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Research Article

Marketing Strategies and Financial Performance of Cooperatives: A Narrative Literature Review Focused on Sablayan, Occidental Mindoro

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ABSTRACT

This research as a narrative literature review focus on exploring the marketing strategies and financial performance of cooperatives by concentrating on the multipurpose cooperatives in Sablayan, Occidental Mindoro, which stands out as the most prevalent type of cooperative in the municipality. Through an analysis, 42 relevant and related studies both empirical and conceptual that were published within the period of 2015-2025 are explored and examined. The literatures and articles were carefully selected through a dual independent screening. A PRISMA flow diagram was used to strengthen transparency in the selection of studies to be included in the review. Moreover, the results found that marketing innovations, strong governance, technology adoption and implementation, and organizational support mold good cooperative financial performance. Also, the findings indicate the significance of marketing strategies such as product innovation, traditional approaches, and digital marketing in cooperatives good financial status. While it is recommended that continued capacity building programs shall be done for ensuring financial stability. This research offers practical lessons for cooperative leaders and policymakers, while also encouraging further empirical studies to better understand the relationship and to promote the use of digital marketing in rural cooperatives like in the province of Occidental Mindoro.

Keywords: *Cooperatives, Marketing Strategies, Financial Performance, Narrative Literature Review*

Introduction

Cooperatives are not just business entities that mainly focus on generating profit, but they are communities built on trust, participation, and mutual goals. In locales like Sablayan,

Occidental Mindoro, this type of organization serves as the lifeline for many communities, helping farmers, micro and small enterprises, and individual workers to access wider mar-

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kets and resources that would otherwise sometimes beyond their reach. In developing areas such as Sablayan, multipurpose cooperatives play a crucial role in the productivity of different sectors especially in agriculture and community development but face considerably inevitable challenges including financial constraints and social responsibilities (Cabreros, 2025).

As these cooperatives work diligently to balance their mission with financial soundness and sustainability, they still face growing pressures from changing market trends and limited resources. Discovering how cooperatives direct insights into betterment of both their economic performance and their commitment to inclusive development. This organization present a significant socio-economic mechanism that binds financial viability with community empowerment by providing just resource distribution and livelihood support (Ferri et al., 2021).

Moreover, cooperatives play crucial part in driving local economy and its growth, especially in rural areas like Sablayan, Occidental Mindoro. These organizations act as collective instruments for entrepreneurship, livelihood, and financial inclusivity. But, their success mainly relies on effective marketing strategies that can sustain profitability and competitiveness. While, literatures in global perspective provide vital insights into how innovative marketing improves the financial performance of cooperatives, there remains a limited knowledge of how these strategies are implemented within the National context, specifically in the contest of Sablayan. According to Sunga and Decena (2024), various municipalities in the province of Occidental Mindoro such as San Jose and Calintaan have significant differences in the implementation of their marketing practices, while it was also found that

marketing has strong relationship with the performance of multi-purpose cooperatives.

Strategic marketing is widely recognized worldwide as a key factor in sustaining and strengthening cooperative's competitiveness and financial performance. Such efforts encompass product innovation, pricing strategies, promotional initiatives, distribution expansion, and member relationship management (Yamagishi et al., 2021). Preceding research emphasizes the need to adapt appropriate methodologies in marketing to the distinctive socio-economic and institutional contexts of cooperatives (Wang & Kamboj, 2015). Where, evidence found locally remains limited and scarce. This review bridges the gap by linking the global perspectives with the local conditions, identifying which marketing approaches impacts most to cooperatives growth, and revealing the challenges and opportunities encountered by cooperatives in enhancing their financial performance. This shall synthesize the global and national centric literatures to clarify the impact of marketing strategies on their financial status, aiming to inform the development of effective marketing plans for Sablayan's cooperatives and similar situations.

Methodology

This study employed a narrative literature review approach, an ideal research method for examining complex and context-based issues through an integrative and interpretive lens (Greenhalgh, 2018; Jamaluddin et al., 2023). To ensure a broad and credible foundation of knowledge, relevant studies were gathered from four major academic databases – Scopus, ScienceDirect, JSTOR, and Google Scholar, including publications from 10 years back up to the present. The figure below shows the conceptual flow of the study:

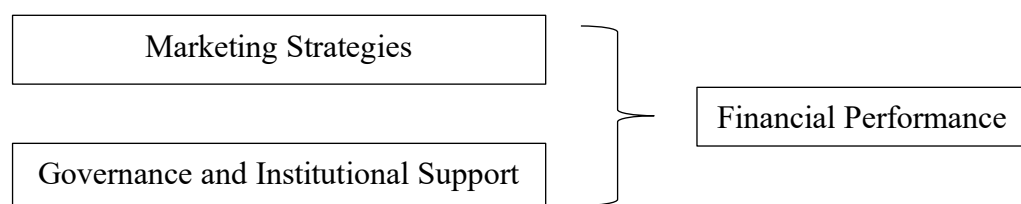


Fig. 1. Conceptual Diagram

Keywords combined in Boolean searches included “marketing strategies,” “financial performance,” “cooperatives,” “multipurpose cooperatives,” and “Sablayan, Philippines.” Inclusion criteria encompassed peer-reviewed empirical and conceptual studies published from 2015–2025, written in English, with clear relevance to cooperative marketing and financial performance. Excluded were non-peer-reviewed works, duplicated records, and studies unrelated to the thematic focus.

In this review, two independent researchers separately screened the collected studies to ensure fairness and accuracy in selecting relevant literature. Any difference in their assessments was openly discussed and resolved through careful consensus, ensuring that only studies truly aligned with the topic on marketing strategies and financial performance of cooperatives were included.

The initial search identified 78 articles, subject to dual independent title, abstract, and full-text screening based on pre-established relevance and quality criteria. Quality appraisal was conducted using adapted methodological checklists focusing on clarity, rigor, and transparency. Ultimately, 42 studies were retained for thematic coding and detailed analysis.

Data extraction employed a standardized matrix covering study characteristics and findings. Thematic analysis identified four key domains: marketing innovation, governance quality, technological adoption, and institutional support impacting cooperative financial outcomes. Limitations inherent in narrative reviews, such as selection bias, omission of gray literature, and financial reporting heterogeneity, are acknowledged. Primary, longitudinal research is recommended for future validation. The table below shows the flow of literature selection and inclusion in the study:

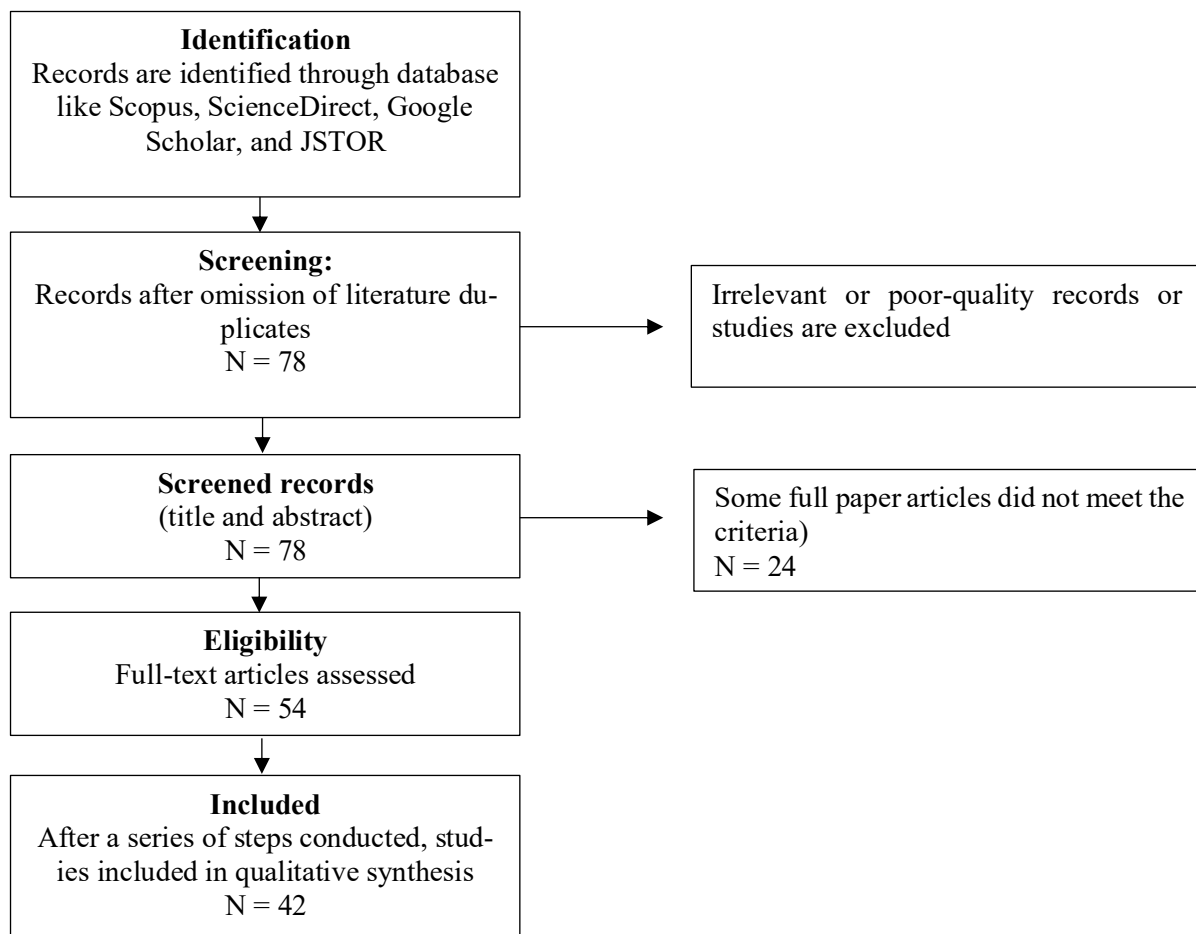


Fig. 2. PRISMA flow diagram

Results

Marketing Strategies in Cooperatives

The analyzed literature gives an overview of marketing strategies that are used by cooperatives worldwide, covering those in rural and resource-limited environments such as Sablayan. Typically, these organizations use methods such as product innovation focusing on the needs of members, pricing mechanisms that are flexible, targeted promotion, distribution channel diversification, and increasing member engagement through communication, which is open and participatory governance (Yamagishi et al., 2021; Geroso & Maguate, 2023). The significance of adapting marketing initiatives to the socio-economic and infrastructural conditions of Sablayan pose as an example of significant measures. Further, the study of Yamagishi (2021) emphasizes that obtaining strategic marketing initiatives via TOWS analysis provides a rigorous and systematic approach for decision makers effectively making long-term strategies to increase the cooperatives competitiveness and enable market growth. While, in the study of Geroso and Maguate (2023), it is found that there is an excellent financial management, social, organizational, and economic performance of the cooperatives in Negros Occidental. Altogether, a significant relationship was found among the variables.

Considering the situation in Sablayan, it is evident that cooperatives mostly depend on conventional marketing methods because of infrastructural deficits and limited technological penetration. Nevertheless, the gradual implementation of digital marketing tools, facilitated by appropriate capacity building, is a hopeful development for broadening market access and working with more significant operational efficiency (Cabreros et al., 2025; DigiCOOP, 2025). Cabreros et al. (2025) found that marketing strategies together with strong management, technical capabilities, and financial stability play significant role in enhancing the cooperative's success. The interaction of marketing innovation and governance quality is often cited as a significant factor for strategy effectiveness.

Financial Performance Metrics

Different financial performance metrics such as return on assets, net surpluses, liquidity ratios, and member equity growth can provide a more comprehensive measurement of cooperative viability and sustainability as observed and examined in various studies (Sugianto et al., 2025). Particularly, their study found that majority of the villagers face concerns with their organization's liquidation with a cash ratio of 5.26% that lies below the standard of 10%, while perform well and healthy in terms of their financial structure (ratio = 45.97%); profitability ratio using ROA (ratio = 7.63%); and ROE (ratio = 16.22%), respectively. In the nutshell, the cooperatives have a good financial standing as observed by accessible and resilient operations and increased of benefits received by the members as combined well with the organizations effective marketing and good governance practices (Orlu & Rambe, 2023). More so, their study revealed that the marketing prowess has positively influence the long-term financial sustainability and stability in the Central Free State of South Africa.

While, Martos-Pedrero et al. (2025) discuss the difference on the performance of agricultural cooperatives with other companies in Spain and found that adoption of ICT and social networks as part of their marketing strategies is vital to the cooperatives standing, accentuating the relevance of digital innovation in achieving and maintaining competitiveness locally and globally. Similarly, financial literacy and transparency within the cooperatives play a crucial role in their ability to optimize marketing strategies in boosting financial performance. The use of different standards for financial reporting and reporting practices among members complicates cross benchmarking and outcomes, as cooperatives may be held to different levels of financial reporting, meaning working toward standardized reporting can increase comparability and assessment.

Institutional and Governance Support

The ability of cooperatives to translate marketing strategies into financial results is significantly influenced by the support of institutions and the quality of governance. Transparent and accountable governance systems develop trust

in the cooperative's management and member decision-making, which is related to higher financial performance of cooperatives (Ferri et al., 2021). Support from institutions, particularly the Cooperative Development Authority (a government body), facilitates valuable service, including business leadership, technical assistance, and access to infrastructure that can help cooperatives engage in marketing and financial management (Attolba-Aquino, &

Castañeda, 2025). Collaboration with local government enhances the operational environment, provide access to markets, and increase competitiveness. According to the abovementioned study, a strong and statistically significant relationships was found between the level of implementation of management functions such as planning, organizing, controlling, and directing and the level of effectiveness of sustainable management practices.

Table 1. Summary table of literatures

Author(s) & Year	Country/Region	Method	Main Findings
Yamagishi, Sa- ñosa, De Ocampo & Ocampo (2021)	Japan / Philip- pines	SWOT-TOWS and PROME- THEE-GAIA Analysis	Cooperatives competitiveness and growth can be attained through a structured strategic tool that are used in the preparation of practical marketing plans.
Geroso & Maguate (2023)	Philippines (Ne- gros Occidental)	Descriptive- Correlational	Marketing, financial management and active participation of cooperative members contribute significantly to its overall social and economic performance.
Cabreros, Oliveros & Doroteo (2025)	Philippines	Case Study	School-community extension and technical advisory services programs ensure sustainability in credit cooperatives can be attained.
Cabreros et al. (2025)	Philippines (Sa- blayan, Occidental Mindoro)	Mixed- Methods	Strong and proper management along with marketing strategies and financial stability can enhance the organization's resiliency and local economic impact.
DigiCOOP (2025)	Philippines	Case Analysis	Improvement of cooperative efficiency and market access, though infrastructure limitations remain a challenge to them, can be achieved through gradual adoption of digital marketing and e-cooperative system.
Sugianto et al. (2025)	Indonesia (Ciamis Regency)	Quantitative Financial Analysis	Most cooperatives have difficulties with liquidity but maintain good solvency and profitability; while the cooperatives attained an overall sound operational health and sustainability.
Orlu & Rambe (2023)	South Africa (Cen- tral Free State)	Quantitative	Market supremacy and Resource management has positive impact on the long-term financial sustainability of agricultural cooperatives.
Martos-Pedrero et al. (2025)	Spain	Comparative Quantitative Study	The use of various digital platforms, ICT, and innovation supports cooperatives' level of competitiveness and helps them adjust to market fluctuations.

Author(s) & Year	Country/Region	Method	Main Findings
Ferri, Borzaga & Fazzi (2021)	Italy	Theoretical Framework / Literature Review	Transparent governance and stakeholder-oriented management are essential for aligning cooperative goals with sustainable development.
Attolba-Aquino & Castañeda (2025)	Philippines	Descriptive–Correlational	Found that effective planning, organizing, and leadership directly improve the implementation of sustainable cooperative management practices.
Sunga & Decena (2024)	Philippines (Samarica, Occidental Mindoro)	Quantitative	Identified that business practices focusing on member welfare and operational discipline lead to stronger financial performance in multi-purpose cooperatives.
Zhao, Wang, Tian & Chen (2023)	China	Structural Equation Modeling	Trust and perceived value among cooperative members strengthen collaboration and stability within agricultural value chains.

Discussion

The findings of this narrative review suggest that cooperatives will need to develop innovative, place-based market strategies since marketing will be dependent on their socio-economic and infrastructure contexts. Theoretical perspectives such as Resource-Based View (RBV) indicate that cooperatives' specific internal resources – such as governance systems and marketing capabilities – are necessary to achieve competitive advantages and financial performance (Kamboj, 2015). This theory explains that a cooperative's success depends on how well it uses its unique internal resources such as skills, knowledge, engagements, and values to gain competitive edge among other competitors. In the case of Sablayan, occidental Mindoro, this accentuates that their strength relies not only in financial capital but also in the trust among the cooperative's members, their shared community spirit, and their local knowledge of markets and resources.

Seemingly, appropriate and effective marketing strategies that focus mostly in digital innovation and adoption of technology can strongly support the organizational aim of having increased financial performance. More so, marketing efforts can be made possible through the support of management and cooperative members through viable business practices and proper allocation of resources. The Resource-Based View theory signifies that the

cooperatives in Sablayan. Occidental Mindoro can attain its goal by maximizing and transforming its resources including monetary and human resource into strategies and efforts that can help them gain sustainable economic success. While, Institutional and Stakeholder Theory emphasize how external entities, stakeholders support and interests, and cooperative's member participation in all its activities affect marketing effectiveness and value creation. For Sablayan, this theory reveals that working hand in hand with policy makers and sponsoring bodies and keeping members actively involved make marketing efforts more viable and efficient.

Moreover, as stated by Geroso and Maguate (2023), it is good for the cooperatives to simultaneously consider and use traditional marketing while progressively adopt digital tools to further capacitate the organization and be able to faced different challenges brought about by changes and tight competition within the business environment. In today's highly competitive market, where customers are noticeably changing preferences, the cooperatives in Sablayan must exert effort in applying strategies that will serve as the organization's hedge against the mishap as result of the issues brought by the competition. Business survival in this environment is crucial and analyzing the customer's needs and preferences can be a great shield against the corroding effects of

competitive market. However, this marketing initiative requires capital investment and management support through technology procurement and capacity building programs for employees and members.

Further, quality of governance and institutional collaboration will remain key for cooperative enterprises to leverage their investments in marketing into tangible financial outcomes related to transparency, accountability, and trust amongst the members (Attolba-Aquino, & Castañeda, 2025). The findings suggest that a strong governance and collaboration with institutions are essential foundations for sustainability and growth. When the board of directors and other leaders of the cooperative manage with transparency and accountability, members develop deeper trust and confidence in the organization. This trust becomes the bridge that turns marketing efforts and investment into real financial gains, help the organization strengthen its performance and its bon with the community it serves. This research suggests that sufficient and standard performance metrics may adequately capture the unique characteristics of cooperatives.

Overall, all the data highlight the importance of adopting a holistic, context-specific approach to cooperative marketing, one that acknowledges how internal strengths and external conditions work hand in hand to shape financial viability.

Limitations

The review took a narrative synthesis approach that has some methodological limitations, although it is appropriate when exploring complex, context-dependent themes. Although studies included underwent a rigorous dual independent screening process and a quality appraisals process, this methodology does create the potential for selection bias, particularly given that gray literature and non-peer-reviewed studies are not included in this research review. This could limit the comprehensiveness and diversity of the contextual findings (Martos-Pedrero et al., 2025). a risk of publication bias posed one limitation of the study. Since the review relied primarily on published academic articles, studies with positive or significant results may have been more likely to

appear in journals, while valuable findings with less favorable outcomes might have been overlooked.

Second, due to the heterogeneity of cooperative accounting standards and other financial reporting studies included, direct comparisons and the aggregation of financial outcome measures are extremely difficult. For this reason, every effort was made to ensure that the synthesis of results from studies would be interpreted cautiously and with an emphasis on the importance of a standard reporting framework for cooperative research (Sugianto et al., 2025).

Finally, due to the narrative synthesis of the current review, it was not possible to calculate effect size or establish causality, nor did it lend itself to establishing a causal relationship, hence it will be assured, researcher will conduct future primary empirical research studies using longitudinal and mixed-method approaches.

Conclusion

This review reveals that cooperatives in Sabluyan are achieving stronger financial performance by combining innovative marketing strategies, good governance, and institutional support. These three domains work together such as innovative marketing helps cooperatives stay relevant to local conditions, while good governance ensures accountability and wise decision-making. Institutional support, in turn, provides the necessary training, infrastructure, and technology access to sustain growth.

Grounded in Resource-Based View, Institutional, and stakeholder theories, the study emphasize that marketing capability and governance quality are valuable, intangible assets that strengthen a cooperative's long-term stability. Cooperative's member engagement and continued capacity building programs could enhance the organizations strengths. While, financial literacy and sound accounting practices captures a smarter and effective financial decisions, and effective marketing utilization. Lastly, future research may explore, through empirical and measurable methods, how marketing strategies, governance, and organizational support

can shape the financial soundness and success of cooperatives.

Recommendations

For Cooperatives and Local Organizations

Cooperatives operating in Sablayan should develop marketing strategies that reflect the specific socio-economic and infrastructural realities of their communities. This involves leveraging local product strengths, tailoring pricing and promotional efforts to member needs, and utilizing technological platforms that are accessible and practical within the local context. Furthermore, establishing clear, consistent communication channels and inclusive feedback systems will promote active member participation, helping align marketing plans with member interests and enhancing satisfaction (Geroso & Maguate, 2023).

Continuous professional development through capacity-building initiatives is essential. Cooperative leaders and members should be supported in acquiring advanced skills in marketing management, financial literacy, and cooperative accounting standards. The Cooperative Development Authority's regional training programs, such as CDA-MIMAROPA's offerings, are valuable resources to strengthen this competence. Gradual adoption of digital marketing and data management systems, adapted to local connectivity and resource conditions, can improve outreach while minimizing operational costs (DigiCOOP, 2025).

For Policymakers and Development Agencies

Government agencies, local government units, and cooperative development authorities should deepen their collaboration with cooperatives to provide integrated technical, financial, and educational support. Facilitating access to grants, subsidies, and low-interest credit lines targeting marketing innovations and capacity building will help reduce financial constraints that limit cooperative growth (Attolba-Aquino & Castañeda, 2025). Additionally, investing in digital infrastructure and cooperative-tailored market facilities will alleviate logistical and connectivity barriers, particularly in rural municipalities like Sablayan.

Policymakers are encouraged to design regulatory and developmental frameworks that

promote transparent governance, accountability, and sustainable cooperative operation, while fostering partnerships with educational institutions to expand cooperative training programs (Ferri et al., 2021).

For Future Research

Longitudinal and mixed-method research designs are recommended to establish causal relationships between marketing innovation, governance structures, institutional support, and financial performance of cooperatives within rural and developing regions. Investigations into the scalability, accessibility, and impact of digital marketing tools tailored for rural cooperatives are particularly needed (Martos-Pedrero et al., 2025).

Further exploration of how governance quality and member engagement interact with marketing effectiveness across diverse cooperative models will inform best practices. Research should also consider how marketing strategies influence member satisfaction, retention, and overall cooperative sustainability to optimize both social and financial objectives (Zhao et al., 2021).

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