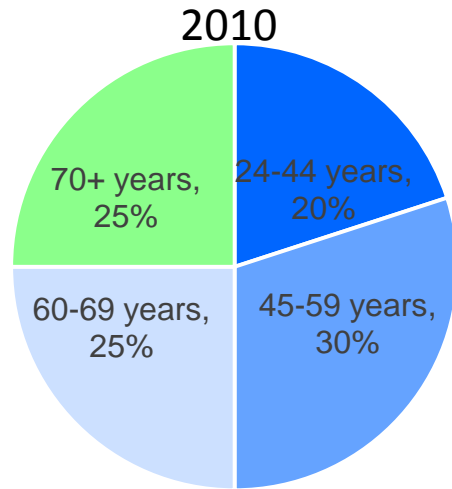
Conclusions

- While co-op membership has not grown, and actually decreased for several co-ops in some age groups, the number of years active members are maintaining their membership is increasing.
- The co-op philosophy remains strong with members feeling they are working together and that co-ops have the best interests of their members in mind.
- Members are realizing the benefits of membership through saving money, garnering profits, accessing perceived higher quality products and obtaining a better level of service than from non-cooperative businesses. In addition, members are saying they are increasingly more likely to buy products or services from co-ops than from non-cooperatives.
 - Co-op membership is seen by respondents as beneficial and valuable to the majority of co-op members. Nine out of ten respondents agreed that co-op membership was beneficial. The benefits cited most often were that the products or services were a higher quality compared to non-cooperative products or services, and the co-op was locally owned or controlled.
 - Respondents' attitudes toward purchasing products or services from Vermont co-ops were very favorable. Compared to 2010, 2014 respondents felt that it was more important to buy or obtain products from a cooperative.
- Respondents viewed co-ops as voluntary and democratic organizations, where members contribute equitably while simultaneously focusing on member needs and the sustainable development of the community. Nearly three-quarters of respondents also said that all profits generated by the co-op are returned back to its members.
- The perception of a co-op varied with the co-op type. Respondents who were members of farm or food co-ops most often said they joined because they wanted local or organic food and believed in the co-op's goals. Farm, food, and credit union co-op members also said they believed in the co-op's beliefs or goals. Electric co-op members often said that they did not have a choice. In numerous categories, there are significant differences in perception based on age.

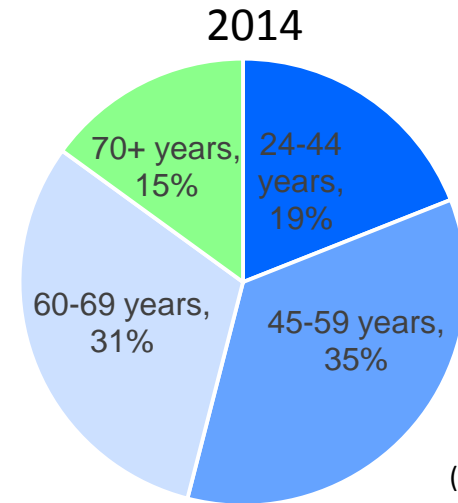
Description of Respondents

The largest age group in 2014 was 45-59 years with 35% of respondents, followed by 60-69 years with 31%. Compared to 2010, the 2014 survey had a greater proportion of respondents in the middle age groups (45-59 and 60-69), while the 70+ group is smaller.

Age

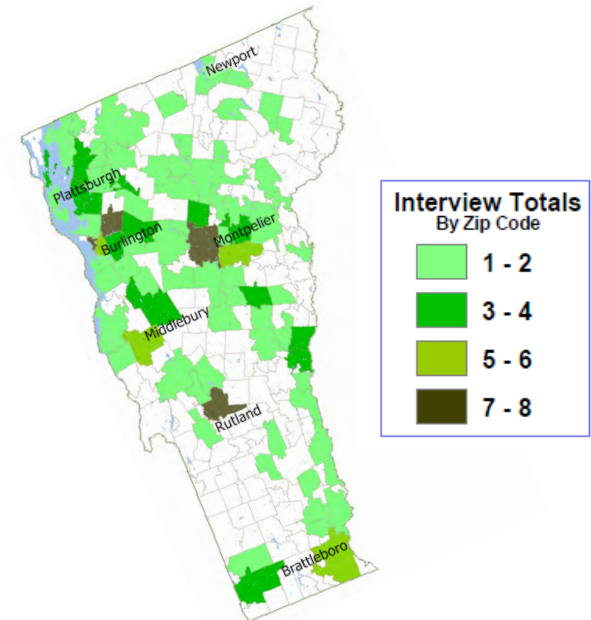
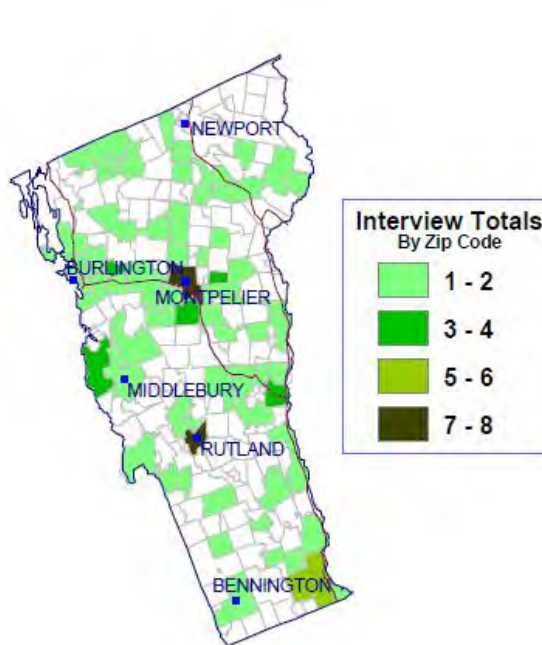


(n = 121)



(n = 195)

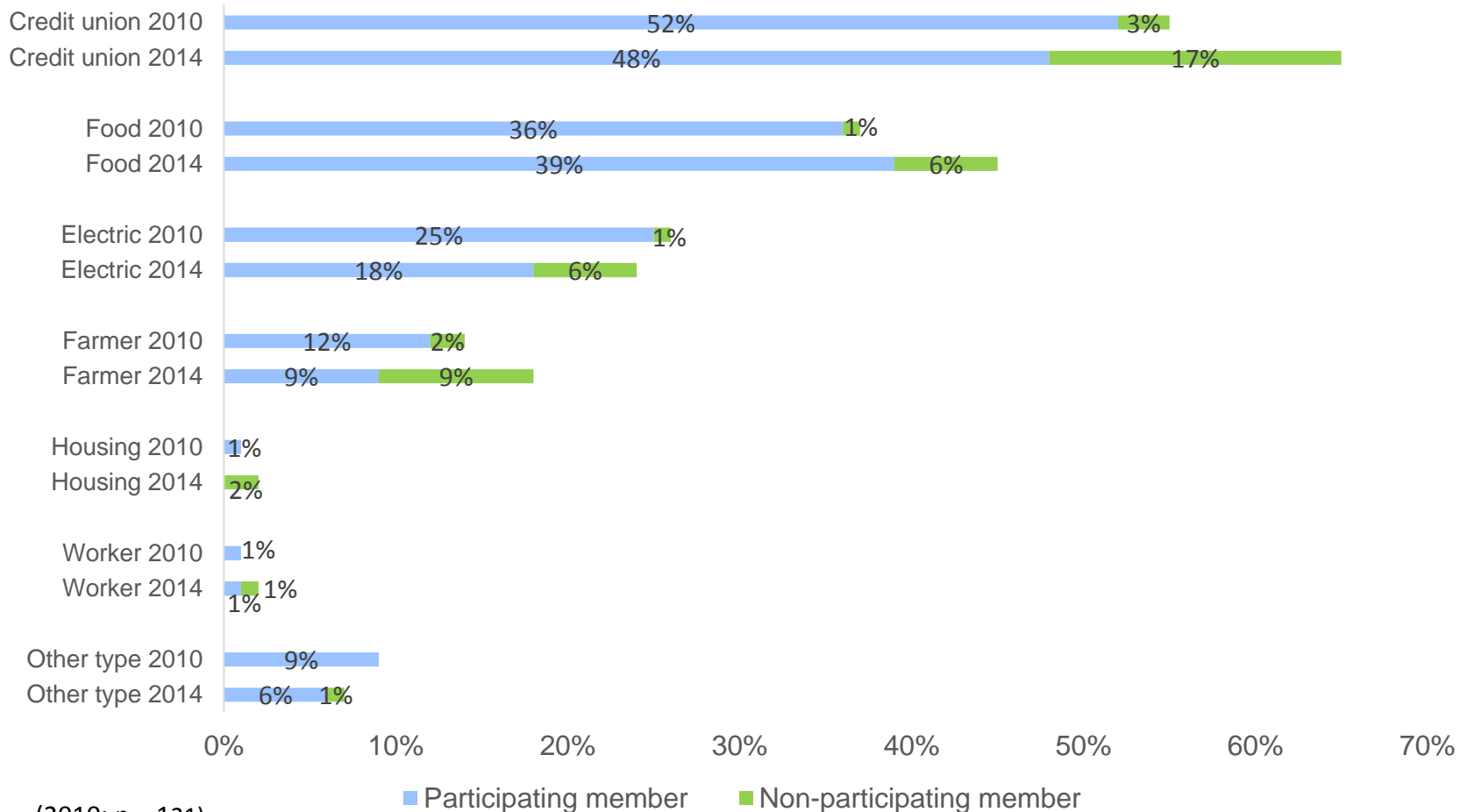
Location



Co-op Membership and Participation

The percentage of non-participating co-op members has increased since 2010 regardless of the co-op type. This trend is best exemplified by credit unions, which had a 14% increase in non-participating members when compared to 2010.

Are you or is your family currently a member of a Vermont co-op or cooperative or credit union?
Are you a participating member of the co-op?



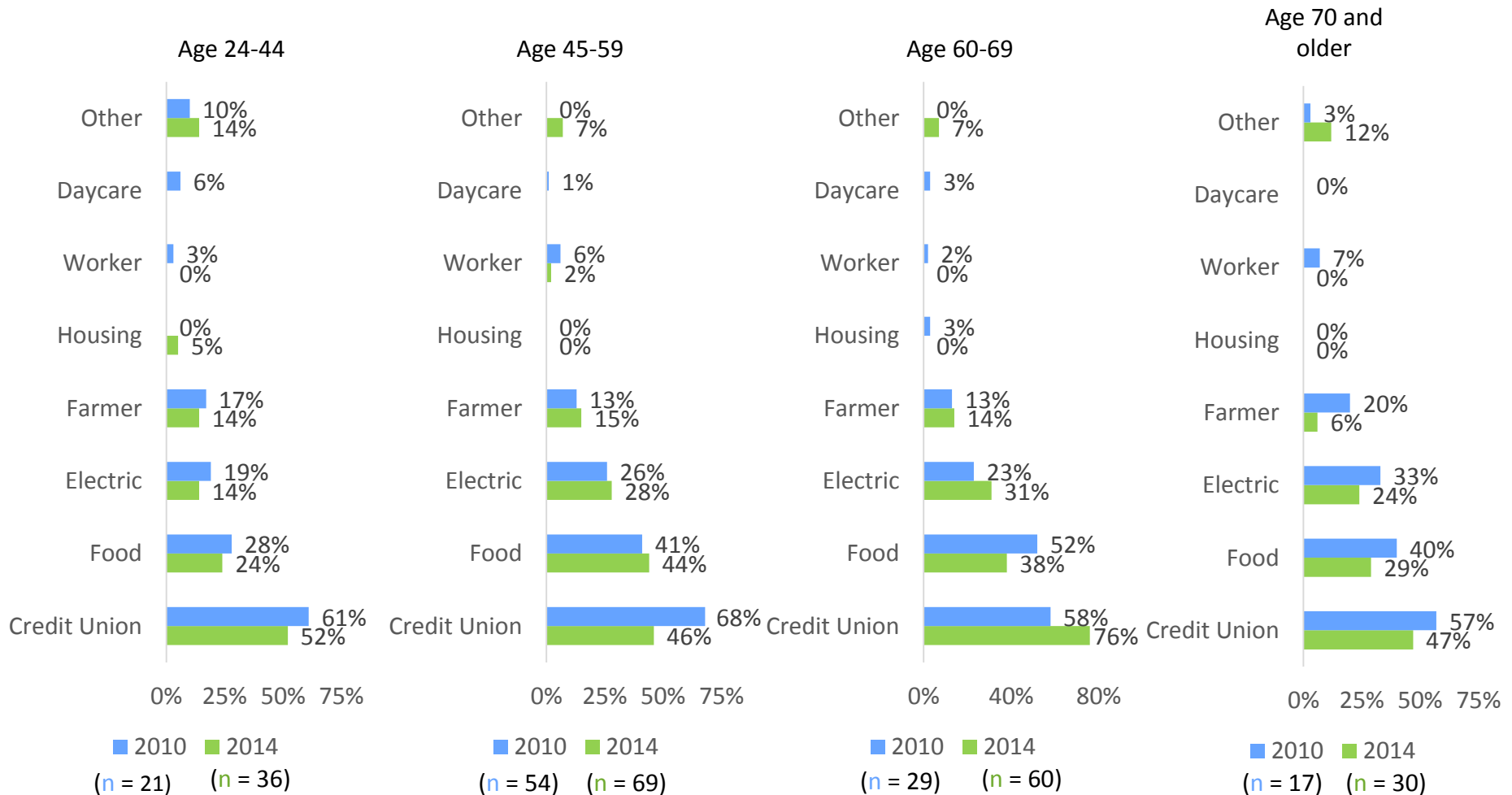
(2010: n = 121)

(2014: n = 195)

Co-op Membership by Age Group

Membership in credit unions has decreased in every age group with the exception of the 60-69 age group, and membership in food co-ops decreased in every age group except the 45-59 age group.

Are you or is your household currently a member of a Vermont co-op or cooperative?



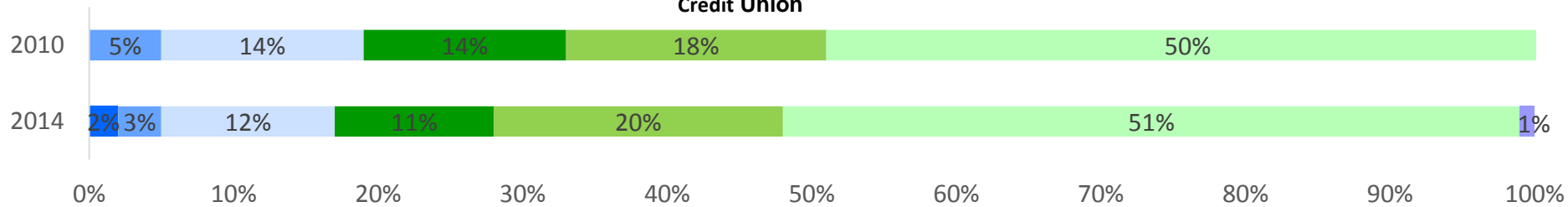
Years of Co-op Membership by Co-op Type

Duration of membership has increased in every type of co-op since 2010. Food co-ops had the greatest increase in duration of membership, followed by electric co-ops.

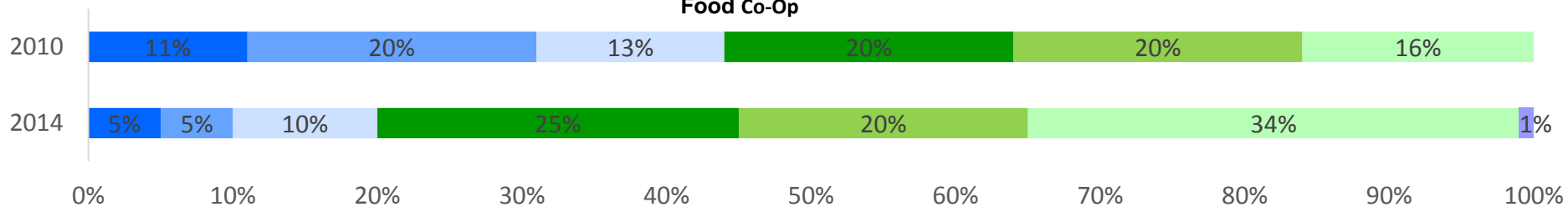
For how many years have you or your family been a member of the co-op?

(n = 121) (n = 195)

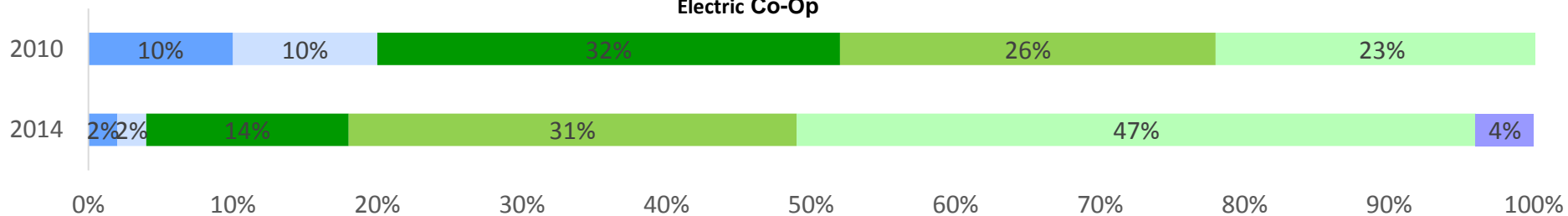
Credit Union



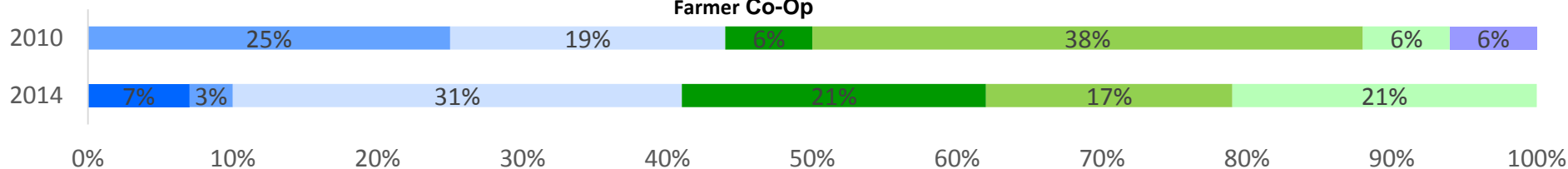
Food Co-Op



Electric Co-Op



Farmer Co-Op

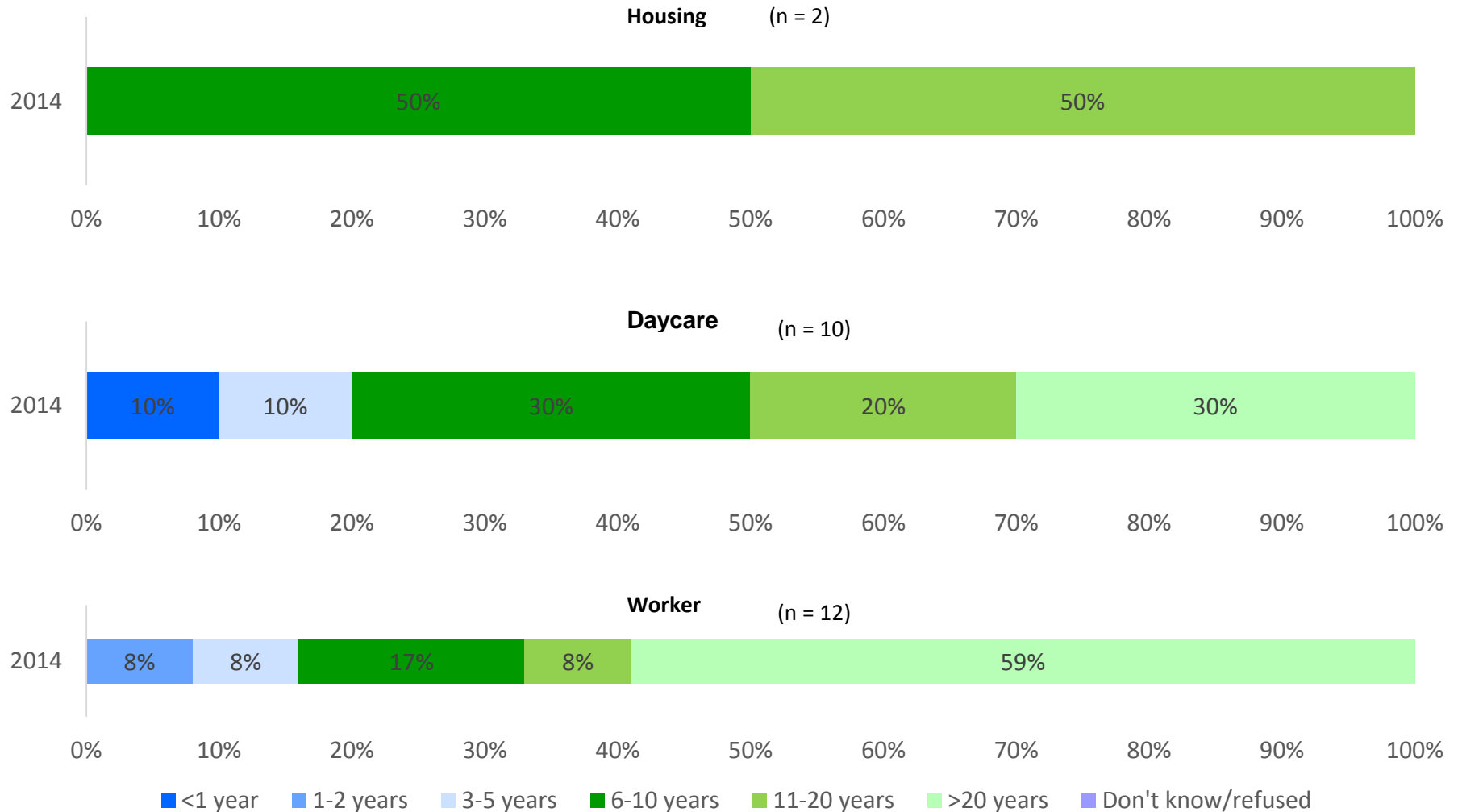


■ <1 year
 ■ 1-2 years
 ■ 3-5 years
 ■ 6-10 years
 ■ 11-20 years
 ■ >20 years
 ■ Don't know/refused

Years of Co-op Membership by Co-op Type

Housing co-ops had a very limited sample size and is split evenly between 6-10 years and 11-20 years. Daycare co-ops vary somewhat evenly, with 6-10 years and over 20 years having the highest percentage of respondents. The majority of respondents who have been in worker co-ops have been in them for over 20 years.

For how many years have you or your family been a member of the co-op?

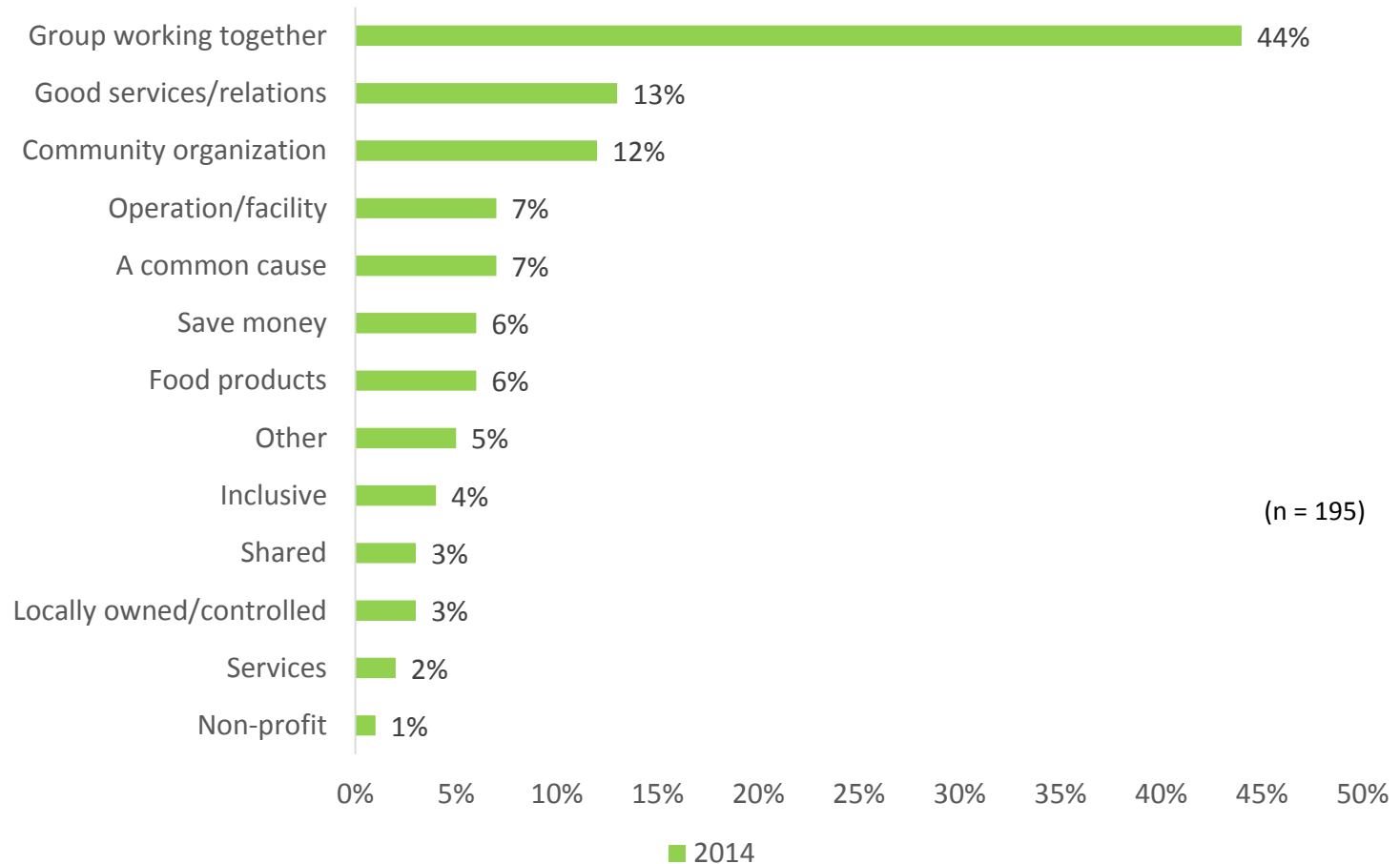


Co-op Defined

The question below was added in 2014 to gain further insight as to the definition or perception by the respondent of what constitutes a cooperative.

The most common meaning of cooperative to respondents was a “group working together.” This category was greater than the next four combined.

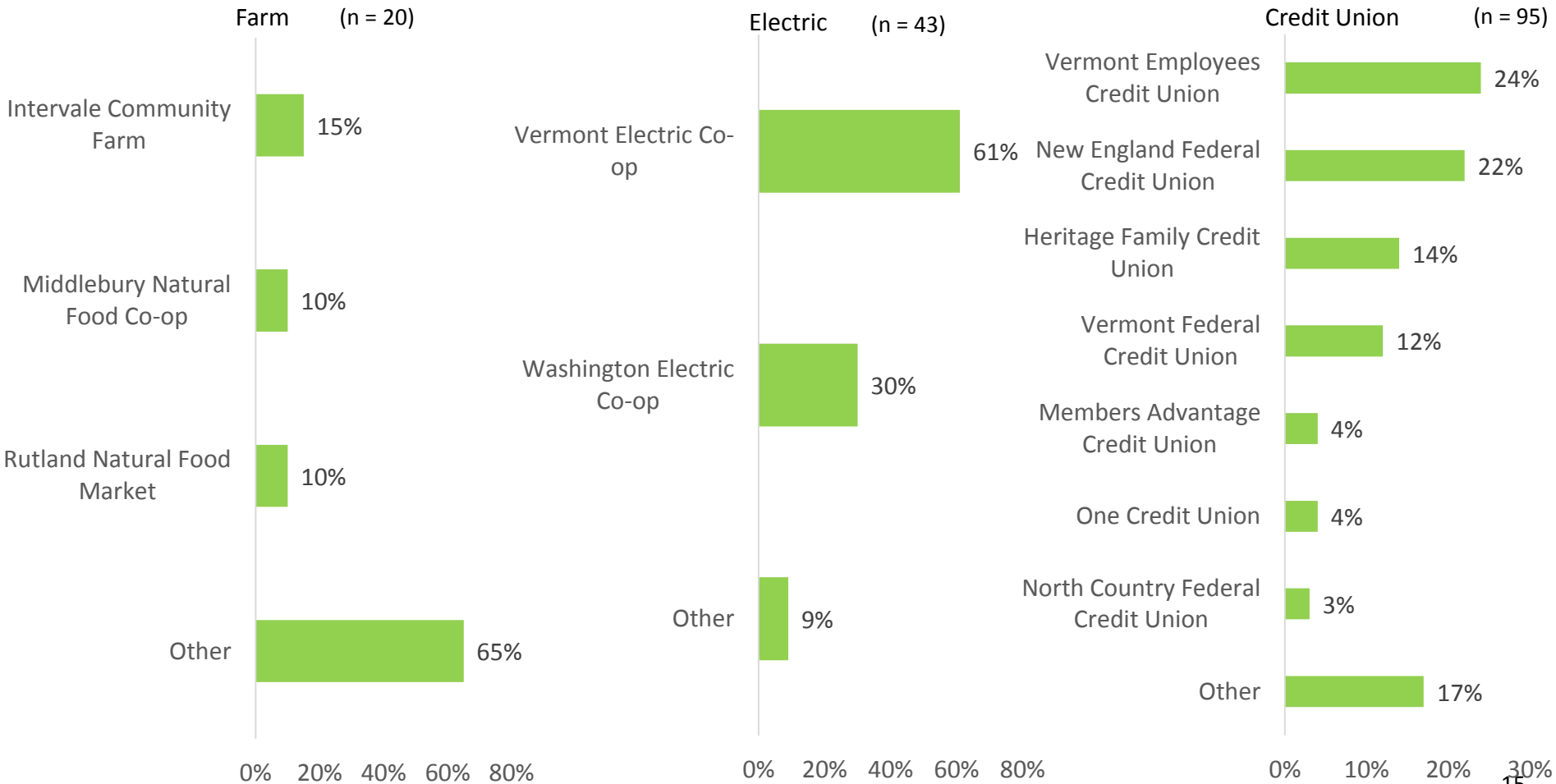
Thinking creatively about how a cooperative impacts your life and the way you make decisions, what does the word cooperative mean to you?



Co-op List

Survey respondents were asked their level of participation with specific co-op categories and also with which co-ops or credit unions. The charts below and on the follow page show their self-reported responses. While some may argue that a farming cooperative and a food cooperative are very different, in some cases, respondents inter-mixed the two, as can be seen below.

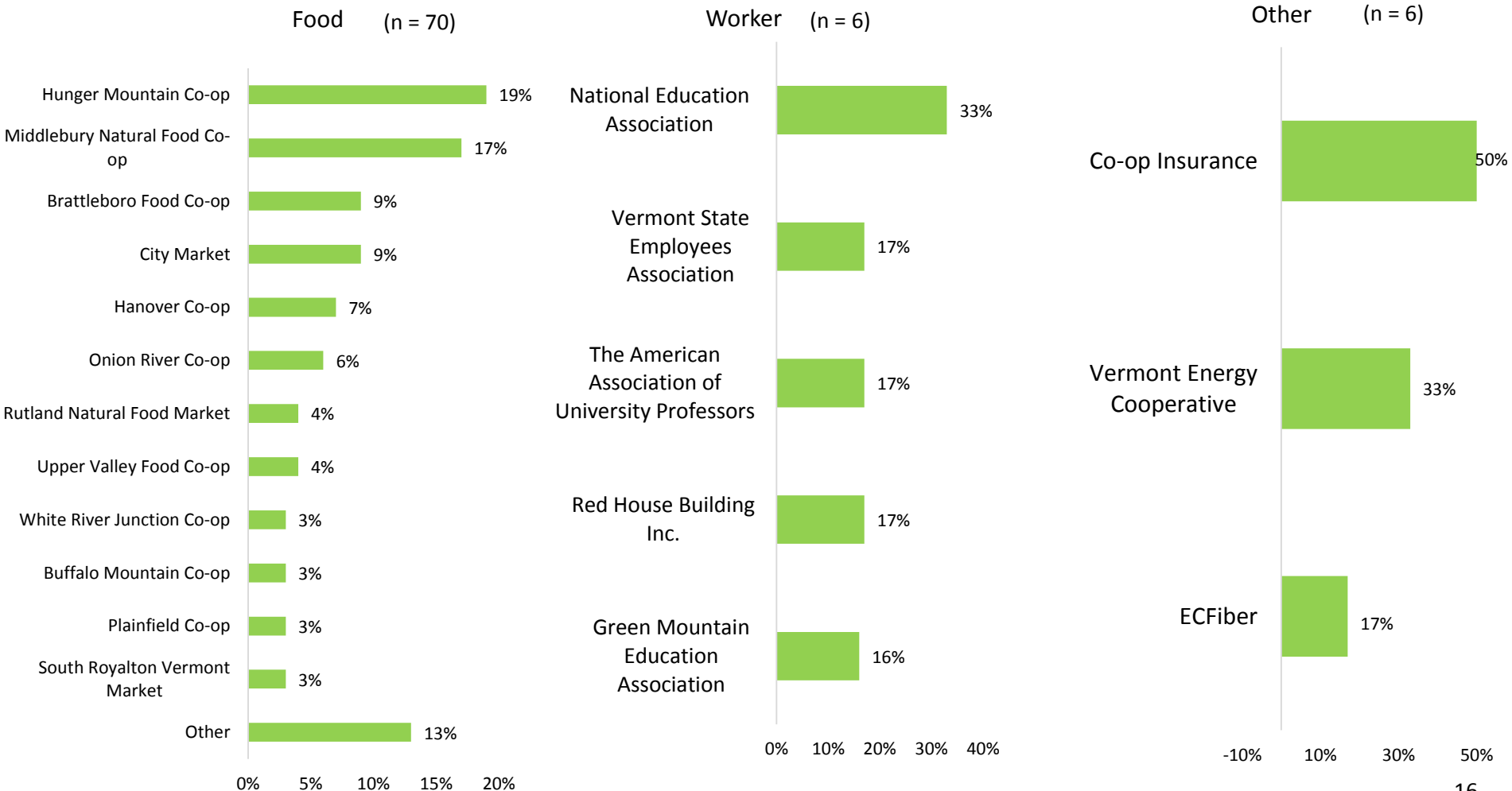
Respondents who reported being a member of a farm co-op were most often a member of Intervale Community Farm. The majority of those surveyed (61%) who were members of an electric co-op were members of the Vermont Electric Co-op. Respondents who identified themselves as members of a Vermont credit union were most likely to be a member of the Vermont Employees Credit Union (24%) or the New England Federal Credit Union (22%).



Co-op List

Food co-ops were the most diverse category, with 12 different co-ops mentioned by multiple respondents. Hunger Mountain was the most commonly mentioned food co-op. Both the worker and other co-ops had very small sample sizes, with the most common answer in each group being mentioned only twice. The housing and daycare co-ops did not have any responses given more than once and are not shown below.

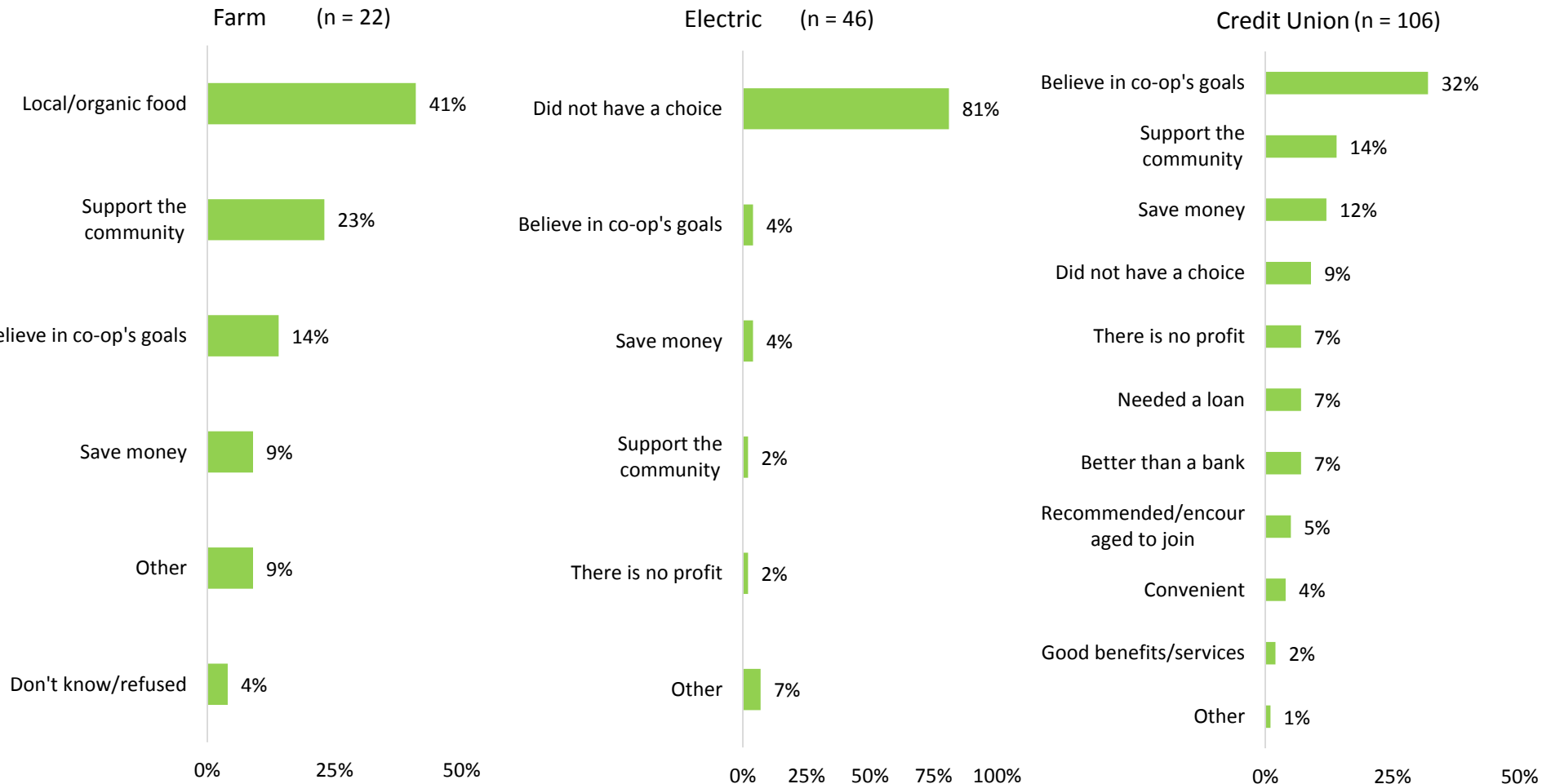
What is the name of the Vermont co-op(s) or cooperatives in which you or your family currently is/are a member?



Reasons for Joining

Respondents who were a member of a farm co-op said they became a member because they wanted local or organic food, while 81% of electric co-op members said they did not have a choice to join. The reason given most often by respondents as to why they joined a credit union was that they believed in the credit union's goals (32%).

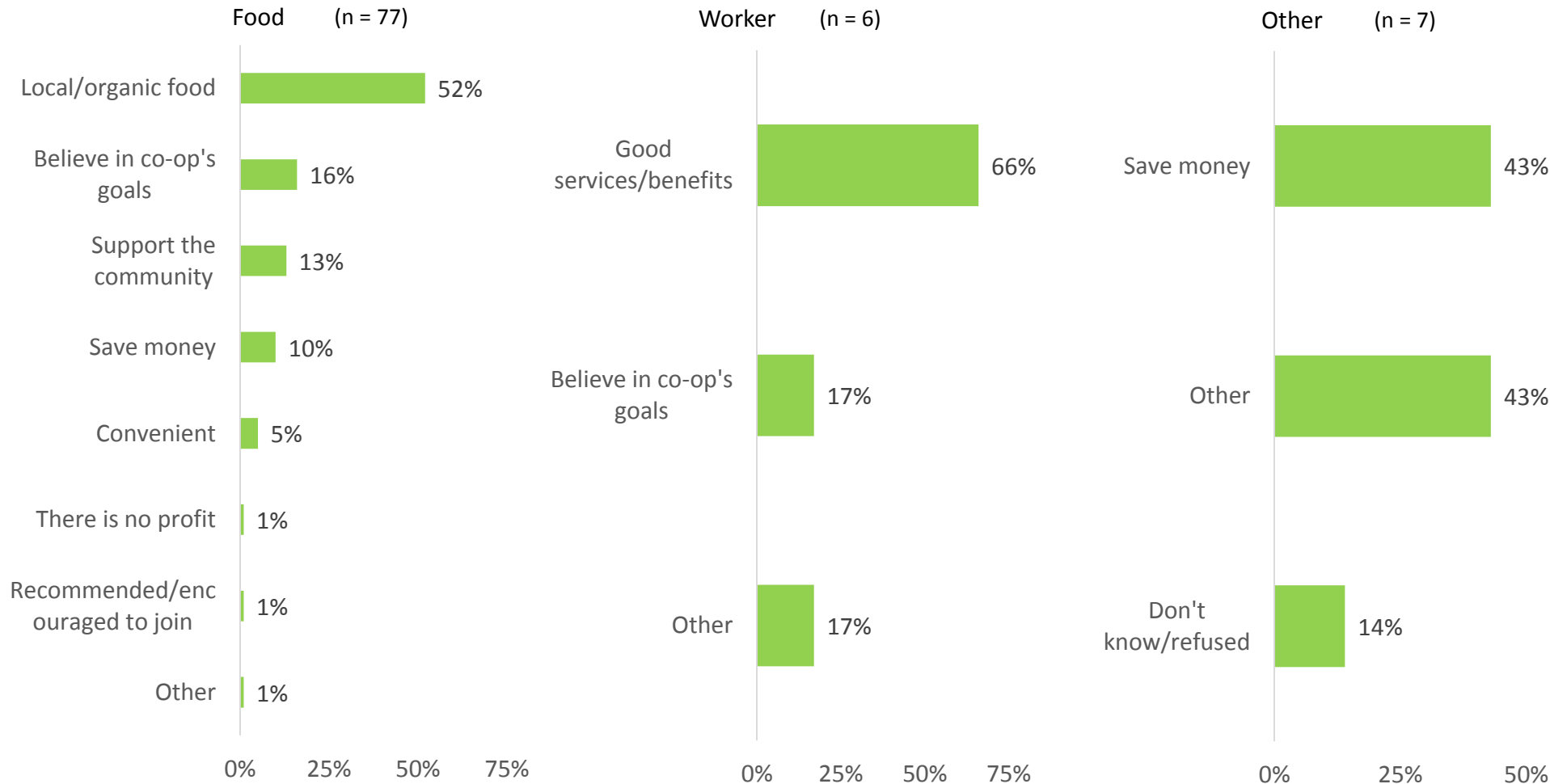
Why did you join the co-op?



Reasons for Joining

Respondents were most likely to join a food co-op because they wanted local or organic food. Respondents stated that they joined a worker co-op because they felt they received good services or benefits. Other co-ops were joined most often because respondents felt that they would save money. For both housing and daycare co-ops there was an extremely small sample size and no reasons for joining that were mentioned more than once.

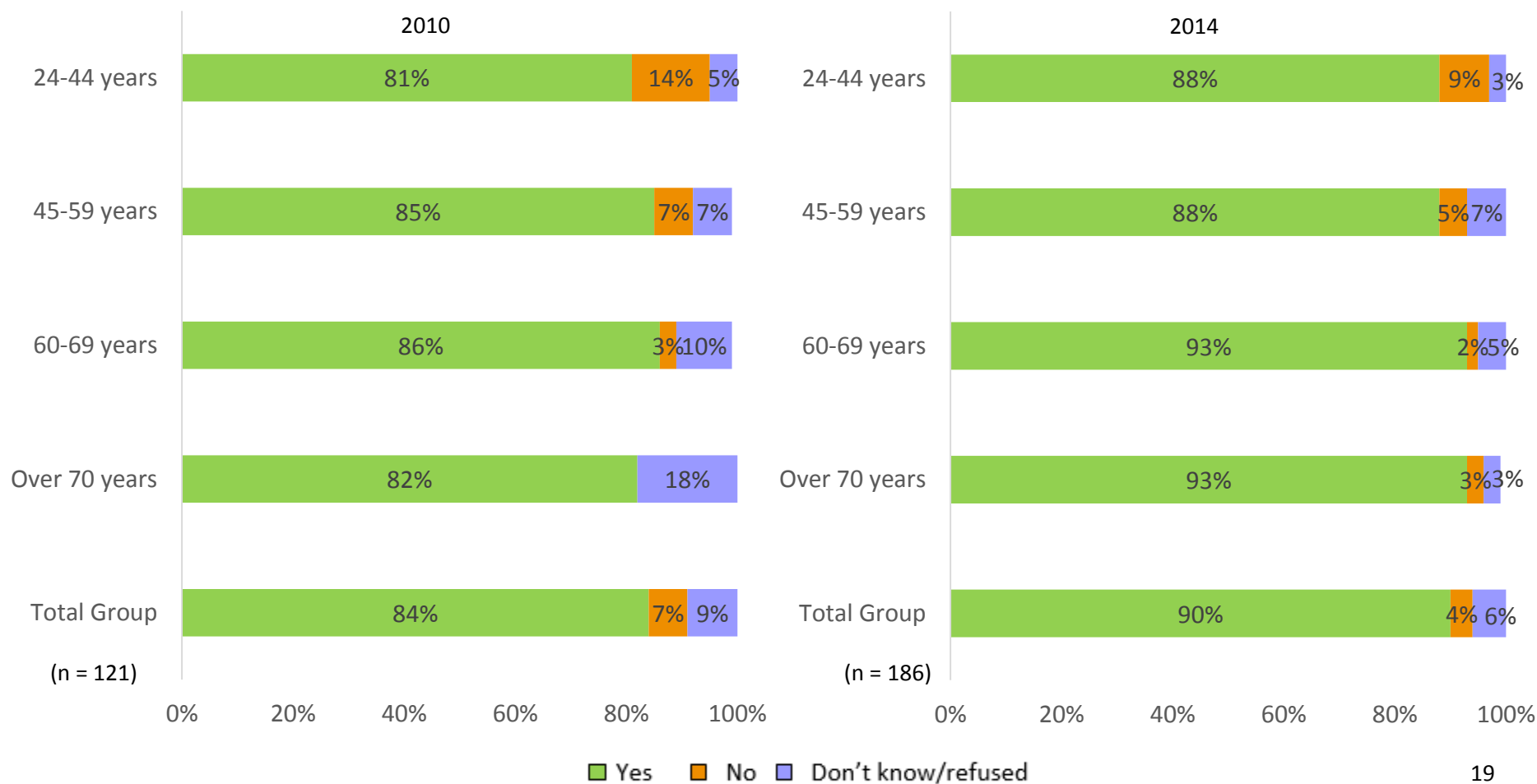
Why did you join the co-op?



Is Co-op Membership Beneficial?

Compared to 2010, respondents in 2014 were more likely to say that there were benefits to being a member of a co-op. This trend was more pronounced in the older age groups, but holds true across all age groups. The over 70 age group had the largest increase (11%) in believing there are benefits to joining a co-op. Between 2010 and 2014, there was a 7% increase in the belief that there are benefits to being a co-op member for both the 24-44 and 60-69 age groups.

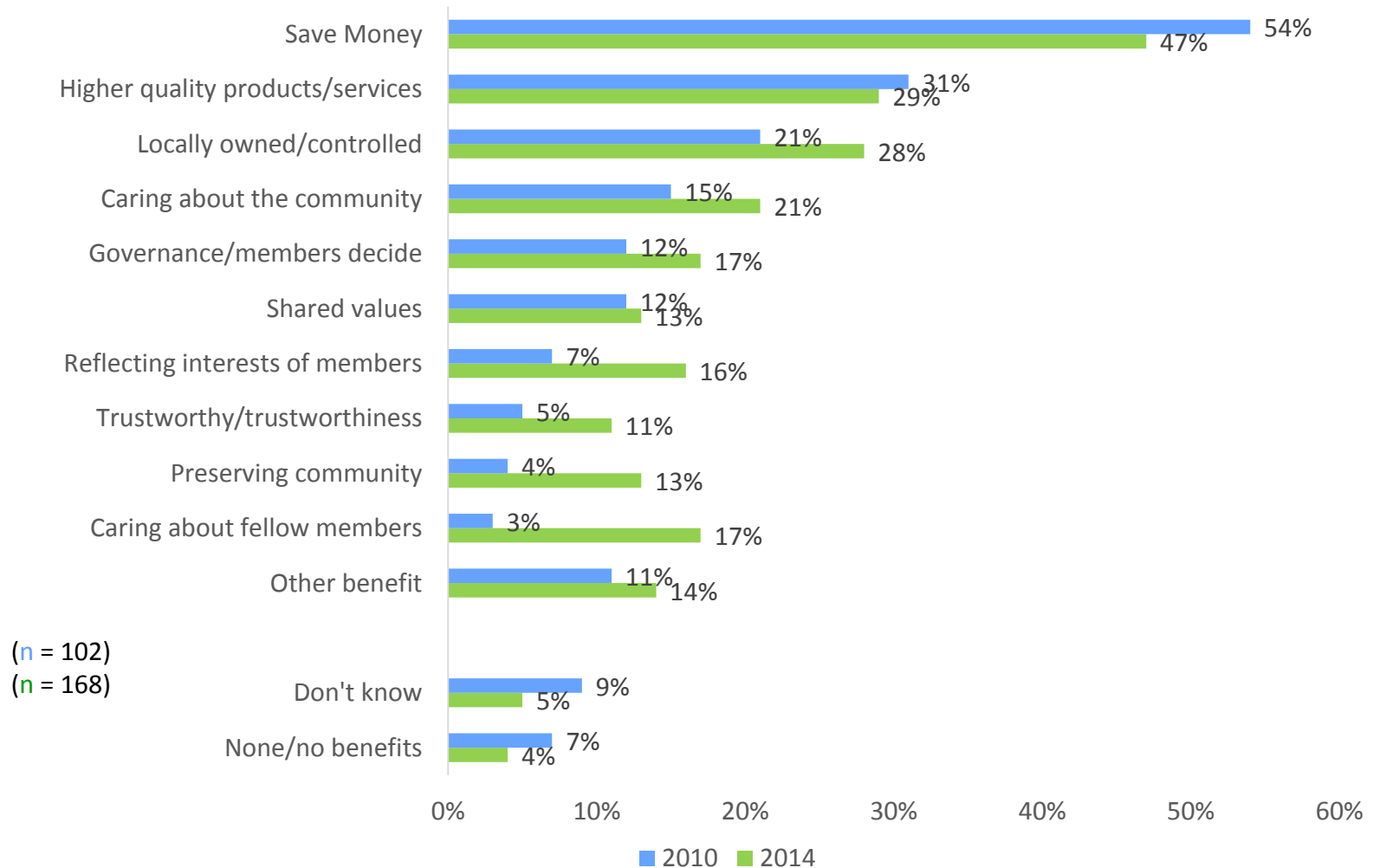
Based upon what you know today about co-ops or cooperatives, do you think there are any benefits to being a member of a co-op or cooperative?



Benefits of Co-op Membership

For both the 2010 and 2014 surveys, respondents stated that the most important benefit of being a member of a Vermont co-op is that they save money, though the percentage has decreased by 7% over that time period. Overall, 2014 respondents felt there were more benefits of being a member of a Vermont co-op or cooperative than in 2010.

What do you think are the benefits of being a member of a Vermont co-op or cooperative?

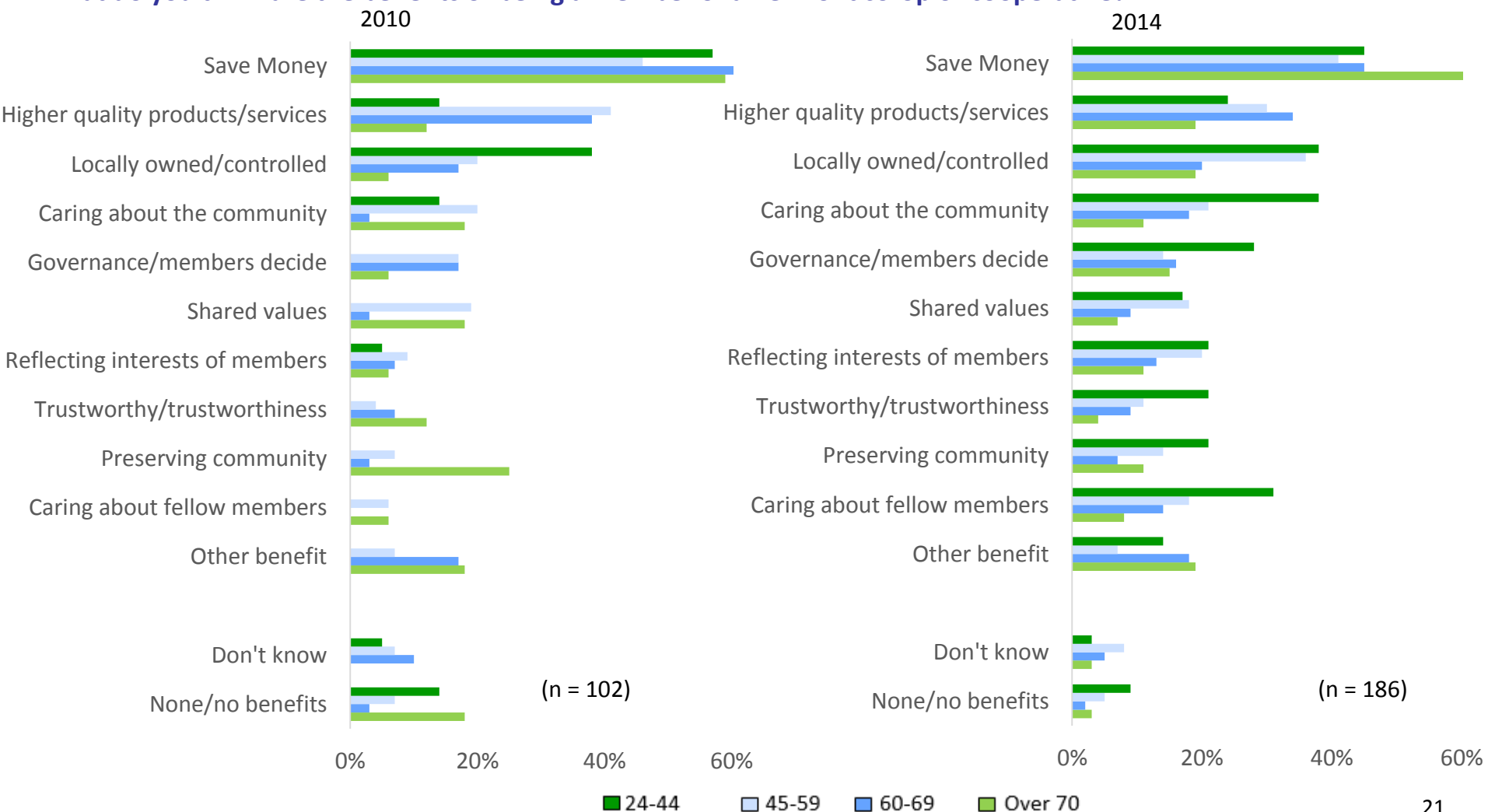


*Percentages add to more than 100% because respondents were allowed to select multiple responses

Benefits of Co-op Membership by Age Group

Saving money was seen as the most important benefit among all age groups for 2014. The youngest age group (24-44) has increased the quantity and variety of benefits that they believe in, including six categories that were unmentioned by 2010 respondents.

What do you think are the benefits of being a member of a Vermont co-op or cooperative?

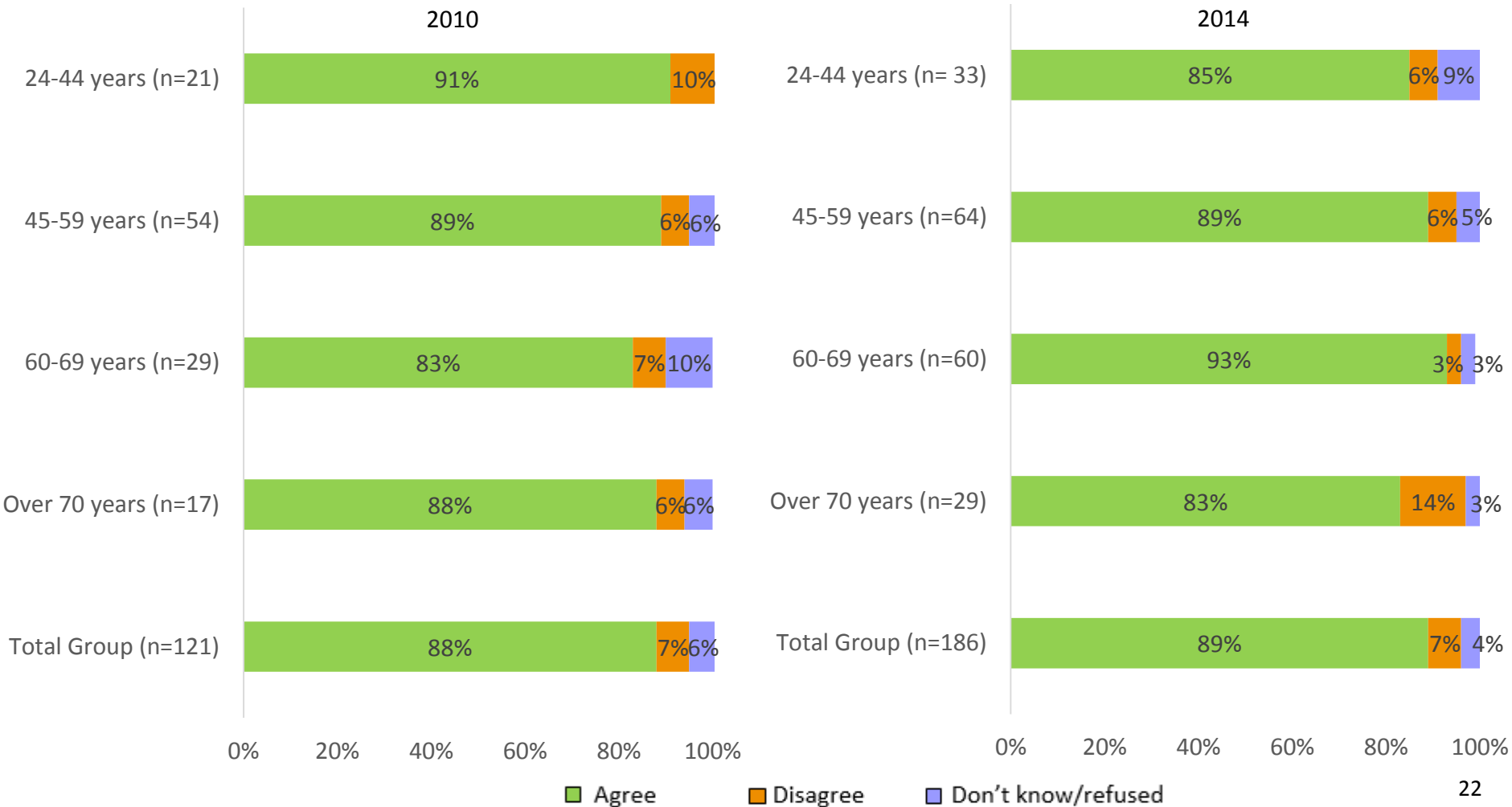


*Percentages add to more than 100% because respondents were allowed to select multiple responses

Voluntary Organizations

Eighty-nine percent of co-op members agreed that cooperatives are voluntary organizations. There is greater variation across age groups when compared to 2010 but the overall proportions are similar.

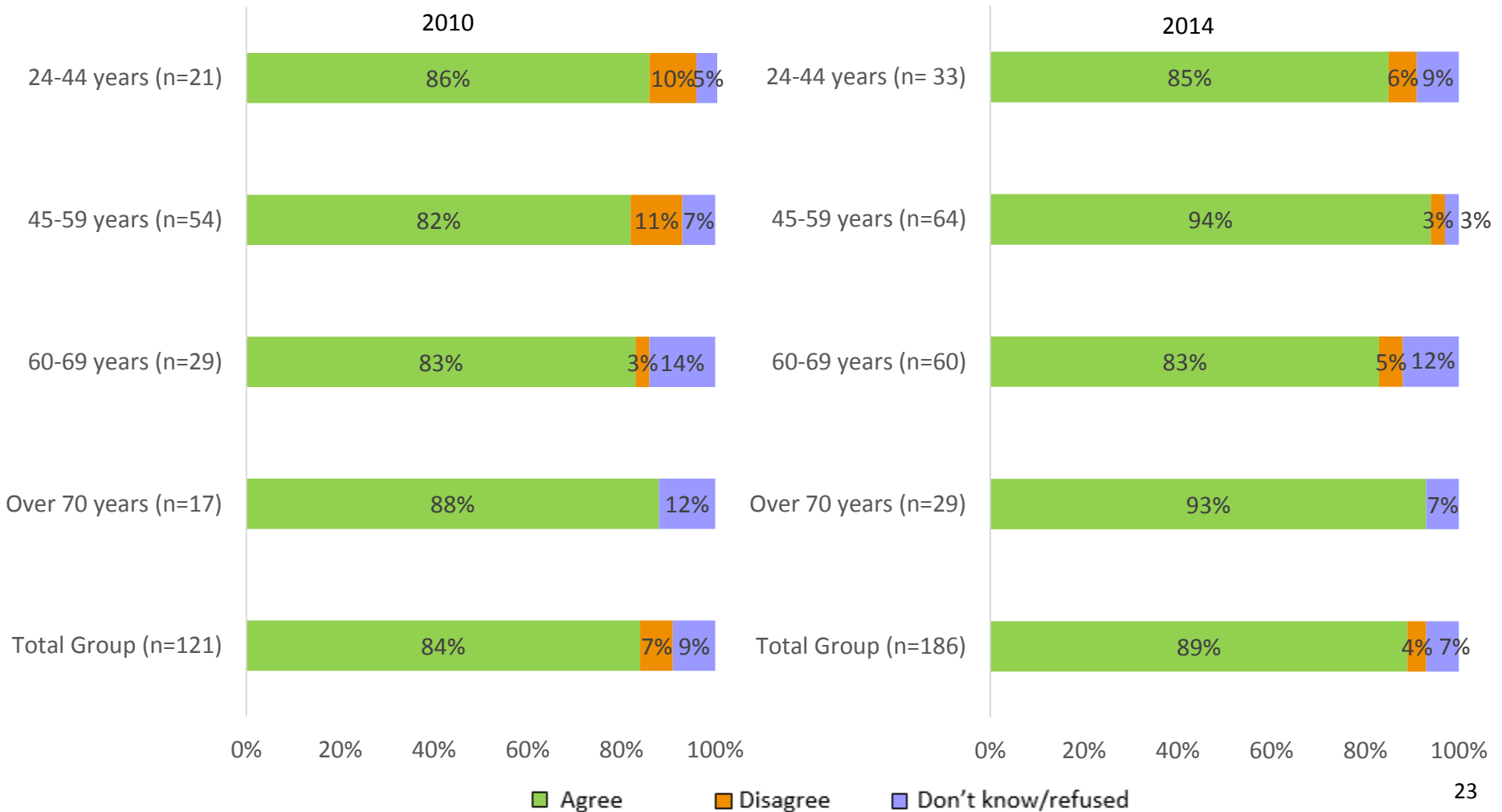
Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.



Democratic Organizations

Eighty-nine percent of members believed that cooperatives are democratic organizations; this represents an increase from 84% in 2010.

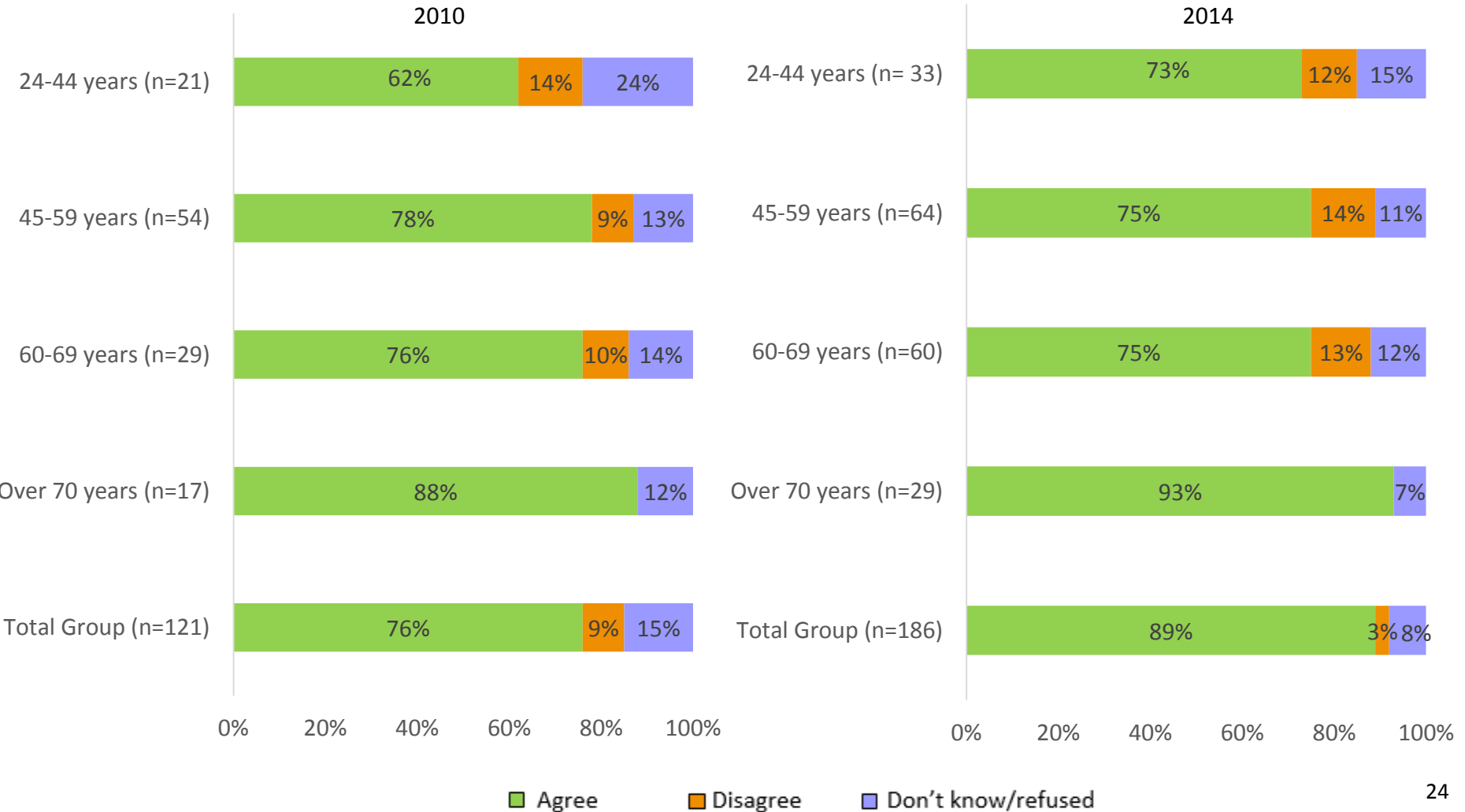
Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions.



Member Contributions

Nearly 90% of respondents in 2014 agreed that members contribute equitably to the financial resources of their cooperatives. This is a significant increase from the 76% of respondents who agreed in 2010.

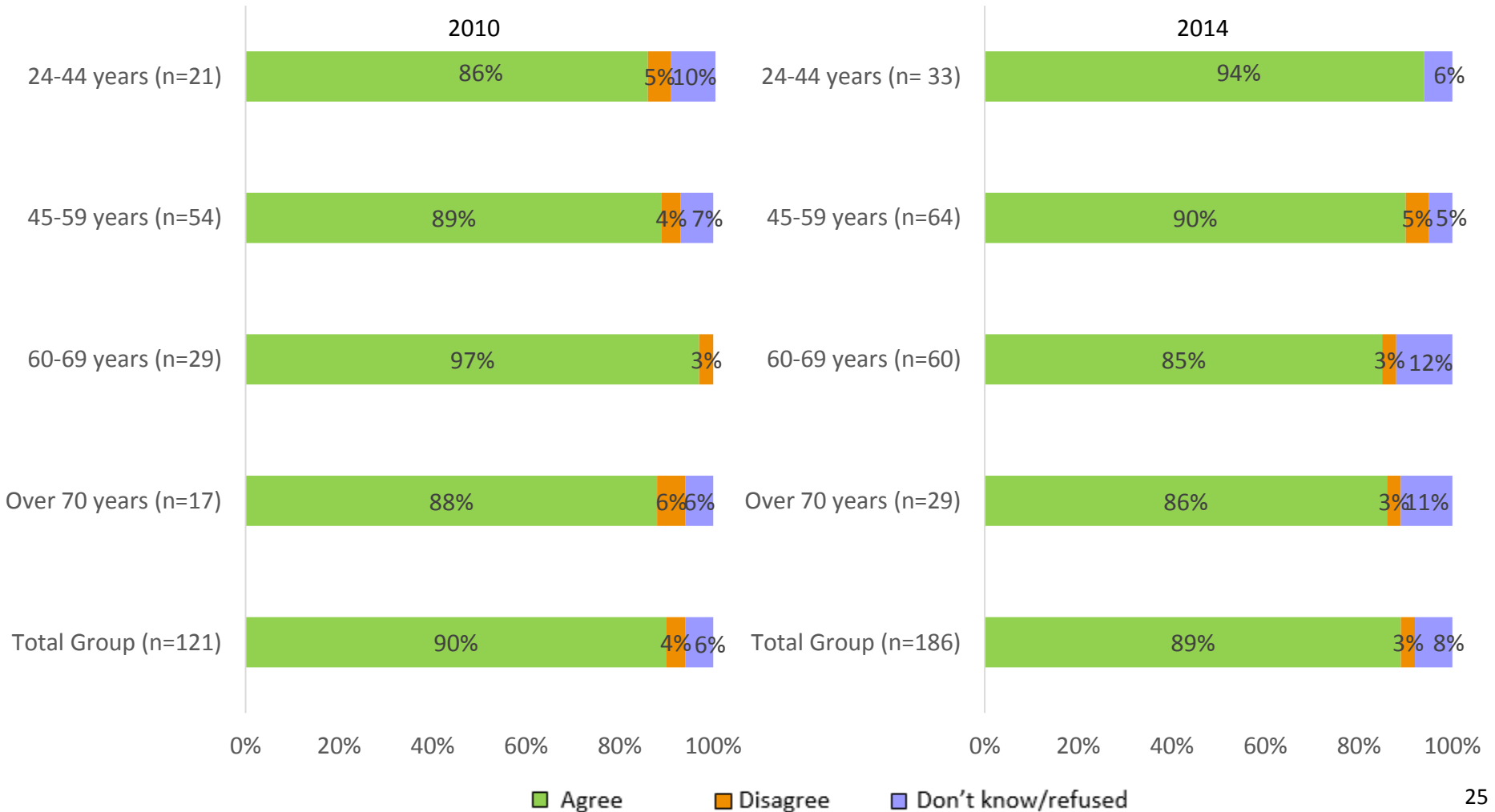
Members contribute equitably to, and democratically control, the financial resources of their cooperatives.



Sustainable Development

Eighty-nine percent of members agreed that cooperatives work for the sustainable development of their communities. The younger two age groups agreed more than in 2010, while the older two age groups agreed less.

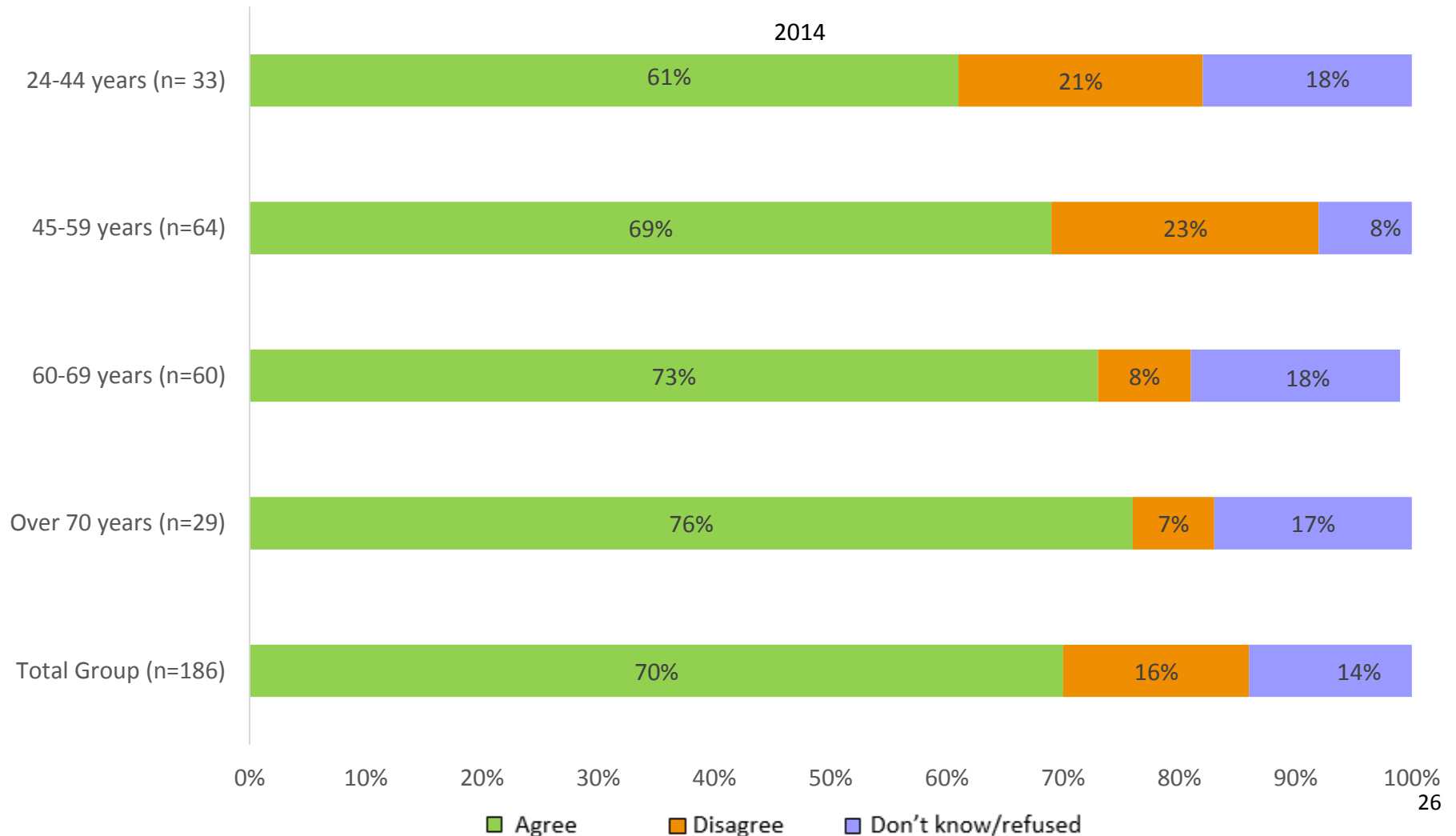
While focusing on member needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.



Profits Returned

Seventy percent of members agreed that all the cooperatives profits are returned back to its members. This belief was strongest in the over 70 age group and weakest in the 24-44 age group. This question was not asked in the 2010 survey.

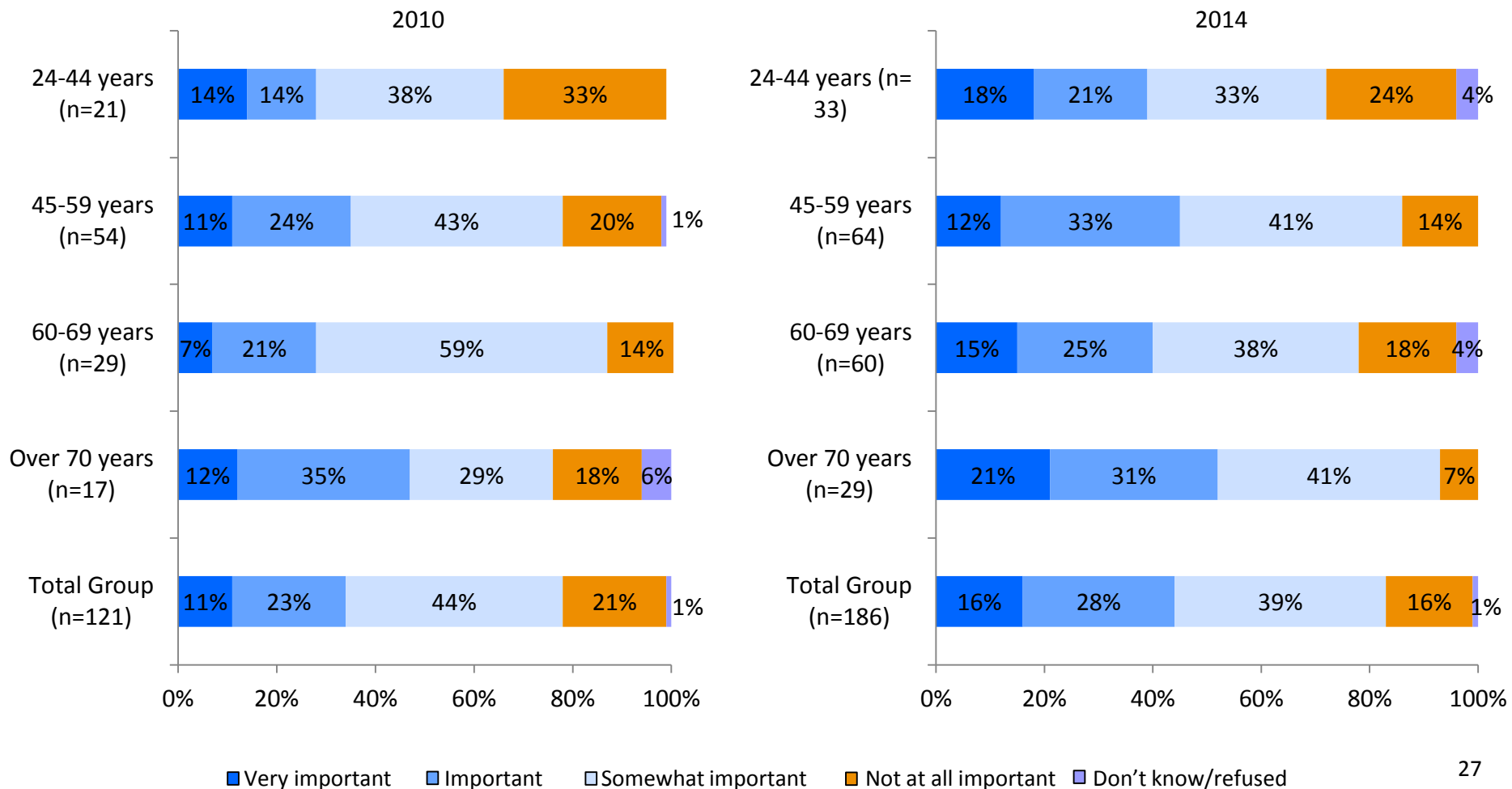
Members of cooperatives know that all profits are returned back to its members.



Importance of Buying from a Co-op

Compared to 2010, 2014 respondents felt that it was more important to buy or obtain products from a cooperative. Between 2010 and 2014, the proportion of respondents stating that it was “very important” or “important” to buy from a co-op increased, and the “not at all important” category decreased.

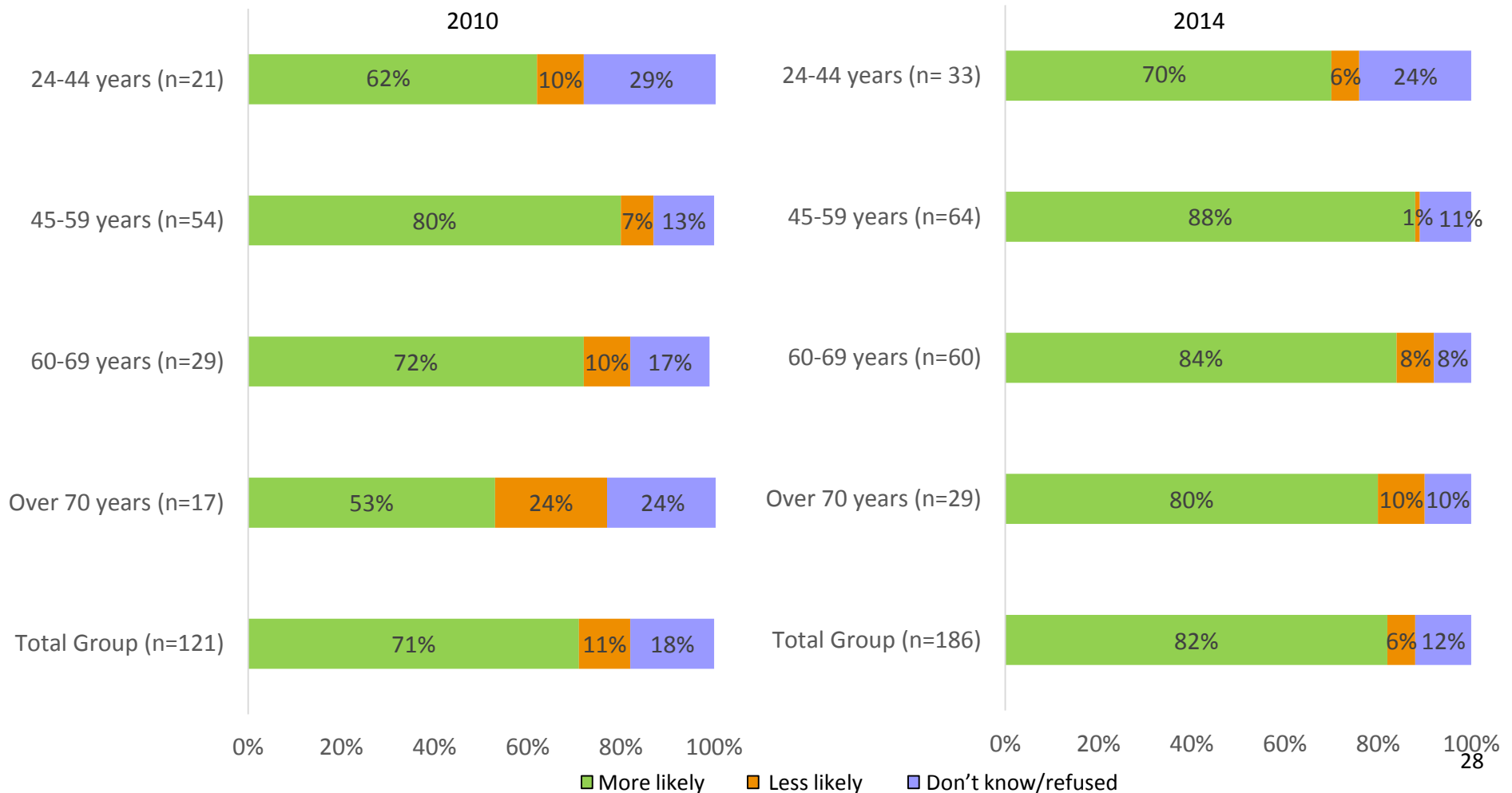
When you are making decisions about buying or obtaining products or services you need or want, how important is it that you get them from a cooperative?



Likelihood to Buy from a Co-op

Overall, 2014 respondents are more likely to buy from a co-op than 2010 respondents. Every age group saw an increase in likelihood of buying from a co-op, with the largest increase coming from the over 70 age group.

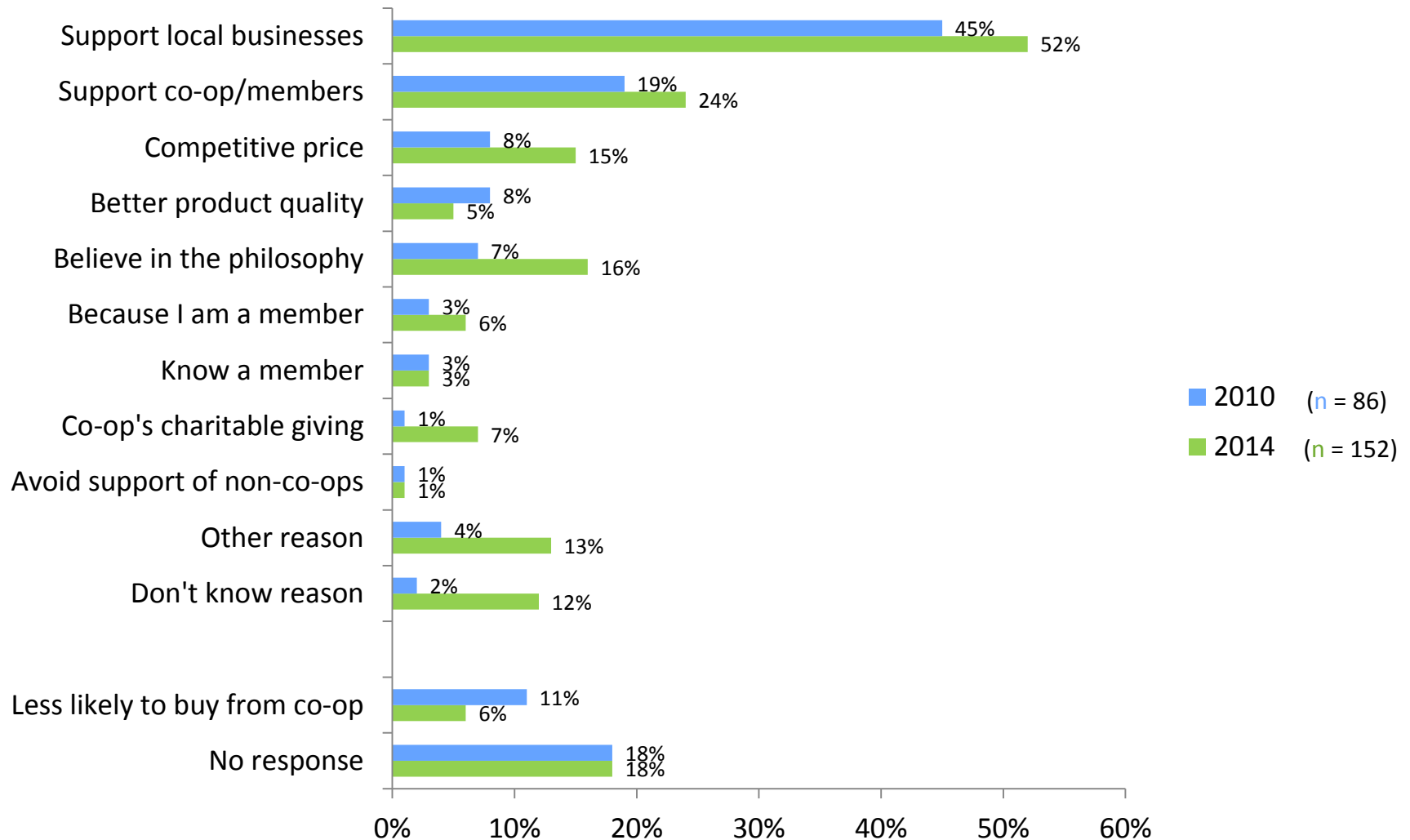
Are you more or less likely to buy or obtain a product or service if you know it is from a Vermont cooperative?



Reasons for Buying from a Co-op

Of those who were more likely to buy from a co-op, the most common reason cited was to support local business. Respondents in 2014 reported greater number of reasons for buying from a co-op.

Why are you more likely to buy or obtain a product or service if you know it comes from a Vermont cooperative?

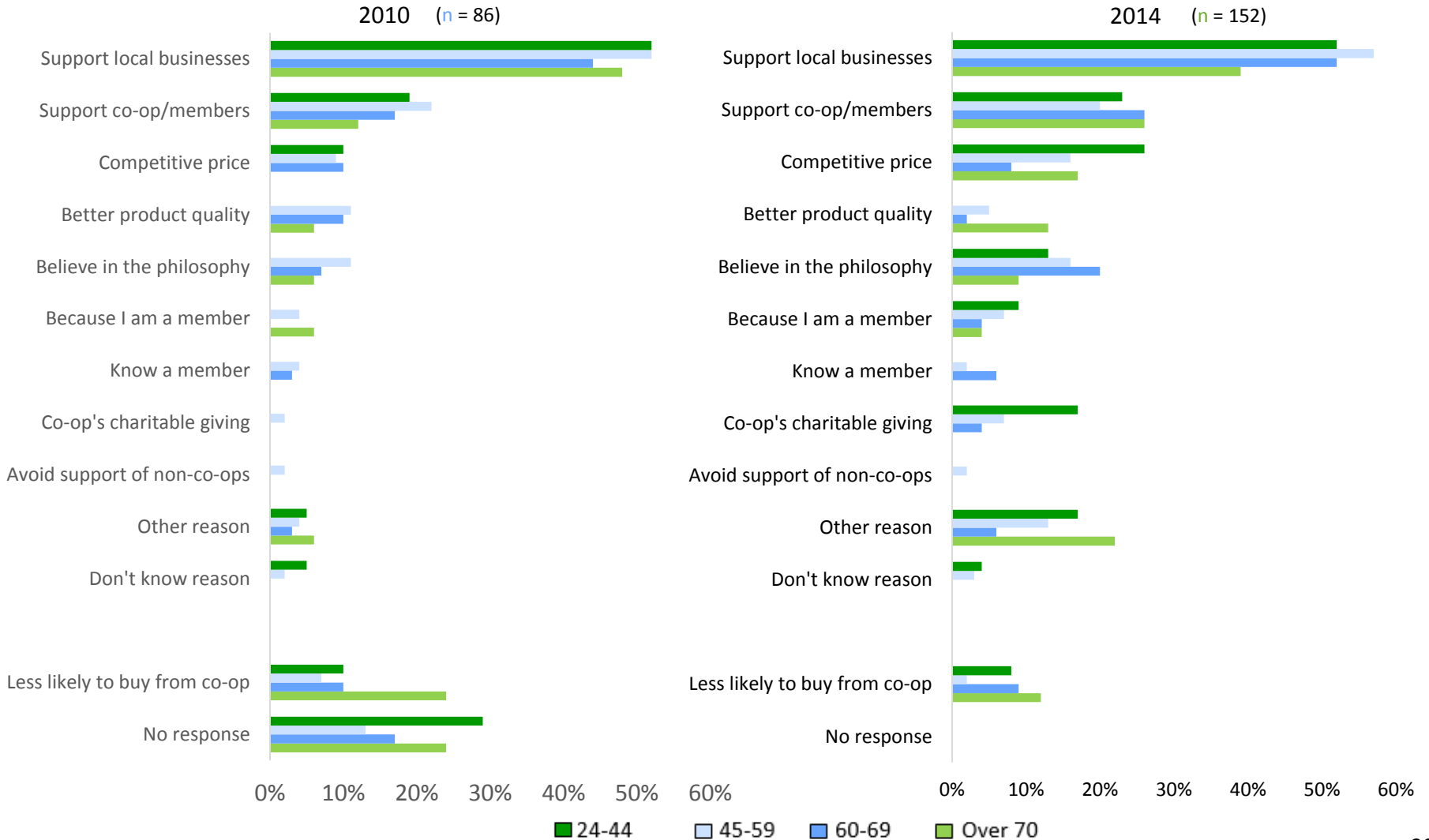


*Percentages add to more than 100% because respondents were allowed to select multiple responses

Reasons for Buying from a Co-op by Age Group

Supporting local business was the most common reason regardless of age group. In 2014, the youngest age group (24-44) gave more reasons why they are more likely to buy or obtain a Vermont co-op product or service than in 2010.

Why are you more likely to buy or obtain a product or service if you know it comes from a Vermont cooperative?

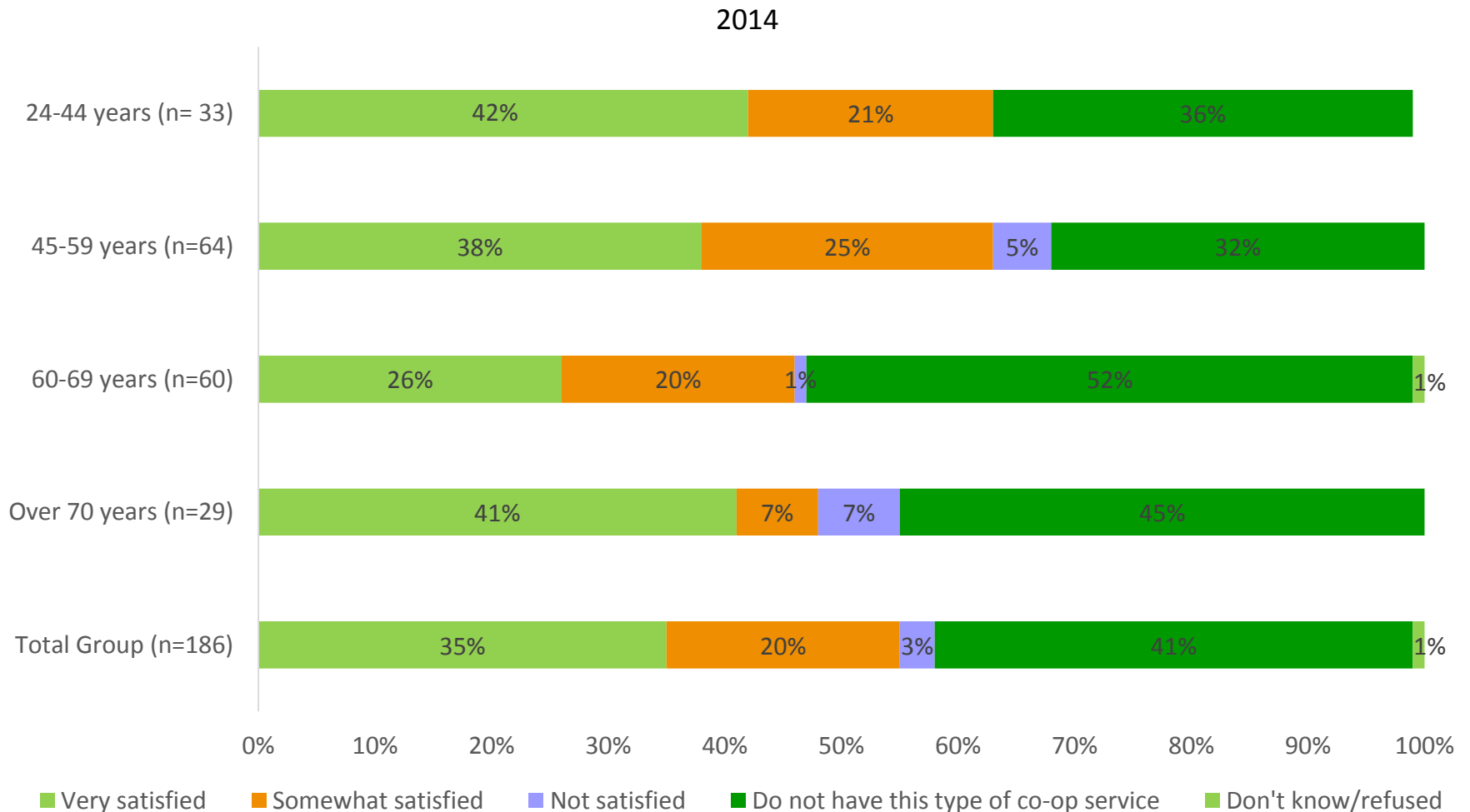


*Percentages add to more than 100% because respondents were allowed to select multiple responses

Satisfaction with Day-to-Day Services

Fifty-five percent of the total group was either very satisfied or somewhat satisfied with day-to-day co-op services. Only 3% of respondents said that they were not satisfied. This question was not asked in the 2010 survey.

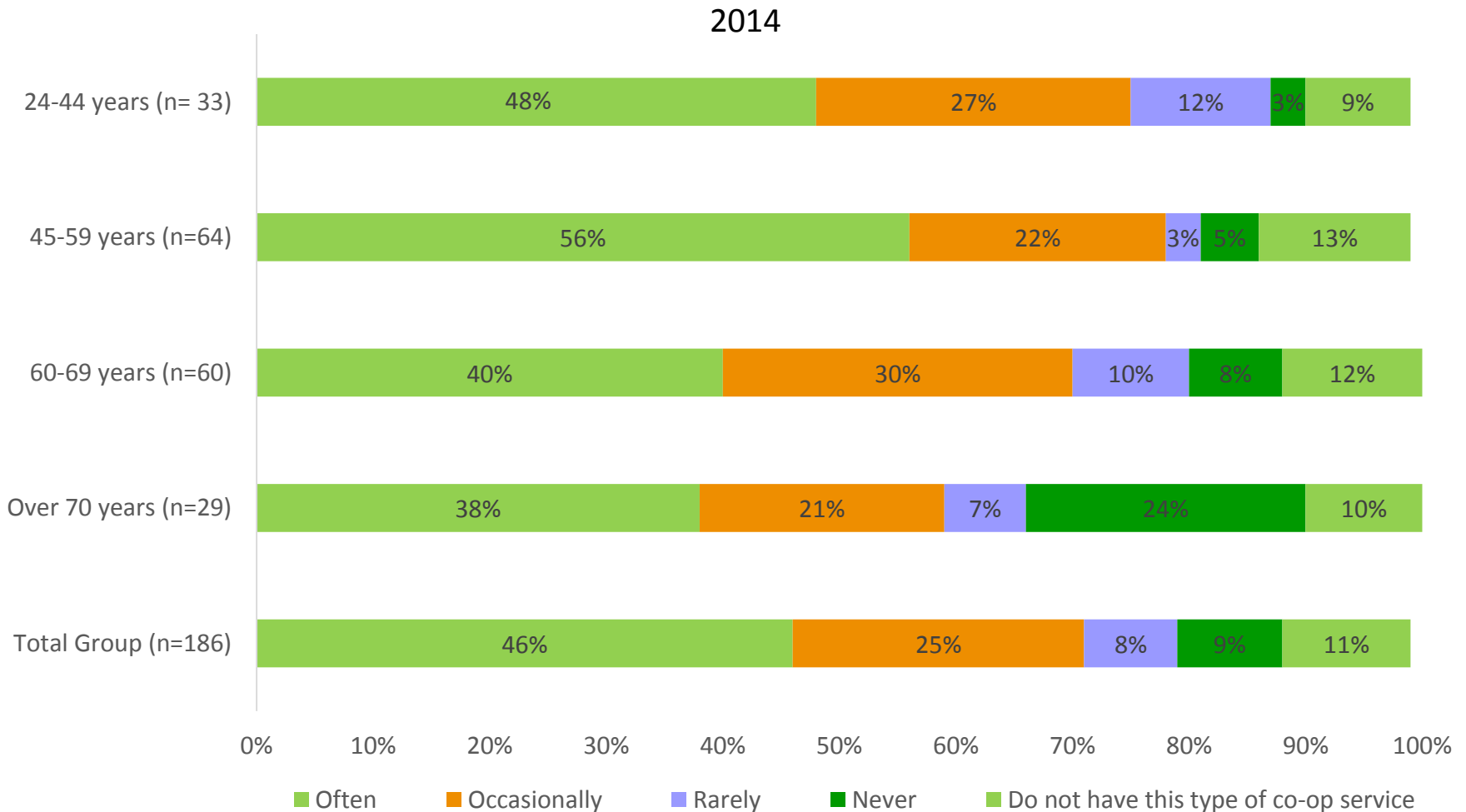
Not to be confused with co-op products that you can voluntarily buy, some co-op services are part of your day-to-day services, such as electricity, housing, being part of a worker cooperative or using a daycare cooperative. How satisfied are you with these day-to-day co-op services?



Co-op Service Use

Forty-six percent of respondents stated that they often use co-op services such as buying co-op food or equipment or using their credit union's credit or debit card. The oldest age group (over 70 years) was the least likely to use this type of co-op service. This question was not asked in the 2010 survey.

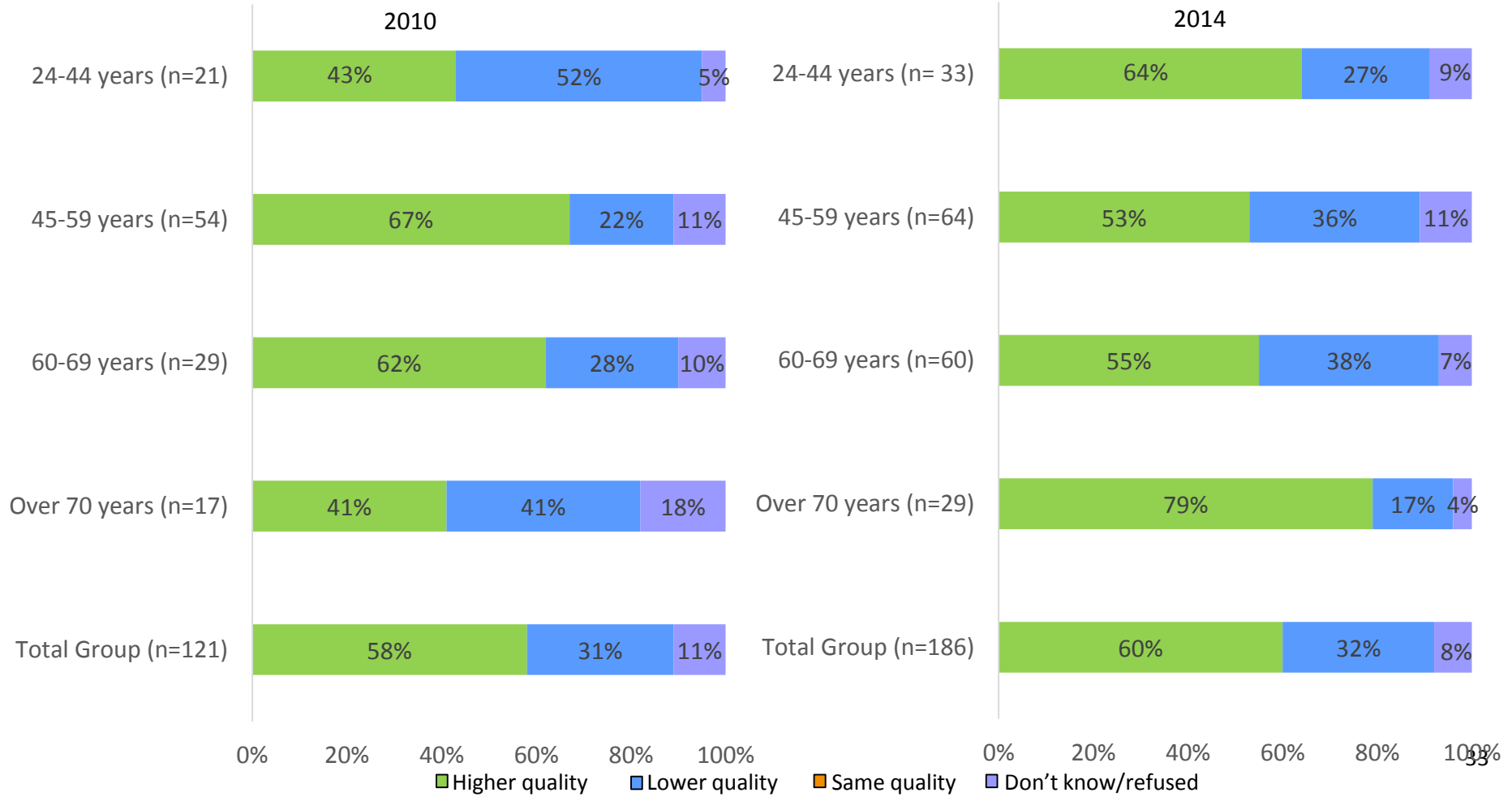
There are co-op services such as buying co-op food or equipment or using your credit union's credit or debit card. Would you say you use these co-op services....



Quality of Products/Services from Vermont Co-ops

Similar to 2010, 60% of 2014 respondents felt that Vermont cooperative services or products were of higher quality than a non-cooperative business or company. Both the 24-44 and over 70 age groups increased significantly from 2010, with more respondents from each group saying Vermont cooperative services and products were of a higher quality compared to a non-cooperative business or company. The percentage of the 45-59 and 60-69 age groups who felt that co-op products or services were of a higher quality significantly decreased from 2010.

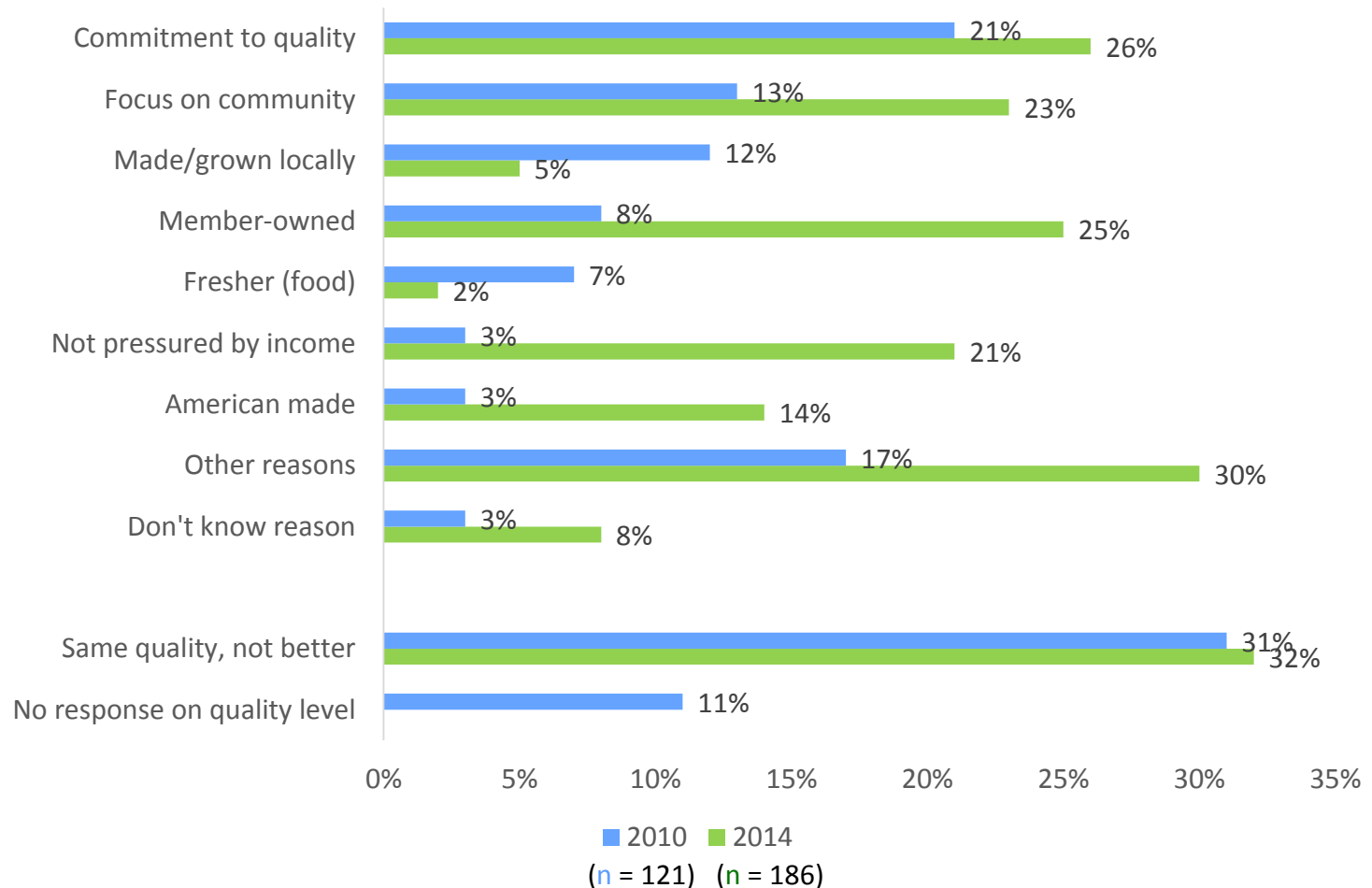
Do you believe that the products or services that are available at or from a Vermont cooperative are of a higher, same or lesser quality than if you obtained them from a non-cooperative business or company?



Why Co-op Products/Services are Better

Just as in 2010, respondents stated that they felt cooperatives' products or services were of a higher quality due to co-ops' commitment to quality, their focus on community and being member-owned. Member ownership had the largest increase among respondents who believed that co-op products or services are a higher quality. While many said a commitment to quality was a reason for higher quality, almost one-third said that quality was the same.

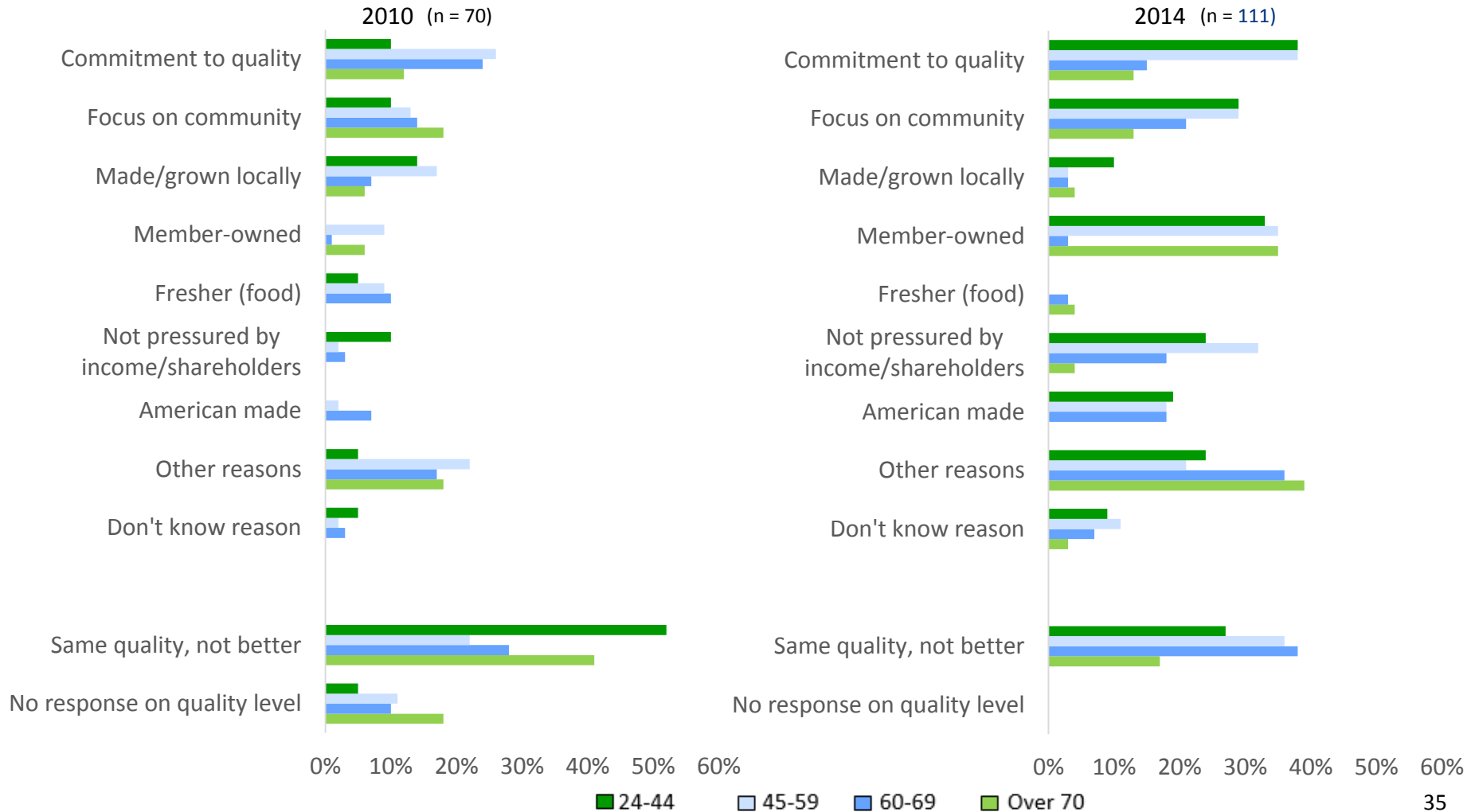
Why do you feel that the products or services are of a higher quality if they come from a cooperative?



Why Co-op Products are Better by Age Group

The youngest age group (24-44) had an increase in likelihood to buy or obtain the product in every category except fresher food and made or grown locally. Those in the older age group in 2014 are more likely to say member-owned or a variety of other reasons.

Why are you more likely to buy or obtain a product or service if you know it comes from a Vermont cooperative?

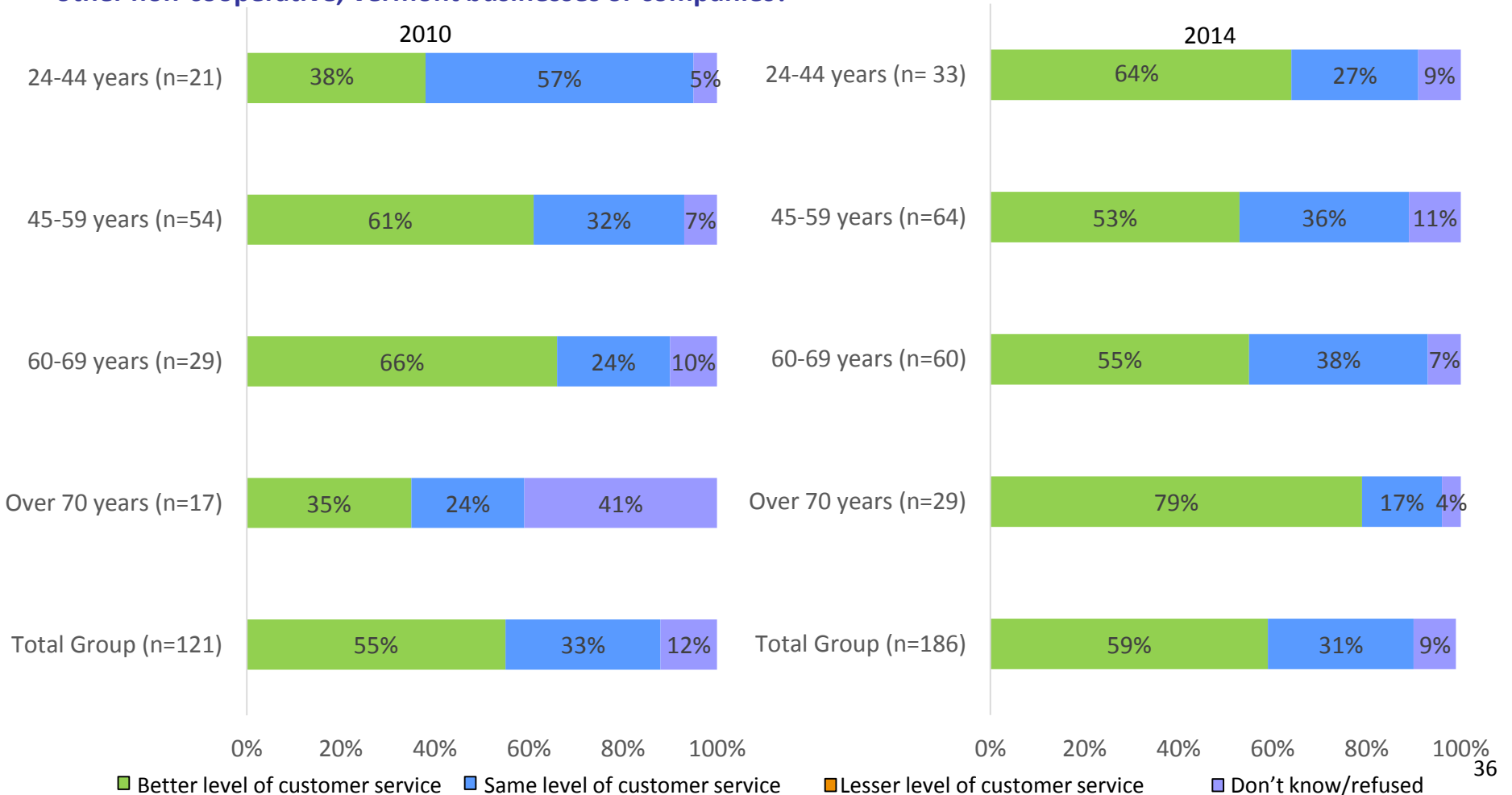


*Percentages add to more than 100% because respondents were allowed to select multiple responses

Level of Service from a Co-op

The majority of respondents (90%) felt that Vermont co-ops provide a better, or the same level of customer service compared to non-cooperative Vermont businesses or companies. The 2014 group total is similar to that of 2010, with a 4% increase in the belief that co-ops offer a better level of customer service. The youngest and oldest age groups experienced the greatest change, with an increase of 26% and 44%, respectively, in the “better level of customer service” category.

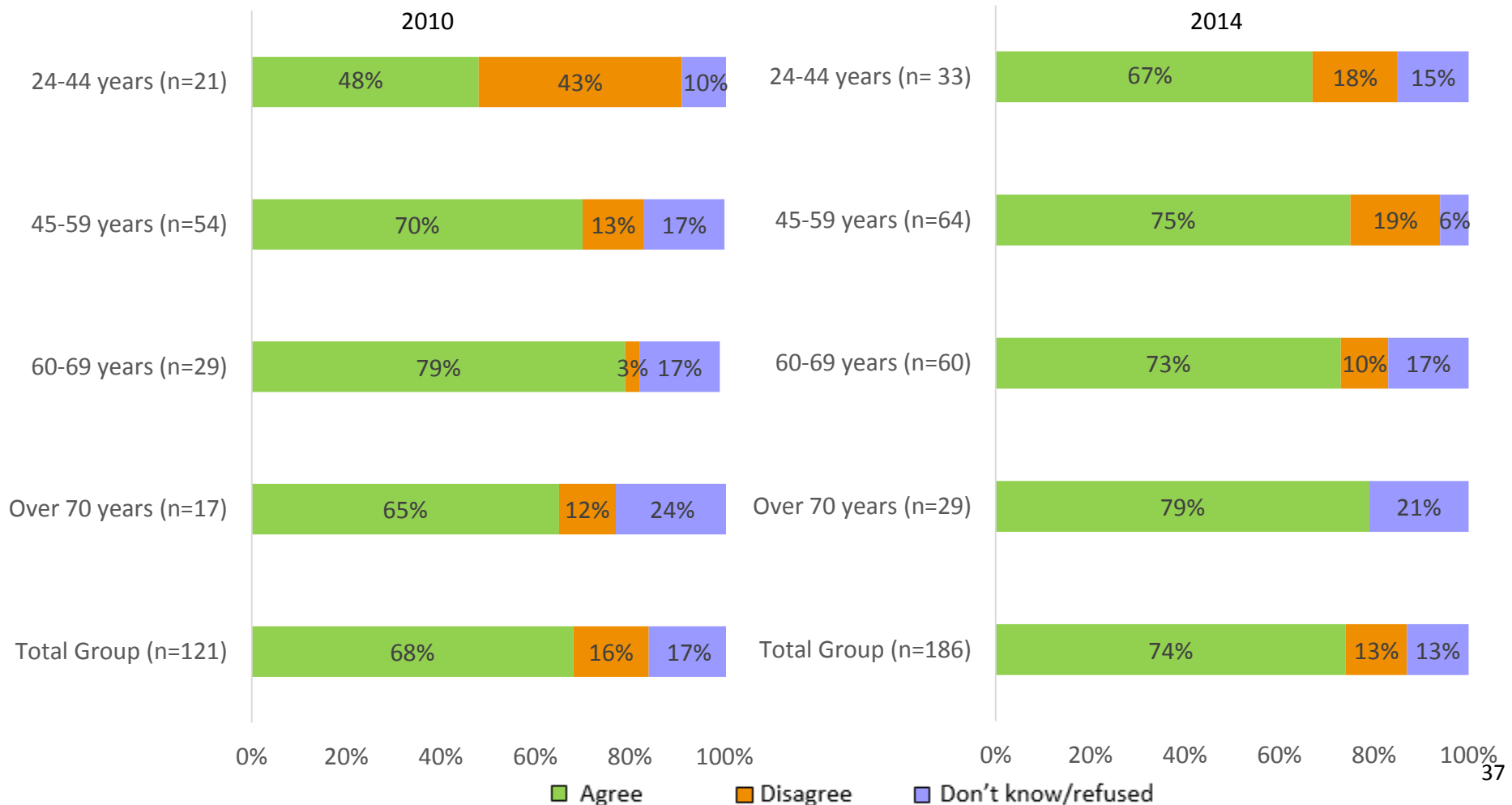
Please tell me if you think that Vermont co-ops provide a better, same or lesser level of customer service than other non-cooperative, Vermont businesses or companies?



Meeting Customer Needs

When compared to the 2010 response group, a greater percentage of the 2014 response group (74% vs. 68%) agreed that co-ops can be counted on to meet customers' needs in a satisfactory way. The largest change took place among the 24-44 age group, with an increase of 19%.

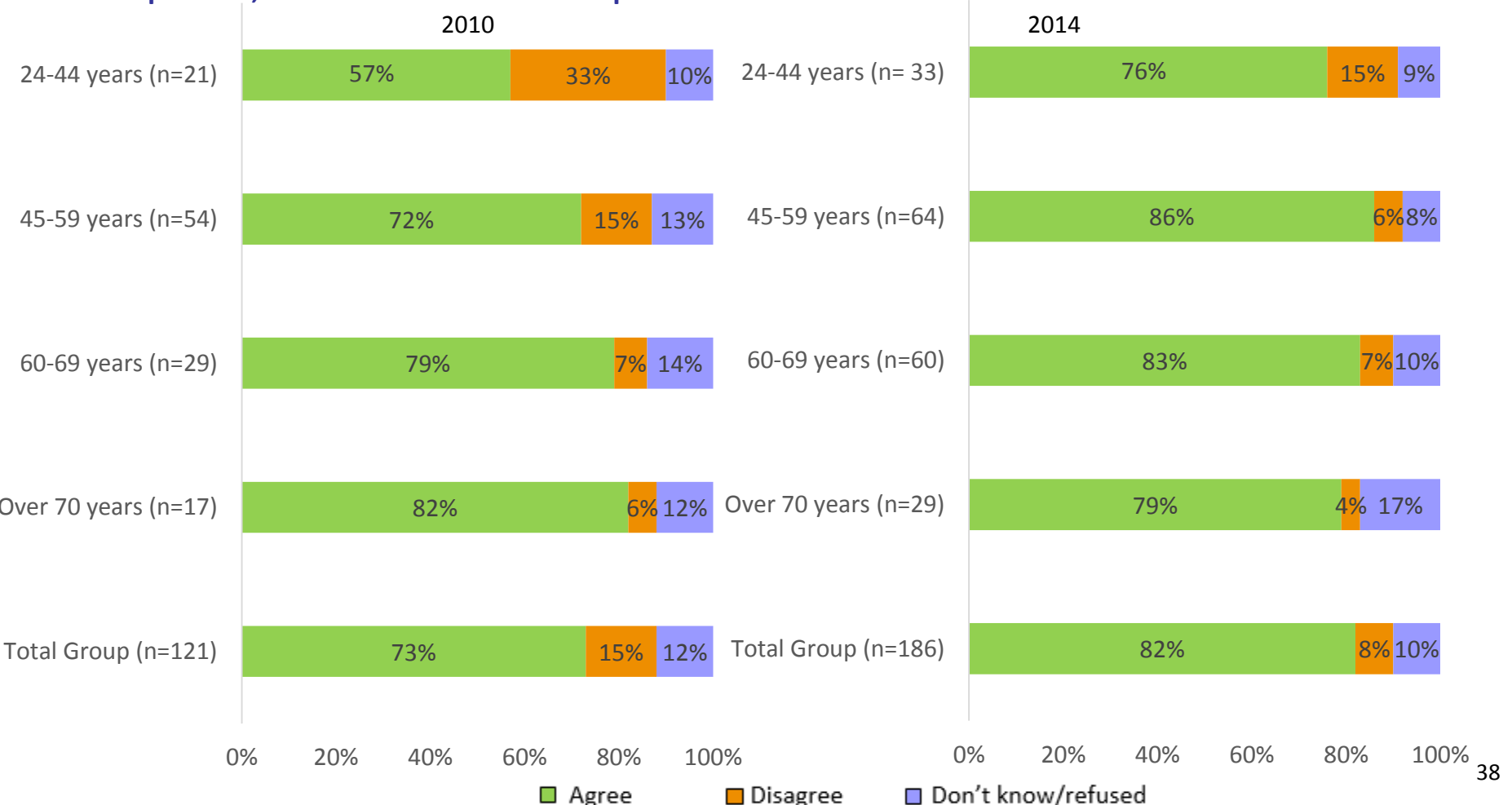
Co-ops in Vermont can be counted on to meet their customers' needs in a more satisfactory way compared to other non-cooperative, Vermont businesses or companies.



Consumers' Best Interests

Eighty-two percent of 2014 respondents agreed that Vermont co-ops have the best interests of consumers in mind when conducting business compared to non-cooperative, Vermont businesses or companies. Compared to 2010, a greater percentage of respondents in 2014 felt that co-ops in Vermont have the best interests of consumers in mind when conducting business compared to other non-cooperative, Vermont businesses or companies. The most dramatic shift occurred in the 24-44 age group, with an increase of 19% of respondents who agreed that Vermont co-ops have consumers best interests in mind when conducting business compared to other non-cooperative, Vermont businesses or companies.

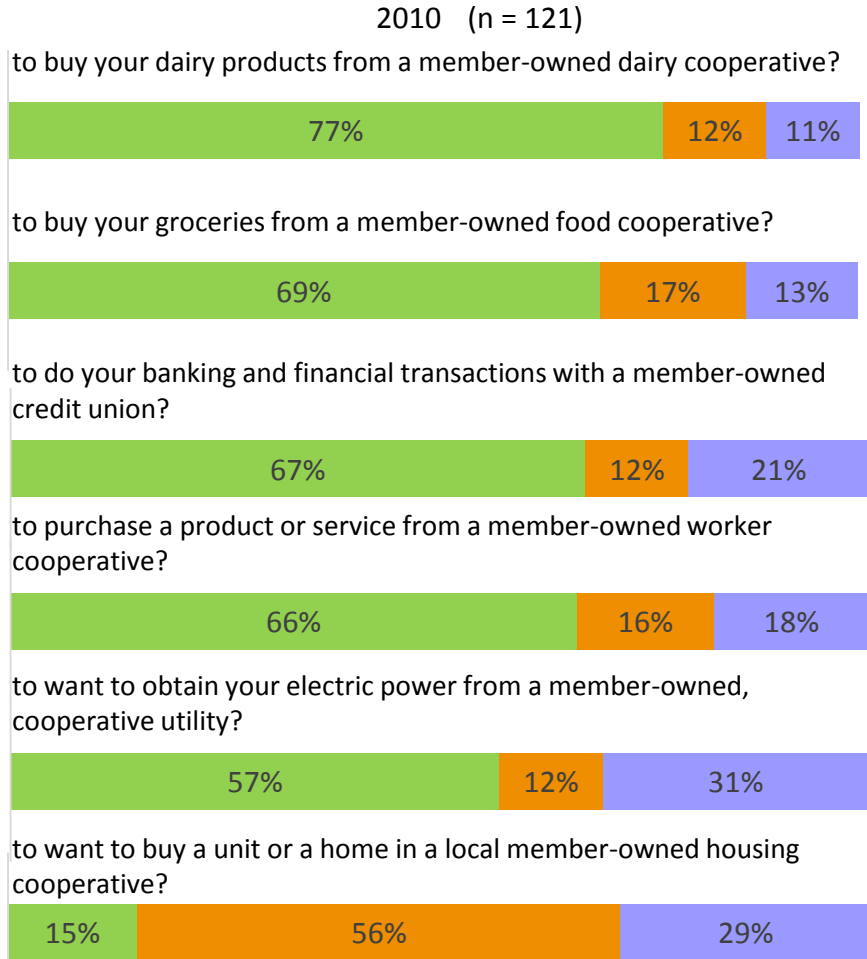
Co-ops in Vermont have the best interests of consumers in mind when conducting business compared to other non-cooperative, Vermont businesses or companies?



Willingness to Buy from Specific Co-op Types

Regardless of the service, a greater percentage of the 2014 group is more likely to buy from a co-op than the 2010 group. The likelihood of obtaining their electric power from a member-owned cooperative increased the most, up 8% from 2010.

Would you be more or less likely ...

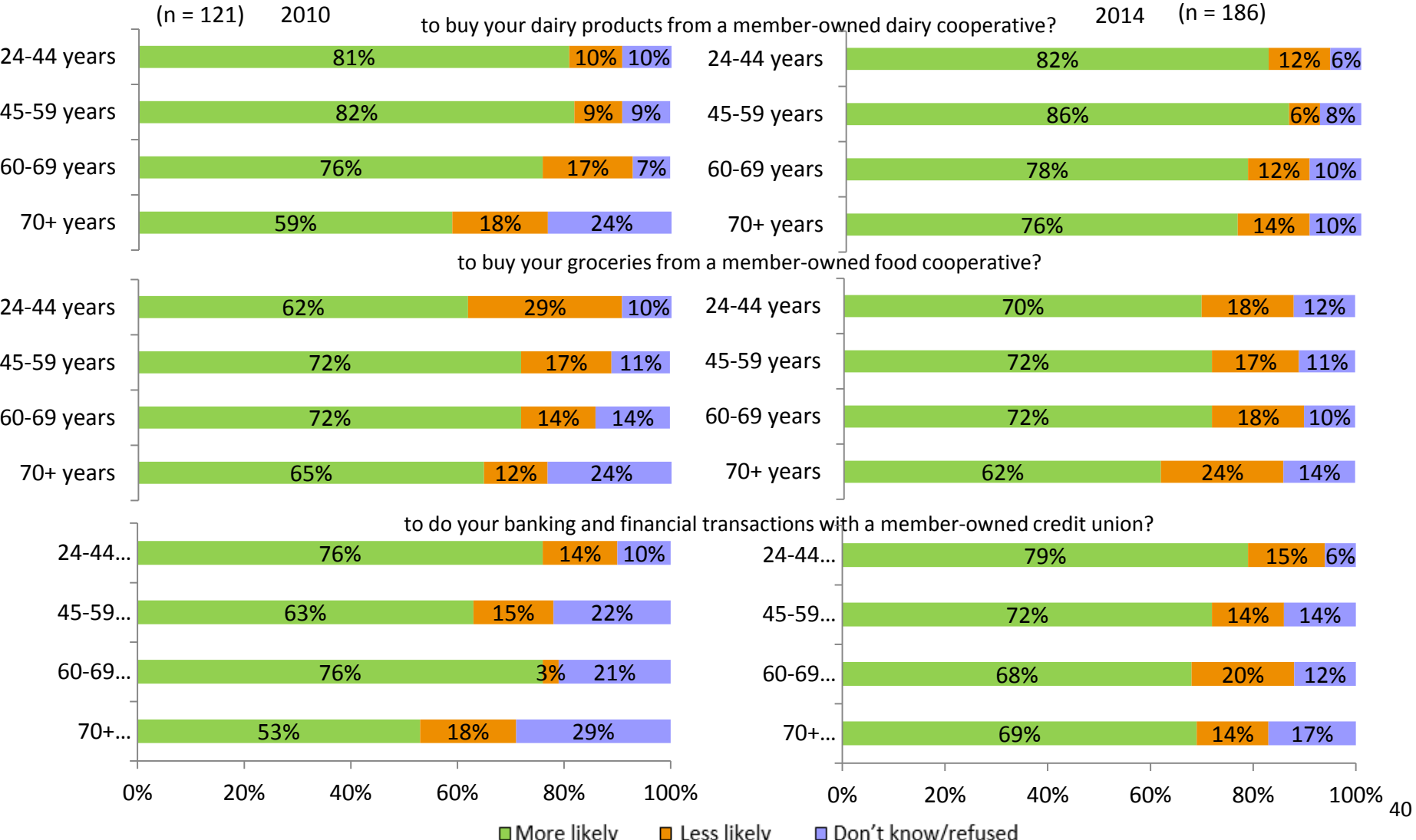


More likely Less likely Don't know/refused

Willingness to Buy from Specific Co-op Types by Age (1 of 2)

The 24-44 age group is increasingly likely to buy in all three categories listed below. The two younger age groups (24-44 and 45-59) are more likely than the other age groups to buy their dairy products and do their financial transactions with member owned cooperatives and credit unions .

Would you be more or less likely ...



Willingness to Buy from Specific Co-op Types by Age(2 of 2)

Overall from 2010 to 2014, most age groups increased their willingness to buy from a co-op in every category. The largest change occurred in the 24-44 age group, with a 34% increase in likelihood of wanting to obtain their electric power from a member-owned, cooperative utility.

Would you be more or less likely ...

