Key success factors of local product cooperatives: an attempt at contextualisation

Facteurs clés de succès des coopératives de produits de terroir : un essai de contextualisation

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Abstract:
This research paper focuses on a contextualization study that was conducted to integrate the specificities of the Moroccan context in the design of the phenomenon of success of local product cooperatives. We are convinced that it is not possible to borrow models designed in other contexts to study this issue in Morocco. To this end, we consider it essential to conduct a contextualization study to better understand the reality and re-examine the key success factors of local product cooperatives in the light of the Moroccan context.

In this article, we first conducted a literature review highlighting the key concepts and theoretical foundations of our research question. Then, we conducted a qualitative study through semi-structured interviews with cooperative experts in Morocco. This contextualization study allowed us to reconstruct the different key success factors of local product cooperatives, primarily in the Moroccan context. The interviews conducted with experts highlighted some elements that were not taken into account in our initial conceptual model, including positive involvement, certification to access the market, productive alliances, and the number of members, gender, and win-win partnerships.

Keywords: Contextualization study; Key success factors; local product cooperatives

JEL Classification: O12 D31 E24

Paper type: Empirical research
1. Introduction:

Policy makers, donors and researchers around the world have taken an interest in the study of cooperative forms of enterprise because of their potential to contribute to inclusive economic development. According to the World Cooperative Monitor, at least 12% of the world's population belongs to one of the three million cooperatives around the world. Co-operatives provide jobs and employment opportunities for 10% of the working population and the top 300 mutuals and co-operatives generate US$2,034 billion in turnover while providing the services and infrastructure that society needs to thrive. This trend has also been observed in Morocco through the frequent recourse to the creation of cooperatives encouraged by a number of support programmes. In 2014, to support the creation and development of cooperative enterprises, Morocco adopted a new legal framework. Since their introduction in Morocco, everyone seems to agree on the important role that agricultural cooperatives play in the socio-economic development of the country. For several authors, these cooperatives contribute to solving major problems facing the countries, including job creation, poverty reduction, extension of social protection and representation of the interests of the silent majority of the poor.

While the impact of agricultural cooperatives on poverty reduction in sub-Saharan Africa has not yet been systematically studied, practitioners, governments and development partners involved in cooperative development agree that agricultural cooperatives have great potential for poverty reduction, sometimes more effective than other forms of economic organisation (Birchall, 2003). Some authors even point to the potential of agricultural cooperatives to reduce transaction costs for members facing incomplete and uninformed markets. According to Develtre & al (2009), members of agricultural cooperatives, for the most part, belong exclusively to the poor masses. Moreover, as modern instruments of cooperation and solidarity, agricultural cooperatives offer new mechanisms of social protection that complement traditional institutions. This "social protection", seen as the set of security mechanisms that the social environment provides to a person or community in case of danger or loss of income (Develtre & al., 2009), makes savings an important strategy to reduce risks. Indeed, in the current era of increasing globalisation of economies, strengthening the competitiveness of the agricultural enterprise is an indispensable condition for its performance. The contemporary agricultural cooperative is thus faced with new market challenges and the duty to remain a major player in the socio-economic development of countries.

In order to be able to compete in the market, the new framework of a global performance of the agricultural cooperative requires that the cooperative conducts economic efficiency, optimal management of employment and natural potential and space. The trend towards internationalisation with the reduction in the protection of national markets thus obliges the agricultural cooperative to be more concerned with the reality of the markets by seeking the adequacy of supply and demand and by encouraging the emergence of a true business manager. The latter will have to ensure the organisation of his enterprise in such a way as to give it the capacity to adapt rapidly to new needs (anticipate changes, optimise investments and reduce fixed costs).

The starting point for our research is based on two fundamental elements. Firstly, despite the development of research on the success of co-operatives, the models remain, in our view, limited in terms of their contribution to a deep understanding of the phenomenon. Secondly, the specificities of cooperatives in terms of governance and marketing have been little explored.
explored in the analysis of this process. Also, most of the work focuses on the valorisation of cooperative products in order to achieve their development. Few studies have addressed the issue of factors contributing to the success of cooperatives in Morocco. 

In order to provide a better understanding of the phenomenon under study, the problematic, which was defined progressively during the literature review phase, is articulated around a main question and broken down into a series of auxiliary research questions:

“How can cooperatives of local products in Morocco be successful?”

More specifically, we look at the analysis of the cooperative model in Morocco and study the key success factors of cooperatives of local products, mainly those made from agricultural products.

Thus, this general problem is broken down into several research questions, which aim to shed light on the links between the different categories of factors likely to influence the success of a terroir products cooperative. Indeed, this main question will be linked to three elements: the characteristics of the product, the governance of the cooperative and the environment.

This article seeks to address two main objectives:

Understanding and analysis of the factors that can influence the success of a cooperative through a literature review in different contexts in Morocco;

Understand how our experts perceive success through a contextualisation study for the Moroccan case.

In this research, following the interpretativist approach, we engage in a process that focuses on understanding the meaning that actors give to the phenomenon of cooperative success and the key factors that are linked to their success and that can facilitate or, conversely, lead to failure. Success and its determinants depend on the point of view of each actor (experts/cooperatives).

Moreover, the choice of the qualitative methodology which seems to be the most appropriate for our research is justified by the exploratory character of the studied phenomenon insofar as we notice an abundance of works on the valorisation of the products of the cooperatives and a lack of works dealing with the success of the cooperatives of the local products. A two-stage methodology was therefore chosen.

This article will focus on a contextualisation study carried out with the aim of integrating the specificities of the Moroccan context in the conception of the phenomenon of the success of cooperatives of local products, since we believe that one cannot in any case borrow the models conceived in other contexts to study this problem in Morocco. Indeed, we believe that a contextualisation effort is necessary to better understand the reality, and also to carry out a contextual re-reading of the key success factors of the local product cooperatives. This study was conducted with experts in the cooperative field in Morocco.

This contextualisation study allowed us to reconstruct the different key success factors of terroir cooperatives, mainly in the Moroccan context. The interviews with the experts we interviewed allowed us to highlight certain elements not taken into account in our initial conceptual model. These are essentially: positive involvement, certification to access the market, productive alliances, number of members, gender and win-win partnerships.

Therefore, the structure of this paper is as follows: Section 1 includes the introduction, Section 2 presents the literature review and conceptual framework development, Section 3 outlines the methodology, Section 4 discusses the results, and Section 5 presents the conclusion.

2. Literature review and development of the conceptual framework

2.1. Context of Moroccan cooperatives

Policy makers, donors and researchers around the world have taken an interest in the study of
cooperative forms of enterprise because of their potential to contribute to inclusive economic development.

According to the World Cooperative Monitor, at least 12% of the world's population belongs to one of the three million cooperatives around the world. Cooperatives provide jobs and employment opportunities for 10% of the working population and the top 300 mutuals and cooperatives generate US$2,034 billion in turnover while providing the services and infrastructure that society needs to thrive.

This trend has also been observed in Morocco through the frequent recourse to the creation of cooperatives encouraged by a number of supports programs. In 2014, to support the creation and development of cooperative enterprises, Morocco adopted a new legal framework. Since their introduction in Morocco, everyone seems to agree on the important role that agricultural cooperatives play in the socio-economic development of the country. For several authors, these cooperatives contribute to solving major problems facing the countries, including job creation, poverty reduction, extension of social protection and representation of the interests of the silent majority of the poor.

The cooperative sector in Morocco plays an important role in job creation by creating 50,000 jobs annually, the majority of which are women in disadvantaged areas. Also, Morocco due to its geographical, cultural and climatic diversity has a fairly important production of local products from agriculture and crafts.

According to Office for Development Cooperation (ODCO), Morocco had less than 5,000 cooperatives until the end of 2005. A decade later, this number tripled to more than 14,859 cooperatives at the end of 2015. Then, a second wave of growth, this time more accelerated, reached 27,260 units in 2019, an average annual growth rate of 16.3% in 4 years. Later, the total number of cooperatives in the country approached the 40 thousand mark by the end of 2020, an annual increase of around 48%.

Figure 1: Regional distribution of cooperatives

![Regional distribution of cooperatives](source: developed from ODCO data)

On the sectoral side, agriculture accounts for the largest share of cooperatives in terms of both number of cooperatives and number of members, followed by the craft sector. Indeed, the number of cooperatives operating in the agricultural and craft sectors reached respectively 63% and 19% and in terms of number of members 71% and 10%.
2.2. Theoretical framework and research proposals:

The theoretical approach on key success factors allowed us to develop a conceptual framework for our research. The literature shows that in most research the determinants of success differ from one organisation to another. However, the literature allowed us to identify common features of these key success factors.

Faced with this situation, the key success factors identified in a general way are fed by the results of studies dealing with cooperatives in other contexts far from Morocco. In particular, we refer to the resource and competence approach to present the weight of the cooperative's members and resources, namely the local product, and to the contingency theory to emphasize the weight of the environment.

According to the literature review, some authors have theorised about the elements that can explain the success of a cooperative. In particular, we refer to the resources and competences approach to present the weight of the members of the cooperative and the resources, namely the local product. The success of the cooperative is not solely based on its ability to comply with the dictates of the market, but this approach underlines the importance of internal and specific factors of the enterprise to understand its performance. These are therefore based on:

❖ On the one hand, on the quality of the resources committed by the cooperative for the realisation of a product (Marchesnay, 1998);
❖ And secondly, on the judicious use of committed resources of all types.

We can also mention the hypothesis of the minimum optimum scale of Scherer (1975) defined as the smallest production unit whose unit production costs are at a minimum. According to this author, this is the only condition that allows a small institution to benefit from a marginal cost of production comparable to that of the large institution, to be competitive and to be successful. Scherer (1975) thus remains attached to the single solution of cost reduction and profit maximisation without taking into account other factors such as human resources.

As for the interstitial theory of Frigant, Peres and Virol (2012), it confirms the inability of small institutions to compete with large firms. This is not always true. Furthermore, theories that argue that the success of the small institution is guaranteed by the quality of its leader remain a limitation. For the cooperative operates in an open system where it can be influenced by many other factors. This is why, without establishing a unique and universal solution, the contingency theory, attributed to Paul Lawrence and Jay Lorsch (1969, 1989), maintains that the success of the cooperative is a function of the enterprise's own characteristics, called
internal contingency factors, and of the business environment in which the small enterprise evolves, called external contingency factors. Contingency theory is suitable for our research topic as we intend to deal with such a complex and multifaceted concept. This theory allows for a broader and more comprehensive consideration of the factors influencing the success of cooperatives. As the definition of success varies between disciplines, the criteria and perspectives of analysis will also vary. Contingency theory has the advantage of not assigning universal key success factors that are valid in all circumstances, as internal and external contingency factors vary differently from one enterprise to another. According to Liman (2002), these different factors are related to each other and interact as shown in the conceptual model.

In addition to the contingency theory, we have analysed the results of some empirical studies carried out in other contexts on the key success factors of cooperatives. These studies have allowed us to integrate other factors considered important by the researchers in addition to those already mentioned in the two theoretical approaches.

The strong element that follows from these different approaches is that: the success of any organisation, in this case that of a local product cooperative, is a multidimensional construct that results from the combination of several internal and external factors.

Given the exploratory nature of our approach, we formulate research propositions and not hypotheses. A research proposal introduces a conjecture about the occurrence or explanation of an event (Thiétart, 2007), whereas a hypothesis is an assertion about a behaviour or relationship studied in the context of research work. It is based on theoretical reflection and relies on prior knowledge of the phenomenon under study, and is open to being tested, i.e. verified or refuted (Thiétart, 2007).

A research proposal is, in turn, "a declarative statement that can be true or false independently of any reference to the context and the time and place of enunciation. It is the logically structured form of a judgement that may have a greater or lesser degree of acceptance" (Fernandez-Bonet, 1999). The research proposals guide the researcher in his or her approach to the field and aim to propose elements of an answer to the central research question. We formulate three research questions divided into research proposals that will enable us to understand the key success factors of the local product cooperatives in Morocco:

Based on the literature review, terroir products enjoy a number of characteristics that differentiate them from other classical products. Indeed, the first characteristic of a terroir product necessarily lies in the existence of a local culture where the different members of this community share a know-how of the production of a kind of product specific to their terroir. This notion allows us to distinguish between these products and others (Hmimina M., 2010).

The originality of a local product can be explained by the know-how involved. This know-how confers a typicality and allows a recognition for products or services originating from this area. As already developed in the section on terroir products, the important characteristic distinguishing terroir products from others in the eyes of consumers is the typicity of terroir products. This typicality still depends on the characteristics of the consumers themselves and their eating habits (Ait Errays. N and Hattabou. A, 2015). For example, it can take the form of the way of breeding or cultivation, the selection of a breed, a type of curdling, maturing, any elaboration practice, any consumption use. These are all elements that help to anchor the product in a local culture and define it. This typicity gives the specific character developed by the theory of resources.

Thus, the development of a product is the result of a succession of more or less complex skills. Certain techniques play a decisive role or require a particular skill which helps to characterise its specificity. Contrary to what happens in a strictly technical and industrial logic, the ingredients of the know-how are not essential to the process, but their absence can cause the product to lose its typicality.
The construction of know-how and vernacular practices is based on acquired experience and observation from one generation to another. They coexist with scientific and technical knowledge which penetrates them to a greater or lesser extent depending on the sector of activity.

Thus, taking the example of rosette production, a large number of craftsmen still use the natural casing because it is a central element characterising the specificity of this sausage. Obviously, it requires a great deal of preparation, but the thickness of its wall allows for incomparable maturing, which has a direct, recognised and appreciated impact on the taste. Another example, one of the most important characterisation points in the manufacture of butter in Bresse is that all the creams used undergo biological maturation beforehand in order to develop their aromas. Once matured, the cream is rapidly transformed and care is taken to limit handling in order to preserve all its qualities, a care which reflects a shared culture of the product.

This specific quality can also be explained by the link between the product and its geographical area, so that this product cannot be reproduced in another natural environment because of the difference in climate, the nature of the soil and the physical characteristics of this environment (Ricard D., 1994), quoted by (Fort F., Rastoin J. L., 2009).

Analysis of consumer behaviour shows that quality, taste, pleasure, gastronomy, nature, beauty, health food, etc., are things that matter to consumers (Ait Errays N, and Hattabou A, 2015). Consumers may also want to support, through their purchases, small local producers, companies and territories that have managed, in the global world, to maintain quality and authenticity (Giraud, 1999).

Jekanowski, Williams and Schiek, (2000) have argued that the demand for local products can be explained by: price, quality, country and purchasing power, consumer residence and gender. These are all elements that the local product cooperative can mobilise and exploit in order to successfully capture markets.

Also, the good planning of harvesting and production campaigns are important for making sales forecasts (Zwikael and Globerson; 2006). However, the economic performance of the cooperative still depends to a large extent on the reliability of its supplies and thus on the propensity of its members to deliver their production regularly. Moreover, in order to be able to negotiate as well as possible on very volatile international markets, such as the cereal markets, the cooperative needs to know in advance the tonnages available to it and its supply costs. As the price variable is particularly strategic for both the cooperative and each member, it is regularly the focus of all attention and negotiations.

According to this literature review, the first research question is as follows:

**Q.A-1: To what extent do the terroir product characteristics contribute to the success of the terroir product cooperatives?**

In order to answer this question, the following research proposals will be considered:

- **P.1: The typicality of local products influences the success of the local products cooperative;**
- **P.2: Good planning of harvesting and marketing campaigns influences the success of the local produce cooperative;**
- **P.3: The quality and price of the product contributes to the success of the local products cooperative.**

The review of the literature in the previous section allows us to conclude that the cooperative model cannot be reduced to its market dimension alone but is based on social exchanges. The relations between the managers and the cooperators within a cooperative play an important role in the success of the latter. Indeed, emphasis has been placed on factors such as trust, commitment, internal communication and the level of involvement of members, etc.

It was shown in the previous section that cooperatives are a particular form of enterprise
because they are characterised by a principle of democratic governance "one man, one vote" through the dual role of their members who are both customers and sometimes suppliers, and shareholders of their cooperative with a cooperation in the common project by sharing their know-how and by pooling material, financial and human resources in a spirit of solidarity. The member is at the heart of their operation. Their relationship with the cooperative to which they have joined is particularly strong, as they expect it to satisfy their economic interests as customers as well as their interests as shareholders. This field of cooperation is characterised by a primordial quality that is engraved in the minds of the cooperators: "trust". This plays an important role for the success of the cooperative as it has been detailed in the literature review (Morrison et al (2004); Fryer & al (2007)).

Studies on the success of co-operatives clearly point to trust as one of the main determinants [James and Sykuta (2006); Nilsson et al. (2009); Österberg and Nilsson (2009)]. However, other concepts than trust have been put forward by the studies and which can influence the link between a member and his cooperative. Involvement also seems to play a role in the choice between a cooperative and a trader. The quality of the execution of the decisions taken by the board of directors depends on the quality of the relationship between the members and the board of directors, and thus on their mutual commitment.

Getting to know the members of the cooperative is a first pillar in meeting their operational expectations. The organisation of regular meetings between the members of the Board of Directors and the members is a widespread practice, and constitutes an investment that generates trust and also a mark of consideration, through effective communication. Listening sincerely and regularly to members is reflected in the field by their involvement upstream of the decision-making process.

Like trust, organisational commitment is an attitudinal construct that helps explain a relationship between an individual and an organisation [Meyer et al. (1993)]. But involvement is concerned with the nature of the individual's attachment to the organisation. Thus, a member's commitment is the emotional attachment, sense of belonging and willingness to remain a member of the organisation. Finally, a member's involvement can be linked to a feeling of obligation towards a cooperative to which he or she feels accountable. Whatever its nature, the involvement of members is a necessary condition for the sustainability of the cooperative and thus its success.

Agricultural cooperatives were created by farmers to pool resources and increase their bargaining power in markets (Fulton and Huet 2009). They therefore do not exist without member participation (Gray and Kraemzle 1998; Goddard 2002). Bhuyan (2007, p. 276) notes that 'without active participation and satisfaction of their members, cooperatives cannot survive in the long run'. This participation takes the form of a double commitment of the farmer to the cooperative (Osterberg and Nilsson 2009). As a cooperator, he commits to participate economically in the cooperative by using its services and delivering all or part of his production to it. As a member, he commits himself to subscribing the corresponding number of shares and thus to participating in its government.

From this literature review, a second research question arises:

Q.A-2: To what extent do the relationships between members and managers contribute to the success of local product cooperatives?

In order to answer this question, the following research proposals will be considered:

P.4: Effective communication between members promotes the success of the local products cooperative;

P.5: Trust among cooperative members in the success of the local products cooperative;

P.6: The level of member involvement contributes to the success of the local products cooperative;

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P.7: The commitment of the members to the objectives influences the success of the local products cooperative.
P.8: Clear objectives shared by the members of the cooperative contribute to the success of the local products cooperative.

In fact, the company is a product of society; it fulfils a specific task which must be legitimate and respond to a demand. It must align its objectives with the dominant values and requirements of society, and is inseparable from a ‘market’ which governs its behaviour in relation to the environment (P. Bruyne 1980). Thus, the environment is a source of threats and opportunities for the company. In this sense, its evolution will determine not only the contingency factors that the company must face (J.D. Thompson 1967) but also its capacity to learn and perform (S. Terreberry 1968).

Regarding the external contingency, the characteristics of the business environment have an impact on the level of success of a SSI, as it has to adapt to it and exchange (in- and outflow). The success or failure of many small businesses will depend on the degree of threats, constraints and opportunities offered by the environment.

This environment is characterised firstly by the particularities of the industry. Chrisman, Bauerschmidt and Hofer (1999) argue that the success of new firms is strongly related to the level of risk and the degree of competition in an industry.


Furthermore, by ensuring the proximity of experts, mentoring and training structures, the state promotes the success of small organisations (Business Development Bank of Canada, 2012). Industry Canada (2012) adds that companies that use the services of advisors show higher growth.

Thirdly, the business environment is greatly influenced by the behaviour and interests of civil society. The latter is increasingly concerned about goods and services produced and delivered in an ethical, ecological and sustainable way (Ada, Kazancoglu and Sagnak, 2013). Thus, the focus on sustainability, social working climate as well as ethics towards society, environment and local communities have a positive effect on the performance of the small business (Hassine, 2013). Standards such as ISO 14001 (environmental friendliness) and OHSAS 18001 (employee health and safety) have become a guarantee of success. Corporate Social Responsibility (CSR) is now a key element in supporting success. For example, extra-financial rating agencies evaluate companies on the basis of their CSR practices. According to Gendron, Lapointe and Turcotte (2004), regulation is no longer reserved solely for the state and the markets, but also for social movements such as the responsible investor movement and the fair-trade movement.

The contingency theory of Lawrence and Lorsch (1969) gives an important role to factors related to the environment. The adaptation of the company to its business environment is an imperative for its survival (Boukar, 2009). The environment can be a source of threats, constraints, but also opportunities (Lepage, 2011). The business environment is made up of several elements, including the culture of the area, regulations, politics, geography, and all the partners. Other components are added depending on the nature of the sector of activity. Mlouka and Sahut (2008) have grouped the competitiveness factors related to the environment into different categories as follows

- Business support: organisation of R&D, organisation of training and quality of
support services;
    ❖ system and infrastructure: political stability, quality and condition of infrastructure, taxation system and bureaucratic procedures;
    ❖ intensity of rivalry and dynamism of demand: intensity of rivalry, market power, dynamism of internal demand and dynamism of external demand;
    ❖ business environment, competition policy and financial market efficiency.

According to this literature review, a third research question arises:

Q.A-3: The Environment Contributes to the Success of Local Product Cooperatives

In order to answer this question, the following research proposals will be considered:

P.9: A favorable political environment (laws, state intervention, subsidies) influences the success of the local products cooperative;

P.10: A favorable economic environment (demand) influences the success of the local products cooperative;

P.11: The availability of financial resources influences the success of the local products cooperative.

Thus, our conceptual model, the subject of the contextualisation study, is as follows:

Figure 3: Conceptual framework used to study the key success factors of local product cooperatives

3. Methodology

Our approach to accessing the field began with a contextualisation study. Before starting the empirical study, we considered it useful and indeed imperative to conduct a contextualisation study to get closer to the reality of the notion of success of Moroccan cooperatives.

This first phase was carried out with experts in the field of cooperatives in Morocco with the objective of understanding the specificities of the cooperative sector as well as their evolution over the last decades. In addition, this study also aimed to enrich the analytical framework, to specify the investigation tools, to better delimit the perimeter of our research object and also to define the criteria on which the sample of the second phase will be chosen.

After carrying out desk research, we conducted semi-structured interviews between January and September 2022 with experts who have considerable experience in the cooperative sector in Morocco. In order to select our experts, we conducted an extensive literature review on the subject.

Therefore, we used a snowball method to select other target persons. This involved asking
each interviewee to point out other people who could provide answers and insights to our questions. In total, five interviews were conducted, lasting between 50 minutes and 1 hour and 20 minutes. During these interviews, a certain number of questions were discussed with these experts, namely those related to the evolution of the cooperative sector in Morocco, their opinion on the cooperative sector in Morocco, the main successful flagship sectors in Morocco, the weight of typicality in success, the managerial practices likely to achieve success, the role of the State, etc.

Thus, the following interview grid, taken from a literature review developed above, was used as a data collection tool for this first contextualisation phase.

Table 1: Interview grid used for the contextualisation phase

<table>
<thead>
<tr>
<th>Axis</th>
<th>Some of the topics covered</th>
</tr>
</thead>
</table>
| **Cooperative mode in Morocco**           | - The genesis of the cooperative mode;  
- The evolution of the cooperative sector in the Moroccan context;  
- How can we say that this cooperative is successful?  
- Elements that explain the failure of a cooperative;  
- The success factors of a local products cooperative. |
| **Product specifics**                      | - Typicity and originality  
- Good planning of harvesting and marketing campaigns  
- Quality and price of the product |
| **the relationship between the members and the managers of the cooperative** | - How cooperatives are organised and managed;  
- Effective communication between members;  
- Trust between members;  
- The level of involvement of members;  
- The commitment of members to the objectives set;  
- Clear objectives shared by the members of the cooperative. |
| **Environment**                           | - Favourable political environment  
- Favourable economic environment;  
- The availability of financial resources. |
| **Choice of sector and cases for phase**  | - Sectors most relevant to the analysis of the problem;  
- Identification of a few cases of companies to be analysed in depth;  
- Proposal of some experts to conduct an interview. |

This grid was prepared with the aim of accessing data from the contextualisation phase. For more details on the experts, the table below summarises the status of the experts interviewed.
Table 2 : Profiles of the experts met in the contextualisation study

<table>
<thead>
<tr>
<th>Organisation / Entity consulted</th>
<th>Status</th>
<th>date</th>
<th>duration of the interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>ODCO</td>
<td>Responsible</td>
<td>January 2022</td>
<td>1 h 20 min</td>
</tr>
<tr>
<td>Ministry of Agriculture</td>
<td>Head of coaching</td>
<td>May 2022</td>
<td>1 h 10 min</td>
</tr>
<tr>
<td>ODCO</td>
<td>Former Regional Director</td>
<td>March 2022</td>
<td>1 h</td>
</tr>
<tr>
<td>Private organisation</td>
<td>Expert</td>
<td>July 2022</td>
<td>1 h</td>
</tr>
<tr>
<td>Private coaching organisation</td>
<td>Expert</td>
<td>September 2022</td>
<td>50 min</td>
</tr>
</tbody>
</table>

Source: authors

In the light of the responses of the various experts, we proceeded to transcribe the content of the interviews into French, as the majority of our interviews were conducted in Arabic. Then, we proceeded to a content analysis that allowed us to group the key success factors into three main families, namely: factors related to the products, factors related to the members and the manager of the cooperative and factors related to the environment. Thus, we will present in the following paragraphs the results of our interviews with the experts in the contextualisation phase.

The genesis of the cooperative mode in Morocco is noted since the protectorate period and it has only undergone a remarkable evolution in recent years with the interventions of the State in financing, regulation and accompaniment as underlined by our experts:

"The cooperative mode had been present in Morocco for a very long time in several forms and to meet several needs, while the first cooperatives according to the standards appeared with the protectorate, whose main concern was to supply the European continent with Moroccan goods and to exploit the country's resources to the full.

Cooperatives were mainly active in the agricultural, craft, maritime fishing and credit sectors and, more recently, in the housing sector. To this end, there were several legislative texts specific to each sector.

In 1983, the law was unified with Law 24.83, which was repealed in 2014 by Law 112.12 on cooperatives, whose main contributions were the simplification of the procedure for the creation of cooperatives and the strengthening of governance, among others, with the institution of a register of cooperatives.

As for the important role of cooperatives, it is unanimous that this is at the international level, with the support of several international bodies, in this case the UN and the ILO.

Today cooperatives are and remain at the heart of any development and social inclusion plan or action.

"It is a model inherited from French colonisation. The State developed voluntarist policies in terms of subsidies and support and assistance especially for the dairy sector, then it was generalised to all sectors (olive growing, argan, saffron, etc.).

We have gone from a logic of gathering and grouping to a strategy of dividing cooperatives, and we find opportunistic cooperatives in disguise (from 3 argan cooperatives to 150 cooperatives currently in the Essaouira region).
"There is a remarkable evolution, we are talking about success stories at the level, we have cases of very successful cooperatives, especially the Karama cooperative in the Beni mellal region specialising in olives and derivatives.

When interviewed on the notion of a successful cooperative, the experts emphasised the following elements: exporting, improving members' income, survival or sustainability of the cooperative, increasing turnover and membership.

"It's very simple, I can intervene in macro terms, what allows to advance the success of a cooperative are: export, income of the co-operators, end of year profit to the members, age of the cooperative (survival)";

"The most important element is the turnover, especially its evolution, because it impacts the income of the members. The evolution of the turnover means that the mass and the margin are both present at the same time";

"A successful cooperative is a cooperative that encompasses more than the minimum number, i.e. more than 5 members (this is very important), because a cooperative that lasts and grows with a large membership has several meanings:

- Economy of scale in terms of supply, production and marketing,
- Members' satisfaction with their membership of the cooperative and the services received,
- Alienation from the cooperative principles (cooperative vocation)"

As for the key success factors, our experts focused on product, gender, management and marketing aspects.

"I would like to mention an element that needs to be verified theoretically and empirically, and that is the gender approach: women are usually fighters and consider the cooperative as their baby, which they have to make grow and succeed no matter what the cost. This needs to be integrated into the results of this research. Women's cooperatives are more active than those run by men.

Organisational: this is an element linked to the culture of the presidents and members, success is not linked to the large number of members, as in Morocco there are family or tribal cooperatives, as this favours understanding between members, differences of opinion and orientation, and the homogeneity of members.

The example of Tafoughalt is taken, which has succeeded through an efficient internal organisation, for example, the choice of beneficiaries for missions or trade fairs is subordinated to the number of training courses followed and travel requires a mission order approved by the members.

"I quote for example:

- Control of the entire value chain from upstream to downstream (vertical and horizontal integration) and according to the cooperative's sector of activity.
- Organisational aspect: it must be identical to the companies.
- Focus on the market's expectations instead of only focusing on the production side. You have to prospect and go to the customer.

"The success factors of a local products cooperative, like any other cooperative, are mainly as follows

- Full commitment to the cooperative principles and values,
- The cooperative is established in the territory of the local product,
- Awareness of the local product (PGI, Appellation of Origin),
- Many of the members,
- Compliance with the provisions of Law 112.12 on cooperatives,
- Accreditation of products, with respect to local treatment or recovery practices". 
4. Discussion and analysis of results:

4.1. Results

4.1.1. Product specifics

Our experts insisted on the importance of the cooperative's product as a key factor of success because the purpose of the cooperative is to offer an original, typical and quality product at a reasonable price. Thus, the experts emphasised three main aspects: the typicality of the product, the encouragement of productive alliances, innovation and cost control.

Concerning the typicality of the products, our interviewees considered typicality as an important condition insofar as the purpose of buying local products lies in its originality and the story that conveys it as summarised by an expert:

"Typicity is the reason to buy a local product, we confirm this proposal. The product must be authentic and original, reminding me of my sources or a story".

"Local products remain a collective heritage and a local know-how, the preservation of which is very important.

The cooperatives of local products perpetuate this know-how, and continue to produce local products that a significant number of customers love and seek to have patiently. This typicity was widely recognised by consumers as a reassuring and tasty alternative to generic mass production. Nevertheless, our interviewees considered this originality and typicality of local products as an important but not sufficient condition insofar as they mainly focused on innovation in terms of presentation of this product and diversification of its derivatives in order to attract a large number of consumers.

This innovation was considered a difficult equation insofar as typicity is a characteristic of terroir products and the room for manoeuvre of cooperatives in the innovation process is therefore limited. In this context, the majority of the interviewees insisted on innovation related to packaging as well as the discovery of new markets (old customers with new uses and/or new customers). On this point, one expert stated that:

"But it is necessary to innovate in the design and derivatives of a local product, as is the case for argan products (cosmetics and food). A large number of cooperatives have benefited from support in this respect in the POMPAT programme. But we have to be careful because if we take olive oil, too much innovation can harm the image of the product, it's true that you and I know what extra virgin is, acidity and other things with a well prepared packaging but other older people will not accept these innovations. I know a friend who removed the label to sell his product because his product was designed as an industrial product. This makes it easier to identify the local product.

Another factor considered important by our experts is the control of the agricultural upstream, the main source of the raw material. Indeed, the literature review allowed us to argue that a good planning of the harvest and production process allows the success of the cooperative to meet the customers' orders. However, our experts stressed that cooperatives have a good command of the production process, but the weakest link is in marketing. On this point, one expert said:

"I can go further with you by saying that stock-outs do not exist in cooperatives because the production is there. In order to do this, support is needed upstream so that the cooperative honours its commitments in terms of orders.

We all know that the weak link in the cooperatives is the marketing aspect. The Green Morocco Plan has enabled us to have a fairly consistent production, but the marketing aspect has not been tackled to the same degree as production. Therefore, we need to review
marketing techniques by encouraging productive alliances, which is currently proposed by the public authorities.

These productive alliances not only guarantee outlets but also control the value chain. Indeed, product certification is a requirement for access to external markets and even to trade fairs. Thus, in order to honour the commitments of certification, it is necessary to ensure the traceability of the cooperative's inputs.

These two elements allow a control of the chain, which in turn allows guaranteeing the success of a cooperative through the use of the defective phase of the product. In this respect, one expert stressed the following:

"Of course, good planning of harvesting and marketing campaigns influences the success of the local products cooperative, but it is always necessary to look at the whole chain. The traceability and certification of local products require total control of the entire chain to avoid any problems that may arise and affect the work of local product cooperatives.

Beyond the typicality of the products and the control of marketing and production, the experts interviewed emphasised another factor that is no less important, namely cost control. Indeed, the experts considered that the success of a cooperative is manifested when the income of the members is improved. Thus, cost control allows cooperatives to set a reasonable price that covers costs and allows for a profit for members, which has a positive impact on members' income. This was emphasised by the experts when they said that:

"In my opinion, there is a big problem with prices in cooperatives, mainly due to the lack of control.

"...But if we ask the cooperatives about the profit made, no cooperative can confirm the profit margin because a minimum of analytical accounting is needed to restructure prices in order to have an idea of the cost price.

4.1.2. The relationship between the members and the managers of the cooperative

The literature review and the comments of our experts have shown that governance is a key element in the success of a cooperative. Indeed, the cooperative model cannot be summed up in its market dimension alone, but is also based on social exchanges between the members of a cooperative, given the social character that dominates this type of grouping.

In this respect, the experts emphasised three key success factors related to the governance of the cooperative, namely: effective internal communication within the cooperative, a climate of trust between members, the positive involvement of all members in the cooperative's work and the commitment to the success of the initially shared objectives.

The cooperative is a grouping of unique people (members) with different mentalities, motivations and values. Thus, one of the goals of internal communication is to harmonise these differences and, if necessary, to dissolve individualities into the collective.

Internal communication between members allows for an exchange of views, especially for decision-making, as was emphasised by one expert when he said:

"Yes, because it makes it easier to make decisions.

"As communication is considered the most important barrier for cooperatives, whether it is information, planning or implementation, communication is therefore essential to the success of any institution, regardless of its activity.

Internal communication is a trigger for transparency, which also enables the development of the cooperative and thus its success. This was confirmed by an expert who pointed out that:

"As a member and employee, transparency helps the cooperative to develop.

The ordinary annual general meetings are a real informative opportunity, where all members without exception are informed about the situation of their cooperative.

For better transparency, the cooperative is called upon to develop an internal communication
plan as a means of informing the members of the news of the cooperative as well as of decisions taken and upcoming events by using all possible means to display this news. On this point, an expert asked about the link between communication and success answered as follows:

"Of course, the major problem in cooperatives is the lack of an internal communication plan and lack of information sharing on decisions and board meetings for all members. Information is possessed only by the board or between the president and the treasurer in most cases. The membership is considered external. There needs to be a system of posting all information with an obligation in the internal regulations, especially any information that is deemed public. For example, use WhatsApp to inform all members.

Trust is an essential element in the success of any project, with a higher degree of trust in the case of cooperative projects. It is generally established between individuals who have had sufficient exchanges in the past. This fact reassures the members in the management of the cooperative even in their absence. The importance of trust for the success of the cooperative was confirmed by the experts in response to our question about the relationship between trust and success:

"Yes, it's the backbone of the cooperative"

The establishment of a climate of trust requires affinity through a rapprochement between members in terms of culture and geographical proximity. Despite the existence of affinities between members, there is a need for equitable behaviour towards all members, regardless of their position or quality, through the establishment of internal rules that apply to all members. This was underlined by one expert when he said that:

"The successful cases at present are cooperatives whose members know each other well and have a high degree of trust, especially with the lower membership numbers required by law (minimum 5). To build trust, it is necessary to establish a solid and fair internal regulation and to ensure that its clauses are respected, regardless of the quality of the person being sanctioned. The leading example is COPAG, which has a large number of members and is considered the largest cooperative in Morocco and even in Africa.

Nevertheless, when you have a small grouping with affinities you find a high degree of trust. In connection with trust, the involvement of the members in the work of their cooperative plays an important role in the establishment of a climate of trust. Indeed, the cooperative project is by nature a collegial work that requires the involvement of all actors, the members in our case. In fact, the involvement of a member in the cooperative work can be explained by the nature of the attachment, which can be voluntary (an emotional attachment, a feeling of belonging and the will to remain a member of the organisation) or it can be involuntary (absence of alternative and the existence of costs in case of departure). The experts confirmed the positive relationship between involvement and the success of the cooperative by saying:

"Yes, but we have to insist on positive involvement because it can be negative. A member's involvement is defined by his or her work and benefit to the cooperative, not only by his or her participation in the board. For example, letting the office work quietly is a positive involvement.

There are sometimes cases where members get negatively involved in the work of the cooperative by attending general assemblies or meetings just to impose themselves and block decisions despite their relevance.

Also, this involvement should be adequate to the member's profile or experience in the assigned field (commercial, communication or participation in a fair or training), on this point two experts argued as follows:

"Also, we have to see the level of involvement of each member by defining the field of intervention of members in the work of the cooperative. I mean, you have to see the link
between the member profile and the field of work of the cooperative.

"I can give you the example of Tafoughalt whose appointment of representatives to a fair or mission abroad is linked to its involvement in the success of the cooperative.

Another finding highlighted by the experts is the rotation of responsibility positions so that all members have a sound knowledge of the responsibility:

"Also, alternating the position of President with the appointment of the President in turn to involve all members."

"The involvement of the members in the future of their cooperative is a duty; it is concretised in the possibility to stand for election to the board of directors, or any other body or committee instituted by the general assembly and the right to vote.

Occasionally, reference is made to the core values of cooperatives, which are self-help and mutual responsibility, democracy, equality, equity and solidarity.

As a result, members are unconditionally involved in the success of their cooperative.

In a cooperative project, the cooperators commit themselves to achieving the objectives already set at the beginning of the project through a positive involvement already analysed above, this is the finding from the literature review. Also, the experts judged that the commitment of the members is desirable for the success of the cooperative although it is rare to find cooperatives where all members are committed even in successful cooperatives.

"The commitment of all members is desirable but this is not always the case. Sometimes we find cooperatives where the member is a supplier of agricultural products (raw materials) and at the same time the commercial of the products of the cooperative (finished products) in return for a remuneration for this work done for the cooperative as a sign of encouragement and recognition and even motivation of the other members in the case of the existence of members who do not bring added value. Therefore, all members must commit themselves to respecting the decisions first and to working towards the objectives set second.

"Indeed, the commitment of the members to pursue the set objectives favours the success of the local products cooperative, and this commitment stems from one of the cooperative values which is personal responsibility.

Each member is obliged to deal with his or her cooperative imperatively, the extent of the services rendered by the cooperative to its members depends on the members' commitment.

The general assembly has the power to exclude any member who fails to fulfil its commitments to the cooperative.

But this commitment remains to be discussed in the case of women's cooperatives in the event that a member gets married and even worse when she changes her place of residence.

"Yes, but we notice that after marriage the woman's commitment raises questions due to new lifestyles if she is still in the same region of the cooperative," quotes an expert.

4.1.3. Environmental

By environment we mean the whole universe external to the cooperative which includes all the actors that influence the success of the cooperative (mainly the political and economic environment).

Firstly, the emphasis was placed on the political environment, which was considered important through the role of the State in the emergence of the cooperative mode in Morocco. This role was summarised by our interviewees under three main headings: regulatory and intermedation.

The regulatory role is summarised in the implementation of laws and legal regulations specific to cooperatives. Indeed, the intervention of the state is desirable according to our experts, especially if we note the positive impact of the entry into force of law n° 12.112 on the cooperative world. This new regulation has allowed the organisation of cooperatives and the regulation of its market and its field of intervention by opening up other outlets that
remained the monopoly of companies. On this point, an expert in response to this question stressed the following:

"Yes, state intervention has had a positive impact on the success of cooperatives through huge investment in materials, laws, in-kind subsidies.

As detailed above, the state has invested heavily in the development of cooperatives through the various strategies and plans launched (e.g. the Green Morocco Plan). The state's intervention at the beginning was in kind by providing materials and subsidies for the creation of cooperatives, especially in the rural world.

This policy has shown its limits, especially with the failure of a significant number of cooperatives due to the lack of subsidy hunters. One expert objected to the total financing of cooperative projects, insisting on a personal contribution from the members to make them aware of the repercussions in case of failure:

"Also, there should be a financial participation of the members to make them aware of the success of their projects. I am against total state funding.

Despite these direct interventions by the state, a significant number of cooperatives find it difficult to market their products due to lack of size, lack of knowledge of market requirements or lack of proximity to sales outlets. To remedy this situation, the experts called for state intermediation in the marketing process as a guarantee for all parties in the process. The experiences of other countries have demonstrated the positive impact of this intermediation, according to one expert:

"The experience of the World Bank in Latin American countries has shown the role of the state as an intermediary in the trade of terroir products. Therefore, the state must intervene vertically as an intermediary between the buyer and the seller (cooperative) or horizontally between the cooperatives themselves to fulfil large orders in case of existence by establishing a synergy between the cooperatives themselves.

The last ten years have seen a boom in local products, with increasing consumption competing with industrial products, even in supermarkets (Marjane, Aswak Salam for example).

This positive growth is justified by the change in consumption patterns, which favours products that are considered healthy and typical through the history that conveys them as well as the nostalgia of consumers for the original, in addition to the search for solidarity and the promotion of fragile areas by buying their products.

Indeed, the purpose of the cooperative, as it is the case for private companies, is to sell their product, and therefore the economic environment, which in this research is essentially demand, has an impact on the success of a cooperative. In this respect, the intervention of other actors (State, supermarkets, international organisations, etc.) is desirable because the majority of cooperatives in Morocco do not have the capacity to honour the commitments of large supply contracts for local products in terms of quality, weight and sales:

"There has been a trend in the last 10 years towards cooperative products, especially local products. The economic environment plays an important role in the success of cooperatives because the aim is to sell the product. For example, the good news for the date sector is that the state has signed a contract with the Belgian chain COLRYT with 500 shops in Belgium to market our dates on the Belgian market.

"Depending on the sector of activity of the cooperative, there are sectors where the weight of the applicants is important because the cooperative does not have visibility on its market. Currently, to remedy this situation, we note the intervention of other parties (State, Marjane, etc.) for the sale of the cooperative's local products.

On the financial side, the experts considered that the existence of working capital is not a primary condition for the success of the cooperative, despite its importance for keeping a permanent link with suppliers (mainly farmers in case of non-membership in the cooperative),

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due to the nature of the cooperative, which is considered to have a social vocation to the detriment of the profit motive.

"Talking about the individualism of cooperatives, it is also necessary to guarantee a working capital to cooperatives to put a barrier to intermediaries/funders because the farmer needs the funds when selling his product which does not exist in the cooperative.

"As already mentioned, the success of the local products cooperative does not depend on the availability of financial resources (an FAO study has shown the over-financing of cooperatives)

"Access to markets or access to finance, are false factors of failure of cooperatives, because the constitution of a cooperative is not based on capital but on people, as for the products/services in terms of quality or quantity depends on the technical skills and qualification of the members.

Indeed, the cooperative world is a model based on mutual aid, solidarity and agreement between all parties, essentially upstream in agriculture, insofar as there are practices of easy payment or exchange and aid in the event of stock shortages to remedy the inability to honour an order or a financial commitment.

Thus, this remark rules out the impact of the availability of funds on the procurement process of cooperatives. In addition to this solidarity, cooperatives, according to one expert, have developed other techniques to overcome this lack of liquidity by highlighting the following:

"Yes, co-operatives with working capital have evolved well and have been hugely successful but there are co-operatives that have invented partnership techniques due to lack of working capital with a win-win relationship.

4.2. Discussion

As part of our case analysis of local product cooperatives in Morocco, we have identified several key success factors that are essential to their success. These factors include the quality of products, effective resource management, access to financing, product promotion and marketing, and collaboration with other sector stakeholders.

However, during our interviews with experts, we discovered other important elements that were not considered in our initial conceptual model. Firstly, positive member involvement is an essential factor for the success of the cooperative. Members must be motivated and engaged in the cooperative's activities to ensure the sustainability and growth of the enterprise.

Furthermore, certification is also a key element for local product cooperatives. Certifications such as organic agriculture, protected geographical indication (PGI) can help cooperatives access broader markets and obtain higher prices for their products.

Productive alliances are also important for local product cooperatives, as they can allow for the pooling of resources, greater market visibility, and greater negotiating power.

In addition, the number of cooperative members can also play an important role in its success. Cooperatives with a sufficiently large number of members can benefit from greater diversity of skills and resources, as well as greater negotiating power in the market.

Finally, gender is also an important factor to consider in the success of terroir cooperatives. Cooperatives that promote the inclusion of women can benefit from a larger membership base, greater diversity of skills, and better adaptation to the needs of the local market.

In summary, our interviews with experts have allowed us to identify several key success factors for terroir cooperatives in Morocco that were not considered in our initial conceptual model. These elements include positive member involvement, certification to access the market, productive alliances, number of members, and gender.

Thus, our conceptual model is contextualised by taking into consideration the results of the interviews with the experts. It is presented as follows:
5. Conclusion

The ultimate objective of this article is to design a conceptual framework for identifying the key success factors of local products. This work has allowed us to better understand the conceptual foundations of research. Before examining the literature on the key success factors of local products, we began with a presentation of the cooperative world in Morocco. In this sense, we consider for this research that cooperatives are economic actors in which deserve an identical scientific analysis like their counterparts in the market, namely private companies.

In analysing the literature, it appears that in the majority of research, the determinants of success differ from one organization to another. However, the literature has allowed us to identify the common features of these key success factors (internal and external). Faced with this situation, the key success factors generally identified are fed by the results of studies treating cooperatives in other contexts far from Morocco. In particular, we refer to the resource-based and skill-based approaches to present the weight of the members/members of the cooperative and the resources known as the terroir product, as well as the contingency theory to emphasize the weight of the environment. After presenting the different theoretical approaches. We then sought to analyse the various factors that may explain the success of cooperatives of local products.

After presenting our conceptual framework, this article allowed us to analyse the specificities of the Moroccan context, as regards the dynamics of the cooperative sector, with a view to contextualizing the reading grids of the phenomenon of success of cooperatives of local products, coming mainly from other international contexts. In a specific way, the desire was to examine the particularities of the context in which the case studies analysed in this research will fit.
According to the analysis of the results of the contextualization study, we note the need to integrate the particularities of the Moroccan context in our conception of success of cooperatives of local products. Given the interest of the Moroccan public authorities in cooperatives, the main actor of the social and solidarity economy, cooperatives of local products would have an interest in learning in order to benefit from the experiences of success stories in the world. This explicit need for learning justifies the need to study concretely the key success factors of local products in the Moroccan context.

At the end of this analysis, it is possible to reconstruct the various key success factors of local cooperatives, mainly in the Moroccan context. Interviews with the experts interviewed allowed us to focus on certain elements not taken into account in our initial conceptual model, for example: positive involvement, certification to access the market, productive alliances, the number of members, gender of members, etc.

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