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SERVICES, PRACTICES, CHARACTERISTICS AND OTHER FACTORS
AFFECTING A FARMER'S SELECTION OF A
FARM SUPPLY OR MARKETING FIRM

BY

KARLA JEAN NELSON KRANER

A thesis submitted
in partial fulfillment of the requirements for the
degree Master of Science, Major in
Economics, South Dakota
State University

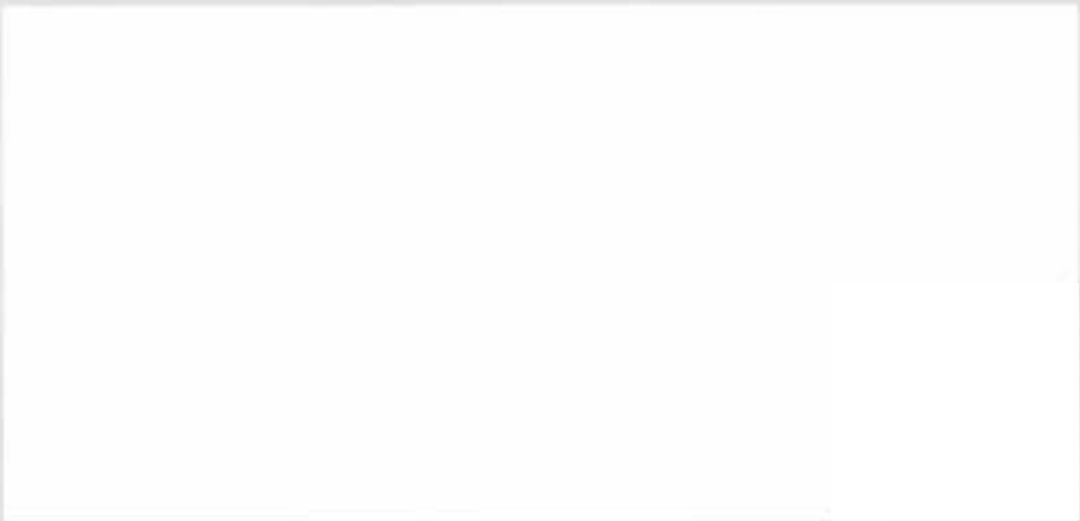
1977

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This thesis is approved as a creditable and independent investigation by a candidate for the degree, Master of Science, and is acceptable for meeting the thesis requirements for this degree. Acceptance of this thesis does not imply that the conclusions reached by the candidate are necessarily the conclusions of the major department.



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KJNK

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CHAPTER I

INTRODUCTION

The difference between success and failure of a business can often be attributed to whether or not the customer is served in the manner he or she wants. Therefore, it is very important for farm supply and marketing firms to know what services, practices and products their customers want and to do all within reason to serve those needs. Sometimes distinctions must be made between customer wants and customer needs and sometimes it is not reasonable to try to serve every need, but most of a customer's needs must be met or he or she will shop elsewhere.

This is especially important with the technological advancements and the shift in factor inputs from labor to capital. These changes have caused farmers to become more reliant on farm supply and marketing firms and more selective to whom they will give their trust and business. Therefore it is important to those serving the farmers to know the factors that influence a majority of farmer patrons and their preference ranking of farm services. Understanding these factors which affect farmer patronage, the agri-business industry can adjust to better serve present and future farmers of South Dakota and the nation.

The main focus of the research is on the farm people of South Dakota. Special attention is given to any differences in factors influencing patronage decisions due to the age of the respondent, location of the farm within the state, and the size of the operation measured by

average annual sales.

Cooperatives provide an alternative to the independent or company store in the area of farm supply and grain marketing. Because of their importance, cooperatives should be given special attention. Of particular concern to the farmer patron is the handling of deferred patronage refunds. Alternatives are available and should be examined in greater detail. The two possibilities included in this research are repayment (1) to beneficiary or estate and (2) at age 65.

Uncertainty of what farmers are seeking in their supply and marketing firms exists among agri-business firms. Therefore, it is important for the agri-business firm to be aware of the farm patrons' attitudes so they can serve farmers in the way they desire.

Background and Literature Review

A limited amount of formal research has been conducted concerning farmers' attitudes towards the supply and marketing firms they are so dependent on. The results of three studies related to this thesis are available, the topics of these being the purchase of fertilizer, the purchase and use of pesticides, and the most important operation principles found in cooperatives. Each provides only a partial analysis concerning only one commodity or one type of business operation.

The first of the studies was concerned with the purchase of fertilizer. Purdue researchers conducted an in depth personal interview with 96 farmers in northern Indiana regarding where they purchased fertilizer and why. The results found in Farm Store Merchandising, June 1970, indicated that service overshadowed price in the

determination of a dealer.¹

Pesticides were the topic of a study done with 245 farmers in southern Georgia reported in Agricultural Chemicals.² The results of the study indicated that other practices or characteristics had a greater influence on the selection of a dealer than price. Ranking above price were courtesy and friendliness of the management and employees; credit and terms available; speed and service; having pesticides on hand or being able to get them; convenience of location; and information on the use of pesticides. Once again the survey was for one product and much of the emphasis of the study was on actual use of pesticides (amount spent on pesticides, number of dealers patronized, loyalty, etc.). Service and factors other than price may have more importance in the purchase of one product group such as pesticides or fertilizer than farm supplies and marketing in general.

Finally, a limited attempt was made to determine what attracts farmers to cooperatives. Farm couples attending the American Institute of Cooperation session in the summer of 1976 were asked, "What three operation principles do you view as most important in your cooperative?" The three top responses given by the 133 young farm couples were (1) service, (2) effective product marketing and (3) pricing.³

¹Dr. W. D. Downey and Lee Woodward, "Service Overshadows Price as Key Factor in Farmer's Choice of Fertilizer Dealer," Farm Store Merchandising, June 1970, pp. 37-40.

²Joseph D. Brown, "Factors Affecting Farmer Purchases," Agricultural Chemicals, May and June, 1968.

³G.T.A. Manager's Newsletter, 8 (May 30, 1977) p. 1.

Objectives

The main goal of the research is to determine what farm patrons are seeking when choosing a farm supply or grain marketing firm. The objective will be to determine the attitudes of farmers when using marketing services and purchasing supplies. The major factors and attitudes to be considered are:

1. Ranking of services, practices and other characteristics influencing a farmer's choice of who receives their patronage in grain marketing and farm supply firms.
2. The effect of various practices, characteristics, and actions that influence a farmer's choice of a business establishment. These include management's actions and the personalities of management and employees, neighbors' actions and rumors, size of the firm, convenience of the firm and availability of credits and discount.
3. Evaluation of farmers' attitudes towards cooperatives as compared to independents and with regard to the handling of deferred patronage refunds.
4. List the farmers' attitudes as they apply to pricing and marketing of their grain.
5. Rank the importance of services which farmers may desire from marketing and farm supply firms in the future.

Procedure

Questionnaire Design

To obtain the necessary primary data a questionnaire developed

by an Extension Marketing Specialist was used. The four sections of the questionnaire were:

1. A rating of the factors determining where farm people do their farm supply or grain marketing business. Examples of this are price, products, and service. Attitudes towards other factors were also evaluated according to the effect on the consumer. Examples of this would be management's religious, political or sports activities.
2. Attitudes toward the cooperatives as opposed to independent firms and toward the cooperative policy regarding refunds. In this section alternative ways of handling deferred refunds are suggested with the farmers indicating which would be acceptable.
3. Attitudes toward the marketing and pricing of grain. Items considered in this section include the reasons for changing market outlets, the use of the futures markets and the desirability of a market advice system.
4. Rating of possible future services. This will be of particular concern since it will give an indication of what the farm people will want in the future. Possibilities include keeping tax records and giving market advice.

Distribution of the Questionnaire

The main distribution of the questionnaires was through marketing meetings held at various locations in South Dakota. One meeting was held in Montana with the participants also completing the survey.

At these meetings an extension specialist explained the purpose of the research and stressed the importance of a response. The personal appeal of the extension specialist and the provision of return envelopes was an attempt to stimulate a high response rate. The remainder of the questionnaires were distributed to farmers by County Extension Agents. The purpose for this was to increase the total number of questionnaires returned and to attempt to receive responses from every county in South Dakota.

This method of distribution was chosen because of the expected rate of return for a limited amount of cost in both time and money. The questions were kept brief so a minimal amount of the respondent's time would be required to complete the survey. The respondents were told that the survey results would be kept confidential and the questionnaires were returned unsigned. All this was done to encourage a high response rate for a minimal cost. This method of survey was also chosen over a personal interview to hopefully prevent respondents from answering the way they think the interviewer would like them to.

Upon receipt of the completed questionnaires the data were entered on computer cards to tabulate the frequency of responses and calculate means. The use of the computer facilitated comparisons between various groups which would have not been possible if done manually.

The distribution of the questionnaire was conducted between October 1, 1976 and April 1, 1977. Surveys returned prior to April 30, 1977 were used in the analysis. A total of approximately 2,200 questionnaires was distributed while 796 were returned. The response rate to

the survey was about 38 percent.

Analysis of data concerning factors that influence farmers' decisions regarding selection of business firms is descriptive. Particular emphasis is on the importance of services offered or characteristics of a firm. Classifications of respondents can be made to test differences in attitudes and preferences due to age of the respondent, size of average total annual sales and location of the respondents' farm.

Characteristics of the Sample

The classification of the sample by the age of the respondents, size of average annual sales, location of the farm and major enterprises of the operation are discussed in this section.

Classification of Respondents by Age

The average age of the 796 respondents is 44.3 years. The total respondents less the farm wives and the Montana farmers leaves the South Dakota male respondents with a mean age of 45.3. The Montana farm people completing the survey had a mean age of 35.5. The latest Agricultural Census from 1974 estimates 50.5 as the average age of all farmers in South Dakota.⁴ The Farm Journal estimates the average age for all farmers in the United States in 1976 at 50.3.⁵ The respondents' ages ranged from 18 to 79. The responses were divided into three groups

⁴U.S. Department of Commerce, Bureau of Census, 1974 Census of Agriculture, Vol. 1, Part 41, South Dakota.

⁵"Today," Farm Journal, October 1976, p. 33.

according to the age of the respondents. The divisions were: (1) under 35, (2) 35-55, and (3) over 55. The classification of the respondents by age is shown in Table I-1.

TABLE I-1. AGE DISTRIBUTION OF RESPONDENTS.

AGE	NUMBER	PERCENT OF TOTAL
Under 35	224	28.14
35-55	372	46.73
Over 55	174	21.86
No Response	26	3.27
Total	796	100.00

Location of the Farming Operation

The response to the survey was also classified according to the location of the farming operation. The state of South Dakota was divided into four sections, each covering approximately one-fourth of the state. The north-south dividing line was the Missouri River while Highway 14 cut the state east and west. (Figure 1) The divisions were not arbitrary but rather done according to the general enterprises of the four sections of the state. Southwestern South Dakota raises winter wheat as a major crop and also has grazing as a predominant enterprise. The northwestern one-fourth of the state also has grazing, spring and winter wheat as major enterprises. Corn, soybeans and sorghum are predominant in southeastern South Dakota. The northeastern quarter of the state has a large diversification in crops but raises more barley,

oats, flax and sunflowers than the other sections of the state.



Figure I-1. DIVISION OF SOUTH DAKOTA FOR CLASSIFICATION BY LOCATION OF THE RESPONDENT'S FARMING OPERATION.

The classification of the respondents by location is shown in Table I-2. A majority of the respondents were from the eastern one-half of South Dakota not unlike the population distribution of the state. Only three of the respondents failed to indicate the location of their farm.

Classification of Respondents by Size of Operation

The respondents were also asked to indicate the average size of annual farm sales for the last four years. Five predetermined divisions were: under \$10,000, \$10-25,000, \$25-50,000, \$50-100,000 and over \$100,000. The sample divided according to the average sales of the

respondents is shown in Table I-3.

TABLE I-2. DISTRIBUTION OF RESPONDING FARMERS BY LOCATION OF THE FARMING OPERATION

AREA	NUMBER	PERCENT OF TOTAL
S.E. $\frac{1}{4}$ of S.D.	256	32.2
N.E. $\frac{1}{4}$ of S.D.	374	47.0
N.W. $\frac{1}{4}$ of S.D.	57	7.2
S.W. $\frac{1}{4}$ of S.D.	66	8.3
Montana	40	5.0
Missing	3	.4
Total	796	100.0*

*May not equal 100% due to rounding.

TABLE I-3. AVERAGE SIZE OF TOTAL ANNUAL FARM SALES FOR FARMER RESPONDENTS

SIZE OF SALES (\$)	NUMBER	PERCENT OF TOTAL
Up to 10,000	42	5.3
10,000-25,000	141	17.7
25,000-50,000	210	26.4
50,000-100,000	240	30.2
Over 100,000	138	17.3
No Response	25	3.1
Total	796	100.0

Major Enterprises of the Farming Operation

The questionnaire asked for the major enterprises of the farming operation. A qualification of 25% of gross income was made as to what constituted a major enterprise. This classification was not used in the analysis since some respondents marked as few as one and others indicated as many as six. The distribution of the respondents by the type of operation according to major enterprises is shown in Table I-4.

TABLE I-4. DISTRIBUTION OF RESPONDENTS BY TYPE OF OPERATION ACCORDING TO MAJOR ENTERPRISES*

MAJOR ENTERPRISES	NUMBER	PERCENT OF RESPONDENTS
Corn and Sorghum	446	56.0
Wheat and Small Grain	589	74.0
Oil seeds, Flax, Sunflowers, Soybeans	173	21.7
Cow-calf Operation	467	58.7
Cattle Feeding	255	32.0
Feeder Pigs	75	9.4
Hog Feeding	257	32.3
Dairy	69	8.7
Other	68	8.5

*Survey asked for enterprises contributing at least 25% of farm income. Some responses included more than four enterprises.

Conclusions and Implications

There has been a lack of research regarding farmers'

attitudes towards the agri-business firms that serve them. A questionnaire used in this study was designed to gain more insight into why farmers choose a particular agri-business to patronize.

The respondents consistently ranked items regarding competitive pricing and quality of service high. In a ranking of services, practices and other characteristics influencing a choice of business firm, quality of products rated number one. Second was competitive prices followed by (3) quality of service and (4) promptness of service. Consistent with the importance of price is the fairly high rating of discounts for cash payments, cash and carry purchases and volume purchases. The availability of credit and interest free credit are also important.

Since the quality of products was ranked number one it would seem to indicate that agri-business firms need to pay attention to the products they supply. Because of the importance to farmers' operations the products can influence a farmer's decision of where to do business.

Receiving a high rating in the area of service are the accommodation of business firms, having the desired products on hand, dependable advice, emergency service, technical service and on-the-farm service. Other services did receive a rating high enough to indicate at least moderate or slight importance. These include: free delivery service, opens early, stays open late and is open on weekends.

The importance of quality of products, competitive price, and service would appear to stand above most other influencing factors in the selection of an agri-business firm. There are other factors that

influence a decision, such as, the people that work at the firm.

When asked to rate possible future services those receiving the greatest response indicating importance were daily broadcast of markets, specialist in all areas, hot line for instant news to the farmers and a market advice service. These all would imply a desire for current news and relevant information and advice.

The participation of management in such things as politics, religious activities and sponsorship of sports or lack of involvement in religious activities would appear to have little bearing on farmers when choosing a business firm. Of great importance are the personalities and attitudes of the people farmers deal with.

Three of the factors which do have some effect on a farmer's choice of a firm are: neighbors' patronage and rumors, size of the firm and convenience. Neighbors' patronage of a firm can influence a farmer to do business there also. What neighbors may say about a firm can be an important factor especially, rumors concerning the firm's financial position. Farmers may be influenced in their actions regarding that firm. For example, farmers can either become more loyal or look for another place of business. A small business appeals to many farmers as idealistic whereas the larger firm is evidence that it receives a substantial amount of business. In regard to this, reality may be inconsistent with ideals since if the smaller firm received additional business it would grow. The convenience of a firm's location is important in the selection process. However, using one firm for both farm supplies and grain marketing does not appear to be a major factor

in the selection of a firm.

Cooperatives, although important to farmers in the past in both farm supply and grain marketing, cannot rely on loyalty alone to maintain their share of patronage. The results of the survey suggest that cooperatives may need to become more competitive in prices and service and offer farmers more incentive to continue dealing with the firm. The younger farmers would appear less willing to patronize a cooperative just because it was one. The youngest age group had a smaller percentage than the older groups indicating satisfaction to defer refunds to buy equipment. They were also less satisfied with alternatives for the eventual repayment of the balance of deferred refunds. Since the deferred refund repayment possibilities given in the questionnaire were 1) at the age of 65 or retirement and 2) to the beneficiary or estate of the member, the time period may be too long to make the repayment of the refunds attractive to young farmers. This is especially true when refunds are consistently deferred.

The selection of an outlet for farm products is very important to the farming operation. Changes in patronage of a firm may be for various reasons. The two reasons suggested that received the greatest response were that the farmer thought that he was being cheated and the indifferent attitudes of the management and employees. Once again, trust is very important as well as management and employees' attitudes. Other factors receiving a positive response by over one-third of the respondents concerned the pricing of grain; either too much discount or too little premium. Here price enters into the decision once

again.

An alternative method of pricing, reducing risk and insuring that costs were covered would be acceptable to a majority of farmers. This is also true of questions concerning marketing advice either by the local companies or advice services. A majority of the respondents were also willing to pay a fee for reliable advice.

Throughout the response to all the questions of the survey the respondents appeared to consistently desire competitive prices for both inputs and outputs. Good service was continually stressed as important. Along with quality products these two factors would appear to be the most influential in farmers' decisions regarding agri-business firms.

The findings of this survey can be used as a guideline or tool in the development of future plans and goals for agri-business firms. The results of this survey may be helpful to agri-business firms in showing them what farmers look for in a business. If farm supply firms know what farmers are looking for and furnish what is reasonable, then the producers will receive the service they want. Determining what farmers want can benefit both producers and agri-business firms. Producers will receive the type of service desired. Meanwhile, the firms which serve the farmer in the desired manner would attract a greater volume of business as well as possibly develop a more loyal group of patrons.

Outline of Thesis

The main objective of the study was to gain an understanding of

what farm people are looking for when choosing a supply or marketing firm. This knowledge should help agri-business firms when deciding what changes are necessary to serve the farmer in the way he desires. The first part of this chapter is concerned with the method used for gathering data, the specific objectives, the background of the research and the characteristics of the respondents. The last part of the chapter contains a summary of the results as well as conclusions and implications concerning the findings.

Chapter II, III, IV and V include a discussion of the results of the questionnaire. The results include the services, practices, and other characteristics influencing the decision of where farmers do business and possible future services that may be offered; attitudes towards cooperatives and their policies regarding patronage refunds; and why farmers change marketing outlets, the desirability of marketing advice and alternatives in pricing grain. Possible reasons for the results are also included. Chapter VI is a brief review of the results and includes suggestions for further study.

CHAPTER II

PATRON EVALUATION OF SERVICES, PRACTICES AND CHARACTERISTICS OF MARKETING AND FARM SUPPLY FIRMS

The thrust of Chapter II is to delineate and examine the influence of a number of services, practices and characteristics on a farmer's choice of marketing and farm supply firms. The questions asked were designed to measure the importance of the services and practices when determining where the farmers currently do their business.

The respondents were also asked to indicate and rate services they felt important to their farming business in the future. A tabulation and summary of the responses are included in the chapter.

Services, Practices and Characteristics Affecting the Current Selection of Marketing and Farm Supply Firms

The first question of the survey was designed to have producers rate the importance of selected services, practices or characteristics affecting their determination of a farm supply or marketing firm. Thirty-two different services and practices were listed with spaces for write-in additions of important items not listed. The rating alternatives given to the farmer were 1 = very important, 2 = moderate importance, 3 = slight importance or 0 = no importance. In evaluating responses, each response of 0 was assigned a value of 4 for purposes of determining the mean value. A mean was calculated for each item, the lower the mean, the higher the item rated in importance for the group of respondents.

The ranking of the 796 producer respondents, as to the

importance of the present services, practices and characteristics concerning farm supply and marketing firms is presented in Table II-1. The items with the lowest means are at the top of the list, thereby indicating that the greatest importance was placed on those items. For example, a mean with a value close to one would signify that the evaluated item was of great importance to the majority of farm respondents. As the value of the mean approached two, the factor would have moderate to high importance. The items with means between two and three, would be evaluated as slightly to moderately important. Items with values greater than three would have little or no importance to a majority of the respondents.

This ranking provides a guideline for agri-business firms in determining what is important to farmers. A ranking towards the top would imply that farmers think the factor is important. Therefore, it may be desirable for agri-business firms to consider this item as it may apply to their operation, such as adding, improving, expanding, or continuing a service or practice. A lower ranking may indicate the service or practice has little importance to farmers and may not be necessary for an agri-business firm to consider adding to their operation.

Quality of products ranked first of all the services, practices and other characteristics rated in this section. Therefore, in making a buying decision it is very important that farmers receive quality products since if a product is poor, farmers lose potential benefits. If a farmer uses quality inputs, he can minimize extra costs caused by

a loss of benefits received from the use of lower quality products or maximize benefits received.

Quality of products, competitive prices, quality of service all have mean values very close to one and were rated as the most important to the group as a whole. Ranking second and third behind quality of products are competitive prices and quality of service. Competitive prices have a slightly lower mean than quality of service but both are very close.

A study conducted by Purdue in 1970 concerning the purchase of fertilizer showed service overshadowing price in the choice of a dealer.¹ However, that survey covered only one item (fertilizer), as contrasted to the wide range included in the present questionnaire. Because of the nature of that product, service was probably more important in the sale of fertilizer than in a composite of all products. This would perhaps explain the small difference in the results of the two studies regarding the relative positions of price and service.

Price has a lower mean than the quality of service which would indicate that price is more important. The difference between the two means is very small perhaps indicating that the two are approximately equal in importance. An increased awareness of prices may also exist because of the drought conditions of the previous year making low input prices or high output prices even more important. It is evident that besides the quality of products price and service are two prime

¹W.D. Downey and Lee Woodward, "Service Overshadows price as Key Factor in Farmer's Choice of Fertilizer Dealer," Farm Store Merchandising June 1970, pp. 37-40.

TABLE II-1. RANKING OF PRESENT SERVICES, PRACTICES AND CHARACTERISTICS BY 796 FARM PEOPLE ACCORDING TO THE IMPORTANCE IN THE SELECTION OF A FARM SUPPLY OR GRAIN MARKETING FIRM.

Rank	Service, practice or characteristic	Mean
1	Quality of products	1.079
2	Competitive prices	1.182
3	Quality services	1.187
4	Promptness of service	1.254
5	Trust in management and employees	1.268
6	Business accomodating during farming seasons	1.288
7	Usually have on hand what you want	1.481
8	Discount for cash payments	1.610
9	Staff source of dependable advice	1.625
10	Personality of manager	1.726
11	Personality of employees	1.764
12	Convenience of location	1.840
13	Cash and carry discounts	1.865
14	Emergency service available	1.870
15	Availability of specialized or technical services	1.875
16	On the farm service	1.918
17	Discount on volume purchases	1.921
18	Free delivery service	2.164
19	Business opens early	2.201
20	Interest free credit time period	2.215
21	Availability of credit	2.267
22	Handles nationally advertised products	2.440
23	Business open late	2.569
24	Business open some evenings a week	2.792
25	Because business is a cooperative	2.836
26	Local advertising of business	2.933
27	Because business handles coop products	3.186
28	Sales representative calls at your place	3.250
29	Because business is in the county seat	3.370
30	Because business is not a cooperative	3.448
31	Business is open on Sunday	3.641
32	Community activity of management and employees	3.870

factors influencing a producer's choice of a farm supply or grain marketing firm.

Service is very important to the consumer. Not only the quality of service but also the promptness of service and the accomodation of business during farming seasons are ranked high. The promptness of service has a mean of 1.254 and ranks fourth. The accomodation of business during farm seasons has a mean of 1.288 with a ranking of six. These responses would imply that both of these qualities are desirable and important when dealing with the farm customer. Usually having the desired products on hand also received a high rating and could be considered a part of giving the customer good service.

Also at least of moderate importance and still part of the whole concept of service are the availability of emergency service and specialized or technical service as well as on-the-farm service. These three services or practices have means less than two indicating that a large number of the respondents thought they were important. The response to these three facets of service along with the other service factors indicate the importance of the type and quality of service that the farmers receive.

Some of the items included in this section received little recognition of any significance to farmer patronage. Those with a higher mean, indicating a large number of 'no importance' or 'slightly important' responses, included business being a cooperative and business not being a cooperative. Also, at the bottom of the ranking were local advertising and sales representative calling on the farm. This

suggests that the advertisements by local firms have little significance in influencing a farmer's decision of where to do business. This relates back to the previous discussion of service. The way the farmer is treated as well as the accommodation of the farm needs is more important than the advertising of products or the ownership structure of the firm. Buyers will do business where they get the best treatment and where products are sold at competitive prices. Other factors, such as availability of credit, discounts on purchases and interest-free credit will be discussed in a later chapter.

Trust in management and employees is ranked fifth according to the mean value. The personalities of the manager and the employees also rank 10th and 11th with means of 1.726 and 1.764, respectively, indicating that management can have a big influence on the farmer's choice of whom to patronize. The effect that the manager's and employees' personalities, their attitudes and various actions of the management have on the farmer's purchasing habits will be examined in the next chapter.

In addition to the thirty-two factors presented in the first question, space was allowed for additional comments regarding other factors which affect customers' decisions of which business firm to patronize. Many of the comments related to the accommodation of the business during rush seasons. Several of the comments added concerned the business being open evenings and/or weekends in either 'rush seasons' or specific times of the year such as summer or during corn harvest. This reinforces the need for business to adjust to farmers'

schedules, thereby giving consideration to what may be required of the agri-business firm during particular seasons. Besides staying open longer hours and more days, one farm respondent mentioned that grain dryers should run 24 hours a day when there is a large, wet crop.

Other comments in this section included: Stand behind products; follow through on promises; stick closely to price quoted; do job as promised and previously figured; and correct a poor job. Also added were dependability and plain honesty. Respondents also indicated that agri-business firms need to deliver what is promised both in service and products, and firms must also be able to back the products it sells and not to make promises that can not or will not be kept.

Some of the other comments concerned pricing. These included: no more than 20-30 percent markup, cooperatives should be able to sell for less or at least meet competition, cooperatives should be able to make markets instead of not meeting the competition much of the time. From these comments it appears fairly evident that some farmers are dissatisfied with the pricing of some firms and think that improvements could be made. The last two comments suggested that the farmers did not think cooperatives were price competitive. If this is true then the remarks are consistent with the rating of all farmers on competitive pricing. It must be kept in mind that these individual comments are just that, the opinion of one person. Other farm people may agree, but in this format it is not possible to determine whether or not it is the opinion of more than one respondent. Still the areas mentioned may be worth examining since at least one person thought it was important enough to write in each comment.

Although pricing and service received most of the emphasis in the written comments, another area also received some attention. The importance of managers and employees was stressed in the following comments: spend coop money for qualified help so we do not have to go elsewhere for service; there should be a good working relationship between managers and employees; do not have a constant turn over of employees, I like to get to know the people I deal with; the employees should have a technical knowledge and know what they are doing.

The importance of the employees and management is obvious from the above comments and from the high rating the respondents gave to the personality of the manager and personalities of the employees. Managers and employees do play an important part in the decision of who will get the farm trade. Also, there is some desirability in keeping a low turnover rate among employees so customers can become acquainted with the people serving them.

It appears that many factors other than price have a significant influence on where farmers take their business. Among the other important factors are quality of products and service. The meeting of the needs of farmers will have an affect on the success of agri-business firms.

Ranking of Possible Future Services According to Importance

If agri-business firms are going to be ready to serve the farm people in the future, it is imperative that they know which services will be needed and/or desired. The last section of the questionnaire

attempted to determine what services the farmers will want from their marketing and farm supply firms in the future. Twenty-nine services were presented with space provided for additional responses. The procedure for response was the same as that in the previous section concerned with present services, practices and characteristics influencing farmers' decision of where to purchase their farm supplies or do their grain marketing. Each factor was assigned a value of 1,2,3, or 4 according to the amount of importance each service would have in the future. A mean value was calculated for each of the twenty-nine possible services. A listing of the future services with the calculated mean can be found in Table II-2.

The future services rating moderate to high in importance were: (1) a daily broadcast of all markets, (2) a specialist in all areas and (3) a hot line for instant news to farmers. The major concern appears to be with the availability of marketing and other relevant information when it is available. The high rating the specialist received seems to suggest a desire to obtain current information for all related areas such as fertilizer, feeding and insecticides.

A market advice service is of some importance. Selling and servicing of machinery also received a rating of moderate importance. Income tax services and the keeping of farm records have some desirability to the farmers in the future but do not head the list in importance. Those services with a mean value approaching two may be worth investigating further since they would indicate moderate interest.

At the bottom of the list and being deemed less important are

TABLE II-2. FARM RESPONDENTS RANKING OF POSSIBLE FUTURE SERVICES ACCORDING TO IMPORTANCE.

Rank	Suggested future service	Mean
1	Daily radio broadcast of markets	1.510
2	Specialist in all areas	1.846
3	Hot line for instant news to farmers	1.992
4	Market advice service	2.154
5	Sell and service machinery	2.211
6	Method of paying farmers for storing grain until needed	2.238
7	Income tax services	2.306
8	Complete one-stop services for farm supply and marketing	2.308
9	Crop spraying, ground	2.338
10	Sell and service cars and trucks	2.388
11	Keeping farm records	2.458
12	Weekly newsletter	2.475
13	Veterinary services	2.498
14	Banking and lending services	2.510
15	Offer annual average price for grains	2.557
16	Crop planning for your farm	2.662
17	Complete farm management service	2.765
18	Rendering service	2.781
19	Grain and livestock futures brokerage service	2.835
20	Management service for rural water systems	2.879
21	Off-farm storage for most grain	2.889
22	Airplane spraying	2.908
23	Irrigation and water systems service	2.953
24	Television auction for marketing animals	2.989
25	Annual company sponsored social event	3.000
26	Sell groceries	3.082
27	Fencing service	3.116
28	Sell clothing	3.163
29	Transmit market news through CB radios	3.320

the transmission of market news through C.B. radios, sale of clothing, fencing services, sale of groceries and an annual company-sponsored social event. There appears to be little desire on the part of farmers for the company to branch out into other areas, such as in the sale of clothes and groceries or providing a fencing service.

Space was provided for the farmers to write in services they would like to see offered. There were five comments added by the respondents. Those included were soil testing; weather information; custom-feedlots; guaranteed supply by the business firm; and getting a fair price for the farm products.

Soil testing would appear to be consistent with the response of the total farm group. Soil testing might possibly be included in the section of the question regarding a specialist in all areas. In general those responding expressed a desire for relevant news and information which could be provided through a specialist, hot line and/or a daily broadcast. The farm respondents want as much information as possible that can aid them in making business decisions and carrying on their business operations.

Summary

The quality of products was ranked the highest by the respondents. Almost all of those responding to this item indicated that it was 'very important' to them in the selection of a business firm. Also rated high in importance to the farm customers were competitive prices. However, both of these are among the many items that are influential in the decision of where to do business.

Service ranks high among the qualities that farm people look for in their farm supply and grain marketing firms. The quality and promptness of service as well as some specific services are held to be important attributes. Two specific services ranking high among the farm respondents are the accomodation by business firms during rush seasons and having the desired products on hand. Dependable advice from the supply or marketing staff is also considered highly important. Farm people want advice from the staff but do not necessarily want a sales representative to call at the farm as indicated by the low ranking of that practice. It can be assumed that farmers want advice available but are not enthused about being called on by sales personnel.

The manager and employees of a firm are important in encouraging farmers to do business with that establishment. Trust in management and employees and the personalities of both the manager and employees rate high among the desired attributes.

Farm respondents were also asked to rank services that could be offered in the future by the farm supply or marketing firms. From the ranking developed, the desire to have relevant, current information was evident. The four highest ranking services were a daily broadcast of markets, a specialist in all areas, hot line for instant news to the farmer and a market advice service. All four services would imply a desire for knowledge and information that would directly affect their operation. Contrasted to this is the limited importance of branching into diverse and unrelated areas.

Quality of products, competitive prices, and quality of service all ranked high in importance to the respondents. The rating of these items along with the various other services and practices would be consistent with a profit maximizing goal. Farmers will seek quality products since poor products (inputs) can be costly in terms of time and money. For example, poor seed may not maximize yields, thereby costing the farmer potential revenue.

The high ranking of competitive prices and services suggests the profit maximizing goal also. Competitive prices can be interpreted as competitively low input prices and competitively high prices for the sale of farm produce, thus maximizing returns while minimizing cost. Poor service can cost farmers valuable time, especially during rush seasons.

Quality products, good service and competitive prices together can maximize the benefits to farmers from patronizing either a farm supply or grain marketing firm. The response to these questions would appear consistent with the expected behavior of an individual firm in an attempt to maximize profits.

The respondent's desire for information as indicated in the last part of this chapter follows the profit maximizing behavior of individual farmers. With current information farmers may be able to increase productivity by improving the methods of production. Farmers may also be able to time sales and purchases to receive the greatest benefit.

CHAPTER III

PRACTICES, CHARACTERISTICS AND ACTIONS INFLUENCING THE FARM RESPONDENT'S DECISION OF WHOM TO PATRONIZE

Specific practices, characteristics and actions can influence the farm respondent's choice of a marketing or farm supply firm. This chapter discusses items that influence the farm patron's decision of where to do business. Specific areas of possible influence considered in Chapter III include: the effect of management's attitudes and actions, the effect of neighbors' choice of business firms, the impact of rumors, the attitude towards the size of the firms, the convenience of doing business with a particular firm, and the influence of the availability of credit and discount.

The Effect of Management and Employees

Very little is known about the degree of influence of the actions and attitudes of management and employees in attracting or discouraging customers. Several questions were asked concerning management's actions and the personalities of the manager and employees as seen by their customers. An attempt was made to determine the importance of management's actions and the personalities of both the employees and manager as they would influence the various respondents.

Six questions asked dealing with this are:

1. Does management's political activity influence where you do business?
2. Does the management's regular participation in religious

- activities affect your desire to do business with the firm?
3. Would the knowledge that the management never participated in any religious activity affect your desire to do business with the firm?
 4. Does sponsorship of or participation in sports activities influence who gets your business?
 5. How do you rate the importance of the personality of the manager?
 6. How do you rate the importance of the employees' personalities?

Management's activity does have an effect on some of the respondents. The results of the survey for each question were examined according to the age of the respondent, size of the operation, and location of the farm.

The first question concerning management's activities was "DOES MANAGEMENT'S POLITICAL ACTIVITY INFLUENCE WHERE YOU DO BUSINESS?" Farmers were given a choice of responses concerning the amount of influence. The possible answers to the question indicating degrees of influence were considerable, some, none and negatively. Table III-1 indicates the response to the question. It is evident that the political activity of the management does not affect a majority of the farm patrons.

Division of the respondents was made by age of respondent, location of farms and size of the operation. As shown in Appendix B, 7.5 percent of the respondents over fifty-five indicated that the political activity had considerable effect. Contrasted to this, 2.2 percent of

Table III-1. DOES MANAGEMENT'S POLITICAL ACTIVITY INFLUENCE WHERE YOU DO BUSINESS?

RESPONSE	NUMBER	PERCENT
Considerable	38	4.8
Some	227	28.5
None	470	59.0
Negatively	49	6.2
No Response	12	1.5
TOTAL	796	100.0

the under thirty-five respondents said that it would have a considerable effect. In the over fifty-five age group, 7.5 percent said that political activity would affect them negatively, while 4.5 percent of the under thirty-five group responded in the same manner. The over fifty-five group has a consistently lower percentage answering the question with a "none" response than the under thirty-five group. Thus, there does appear to be some difference between the two age groups. The younger respondents seem less influenced by the management's political activity than the older group. The thirty-five to fifty-five age bracket has approximately the same percentage for each response as the overall group of respondents. The largest variations in the responses were between the two most extreme age groups, the under thirty-five and over fifty-five divisions.

The response to the political activity of the management was divided into five categories according to the average annual sales of

the farm respondents. Table B-1b of Appendix B contains the percentages divided according to the average size of sales. A majority of the respondents in all groups indicated no influence from political activity. There were some variations between subdivisions. For example, 7.1 percent of the under \$10,000 and \$10-25,000 groups indicated considerable influence, while only 2.5 and 2.9 percent of the \$50-100,000 and over \$100,000 groups, respectively, had the same response. Of those answering that political activity of the management has a negative influence, the 11.9 percent figure for the under \$10,000 group was the largest response.

The respondents were also categorized according to the location of their farming operation. The five categories were southeastern South Dakota, northeastern South Dakota, northwestern South Dakota, southwestern South Dakota and Montana. The results subdivided by location can be found in Appendix B. Over 50 percent of all the South Dakota groups answered that the political activity had no influence. However, only 22.5 percent of the Montana section indicated no influence. In the group from Montana 75.0 percent said there would be some influence. This would imply that at least to this particular group of Montana farmers the political activity of the management has more influence on their decision of where to shop or sell their grain than to the South Dakota respondents.

The next question asked on the survey was "DOES THE MANAGEMENT'S REGULAR PARTICIPATION IN RELIGIOUS ACTIVITIES INFLUENCE WHERE YOU DO BUSINESS?" The alternatives given the respondents were considerable, some, none and negative. Table III-2 contains the results to the

Table III-2. DOES THE MANAGEMENT'S REGULAR PARTICIPATION IN RELIGIOUS ACTIVITIES INFLUENCE WHERE YOU DO BUSINESS?

RESPONSE	NUMBER	PERCENT ^a
Considerable	65	8.2
Some	248	31.2
None	441	55.4
Negatively	36	4.5
No Response	6	0.8
TOTAL	796	100.0

^aTotal may not equal 100 due to rounding.

question. Over one-half of the respondents indicated that the regular participation in religious activities had no influence on their decision of where to do business.

Approximately fifty percent of the respondents in each of the subdivisions by the age of the respondent, location of the farm and size of the operation, indicated that there was no influence from the management's participation in religious activities. However, there were some variations between age groups. Approximately 42.5 percent of the over fifty-five age group indicated considerable or some influence as compared to only 26.8 percent by the under thirty-five age group. The younger respondents seem influenced less than the older age groups. A response of considerable and some can be viewed as positive influence since a choice of negative is given. The overall results can

be found in Table B-2a of Appendix B. The subdivision by size and location can be found in Tables B-2b and B-2c in Appendix B, respectively.

"WOULD THE KNOWLEDGE THAT THE MANAGEMENT NEVER PARTICIPATED IN ANY RELIGIOUS ACTIVITIES AFFECT YOUR DESIRE TO DO BUSINESS WITH THE FIRM?" was also asked. The respondents again had the choice of considerable, some, none, and negative as answers. Table III-3 shows the numbers responding in each manner and the percentage of the total of 796 producers. From the information in the table, 46.5 percent or 370 out of 796 answered that never participating in religious activities would not affect them, 7.8 percent indicated that the effect would be considerable, 38.1 percent or 303 of the farm people said that it would have some effect while 7.0 percent indicated a negative influence. Less than half indicated no effect and a little over half answered in a manner implying that the management's lack of participation in religious activities would in some way affect their desire to do business with the firm.

The under thirty-five age group appears to be influenced less than either the thirty-five to fifty-five or over fifty-five age group (Table B-3a, Appendix B). Approximately 62.1 percent of the under thirty-five age group answered that they were not influenced as compared to 39.5 and 41.4 percent for the older groups respectively. The lack of participation in religious activities appears to have less effect on the younger respondents in their decision of where to shop than the older age groups.

TABLE III-3. WOULD THE KNOWLEDGE THAT THE MANAGEMENT NEVER PARTICIPATED IN ANY RELIGIOUS ACTIVITIES AFFECT YOUR DESIRE TO DO BUSINESS WITH THE FIRM?

RESPONSE	NUMBER	PERCENT
Considerable	62	7.8
Some	303	38.1
None	370	46.5
Negatively	56	7.0
No Response	5	0.6
TOTAL	796	100.0

A summary showing the response to the question divided into groups according to the size of the operation and location of the firm can be found in Appendix B.

In comparing responses to this question with the previous question it appears that farmers would be influenced more by the lack of participation in religious activities. More respondents indicated a negative effect from no participation in religious activities versus regular involvement by management.

Another area of management's activities includes the sponsorship and/or participation in sports events. The question asked in the survey concerning this was: "DOES SPONSORSHIP OR PARTICIPATION IN SPORTS EVENTS INFLUENCE WHO GETS YOUR BUSINESS?" The response to the question for the group as a whole are presented in Table III-4. It is apparent that the sponsorship of or participation in sports activities does not have a great influence on the farm respondents.

TABLE III-4. DOES THE SPONSORSHIP OR PARTICIPATION IN SPORTS ACTIVITIES INFLUENCE WHO GETS YOUR BUSINESS?

RESPONSE	NUMBER	PERCENT
Considerable	9	1.1
Some	151	19.0
None	578	72.6
Negatively	51	6.4
No Response	7	0.9
TOTAL	796	100.0

Approximately 72.6 percent or 578 of 796 respondents said the sponsorship of sports activities had no influence on their decision. Therefore, the participation in or sponsorship of sports activities would have little influence on an individual's choice of where to do business.

There seemed to be little difference in responses between groups when divided by age of respondent, location of the farm and size of the operation. Over 65 percent of each subgroup said that sponsorship or participation in sports had no influence on their decision of who gets their business. The response to this was very definite. The results by subdivision can be found in Appendix B.

Questions rating the importance of the personalities of the manager and employees were found in Section A, question one of the survey. The respondents were asked to rate the factors on importance. The alternatives given the producer respondents were very important, moderately important, slightly important and no importance. The rating of the PERSONALITY OF THE MANAGER will be examined first.

A total of 43.3 percent of the farmers said the manager's personality was very important (Table III-5), while 40.8 percent of the respondents indicated moderate importance, and 11.7 percent thought it was slightly important. Only 2.4 percent said the manager's personality had no importance to them when choosing a place of business. The personality of the manager appears important to a large segment of the responding farmers.

TABLE III-5. FARM PATRONS' RATING ON THE IMPORTANCE OF THE PERSONALITY OF THE MANAGER.

RESPONSE	NUMBER	PERCENT
Very important	345	43.3
Moderate importance	325	40.8
Slightly important	93	11.7
No importance	19	2.4
No response	14	1.8
TOTAL	796	100.0

Subdivisions by age, size, and location resulted in approximately the same results as the total. The results divided by groups are located in Appendix B. A strong majority of all groups indicated that the manager's personality was of moderate to high importance. This is shown in the determination of means discussed in the previous chapter. The personality of the manager had a mean of 1.726. A low mean value indicates high importance. This factor ranked tenth among the thirty-two factors rated in section A, question one of the survey.

The personality of the manager can affect a customer's decision of whether or not to return to do business. Who gets the farmer's trade can also be influenced by the personalities of the employees. This was covered by another part of question one.

The PERSONALITIES OF THE EMPLOYEES were rated according to the importance in influencing a farmer's patronage. The means calculated for this are found in Table II-1. Employees' personalities had a mean of 1.764 indicating the importance to the customer is moderate to high. In the ranking in the previous chapter the personalities of the employees ranked eleventh. This indicates the influence that the employees' personalities can have on a customer's decision of where to shop.

The results of rating the personalities of the employees are presented in Table III-6. The choices given the respondents included various degrees of importance which were very, moderately, and slightly important and the fourth alternative of no importance. Of those responding 39.9 indicated the employees' personalities were very important, 43.6 percent said that it was at least moderately important, and the slightly important category gained the response of 103 farmers or 12.9 percent. Only 1.9 percent said that it had no importance in making their decision.

The response appears to be fairly consistent throughout the subdivisions. The response divided according to the age of respondent, size of annual sales and location can be found in Appendix B.

The personalities of the people the customers work with seems to

TABLE III-6. THE FARM PATRONS' RATING ON THE IMPORTANCE OF THE PERSONALITY OF THE EMPLOYEES.

RESPONSE	NUMBER	PERCENT
Very important	318	39.9
Moderate importance	347	43.6
Slightly important	103	12.9
No importance	15	1.9
No response	13	1.6
TOTAL	796	100.0 ^a

^aTotal may not equal 100 due to rounding.

have significant influence on a farmer's decision of where to buy farm supplies and market grain. This is evidenced by the overwhelming response rating the personalities of the manager and employees either moderate or high in importance.

Specific activities, such as participation or lack of participation in religious activities, sponsorship or participation in sports and participation in politics do not seem to have a great influence on the farm respondent's choice of a place of business. Approximately one-half of the respondents indicated that these actions had no effect on their decisions of where to shop. The individuals themselves and their personalities have a greater effect on the farmer's choice of a business firm than a specific activity.

The people working at the business establishment are very important to the customers they serve. Some of the comments added to the

first question pertained to the employees. Besides spending more money to get qualified help, the farmers wanted a good working relationship between the manager and employees. One of the respondents also mentioned that the business should not have a constant turnover of employees because it was good to know the people that they dealt with. From these comments, although only one individual wrote each one, it is evident that the quality of the employees is important to the people they serve.

The management and employees of a firm can be a determining factor in who will get the farm people's business. Without customers a business cannot succeed. Therefore, it is important that the influence of the employees be a major consideration when hiring new employees.

Neighbors' Actions and Rumors

What neighbors and friends do and/or say can often affect our own decisions. Two questions in the survey were designed to test the degree of influence neighbors might have as to where the farmer does business.

One question asked was, "DOES THE IMPRESSION THAT MANY PEOPLE IN YOUR AREA DO BUSINESS AT A CERTAIN PLACE INFLUENCE YOU TO DO BUSINESS THERE?" The other question tested the reaction to rumors about a business establishment's financial position. That question was "IF YOU HEAR A RUMOR THAT A PLACE WHERE YOU DO BUSINESS IS HAVING GREAT FINANCIAL DIFFICULTY, WHAT INFLUENCE WOULD THAT HAVE ON YOU?" Each question and the response to it will be examined separately in this

section.

The first question concerned the influence of neighbors' actions. The alternatives given the respondents concerning the amount of influence were: considerable, some, none, and negative. From Table III-7 it is apparent that where a neighbor does business has an effect on the decision to patronize that establishment.

TABLE III-7. DOES THE IMPRESSION THAT MANY PEOPLE IN YOUR AREA DO BUSINESS AT A CERTAIN PLACE INFLUENCE YOU TO DO BUSINESS THERE?

RESPONSE	NUMBER	PERCENT
Considerable	65	8.2
Some	410	51.5
None	294	36.9
Negatively	23	2.9
No response	4	0.5
TOTAL	796	100.0

Over one-half of the respondents are affected in some way by their neighbors' actions. Of those responding to this specific question, about 60 percent indicated considerable or some influence in their decision to do business at the same firm as their neighbors, while a very small portion indicated a negative response. Only about 36.9 percent said there was no influence on their decision. Therefore the actions of the neighbors do appear to affect the decision of many consumers of where to do business.

From the response to the previous question it appears that neighbors do influence the customer's decision of where to shop. What a neighbor says, especially rumors, may also affect the farm person's choice of a place of business. This may be especially true regarding the financial position of the firm. The respondents completing the questionnaire were asked: "IF YOU HEAR A RUMOR THAT A PLACE WHERE YOU DO BUSINESS IS HAVING GREAT FINANCIAL DIFFICULTY, WHAT INFLUENCE WOULD THAT HAVE ON YOU?" The choices for answering were: make me more loyal, make me look to other places of business, and no effect at all. Table III-8 contains the results to this question. A total of 24.0 percent of the respondents said that it would make them more loyal, 33.8 percent said that they would look to other places of business, and 36.7 percent indicated that the rumors would not affect them.

A variety of comments or qualifying remarks were added by the respondents. Many dealt with finding out why there was difficulty and being cautious in the dealings with the business firm. The number of qualifying remarks to this question indicates that many people want to know "why," before making a judgement in staying with or leaving a business because of a rumored difficulty. However, it is difficult to determine from the response whether customers would look for an alternative outlet if something happened but remain loyal until something actually occurred. On the other hand, the customer might look for another place and change business establishments immediately. The actions of neighbors and rumors about a firm's financial difficulty do influence the farmer's decision of where to do their business. Many of the respondents, upon hearing a rumor, indicated they would try to

TABLE III-8. IF YOU HEAR A RUMOR THAT A PLACE WHERE YOU DO BUSINESS IS HAVING GREAT FINANCIAL DIFFICULTY, WHAT INFLUENCE WOULD THAT HAVE ON YOU?

RESPONSE	NUMBER	PERCENT
Make me more loyal	191	24.0
Make me look to other places of business	269	33.8
No effect at all	292	36.7
No response	44	5.5
TOTAL	796	100.0

find out what caused the problem.

There are some variations in the response when divided according to age, size and location. The youngest age group (under 35) had the greatest percentage of responses indicating that they would not be affected. This group also had the lowest percentage responding that they would be more loyal or that they would look to other places of business. The oldest group (over fifty-five) had the largest percentage for each of the responses, "make me more loyal" and "look to another place of business." They also had the lowest percentage indicating no effect. These results can be found in Appendix B.

When divided according to location of the farm it is interesting to note that in the Montana group an equal percentage responded to each choice (Appendix B). A larger percentage (42.4) of the farmers from southwestern South Dakota indicated that they were not affected by rumors than any group. The results to the question when divided

according to income or average annual sales can also be found in Appendix B.

Size of Business Firm

The size of the firm can be an influencing factor in a farmer's decision of whom to patronize. A smaller firm may tend to indicate personalized and possibly better service. Compared with this, some people believe that a firm must become larger and expand its territory to remain competitive. One question in the survey was intended to test for any preference of a smaller, personal firm. The respondent's view of the necessity to expand in order to remain competitive was also examined.

Many people prefer a more personal business to a larger one. This is substantiated in the response to the question "DO YOU TEND TO FAVOR A SMALL PERSONAL BUSINESS TO A LARGE BUSINESS PLACE?" The response possibilities were yes or no. The results of the total response to the question are presented in Table III-9.

TABLE III-9. DO YOU TEND TO FAVOR A SMALL PERSONAL BUSINESS TO A LARGE BUSINESS PLACE?

RESPONSE	NUMBER	PERCENT
Yes	528	66.3
No	240	30.2
No response	28	3.5
TOTAL	796	100.0

From the table, it can be noted that the smaller, more personal business was preferred about twice as often as not, as 66.3 percent or 528 of the 796 farm people responded that they favored the small personal business. Only 30.2 percent said they did not favor the small business. The small personal business seemed to overshadow the larger one as the preference of those responding to the survey. The size of the firm does seem important and appears to be an influence in the decision to do business with a particular firm when there are more than one to choose from.

The response to this question may be influenced by an implicit assumption that a smaller business means better or at least more personalized service. If this influenced the response then it would again reinforce the importance of service to the farm people. A substantial majority of the respondents indicated a preference for smaller personal firms. The size of a business establishment appears to influence the decision of where the farm people shop.

Responses divided into groups according to the age of the respondent, size of the operation and location of the farm can be found in Appendix B. A substantial majority of each subdivision indicated a preference to the smaller personal firm.

The influence of size can be seen in another question of the survey. The necessity of a firm to grow and to increase the trade territory to remain competitive was also questioned. There seems to be a belief by many that a business must get larger to survive. The respondents to this survey did not seem to agree. The participants were asked "DO YOU BELIEVE IN ORDER TO REMAIN COMPETITIVE FARM SUPPLY AND

MARKETING CONCERNS MUST BECOME LARGER AND WITH AN INCREASED TRADE TERRITORY?" The response possibilities were either yes or no. The results to this question of the survey can be found in Table III-10. Of the 796 respondents, 54.6 percent answered no to the above question indicating that they do not feel a firm must become larger to remain competitive.

TABLE III-10. DO YOU BELIEVE IN ORDER TO REMAIN COMPETITIVE FARM SUPPLY AND MARKETING CONCERNS MUST BECOME LARGER, AND WITH AN INCREASED TRADE TERRITORY?

RESPONSE	NUMBER	PERCENT
Yes	333	41.8
No	435	54.6
No response	28	3.5
TOTAL	796	100.0 ^a

^aTotal may not equal 100 due to rounding.

The tables containing the subdivisions on the basis of age of the respondent, size of operation and location of the farm are found in Appendix B. Over fifty percent of each subdivision with the exception of the Montana respondents, indicated that they did not think a farm supply or marketing firm needed to grow to remain competitive.

The smaller firm appears to be desirable to the respondents as indicated by the response to both of the previous questions. However, the smaller firm may be small because farmers take their business to the larger firm. If farmers patronized the smaller firm then it would

grow. Thus the response may be what the respondents believe is idealistic but may not be the actual situation.

Convenience

Previous sections of this chapter have examined the influence of such factors as the size of the firm and neighbors' patronage of a firm have on the respondent's decision of where to shop. One factor which may seem obvious is the convenience of the firm. Convenience may have several different meanings. Two possibilities were included in the study. The first approach was the convenience because of the firm's location which could include distance from the farm. A second approach would be to evaluate convenience in terms of concentration of several services in one firm. For example, the purchase of farm supplies and the marketing of farm products at one firm could also be viewed as convenience.

CONVENIENCE OF THE LOCATION was important to a majority of the respondents. This question was asked in Section A, part one of the survey. The alternatives available for rating the importance of the factor were: very important, moderately important, slightly important and no importance. The results are included in Table III-11. A total of 38.4 percent of the respondents indicated the convenience of the location was very important to a farmer's decision of where to shop. The convenience of location was of moderate importance to 39.9 percent of those responding, while another 16.5 percent said this was of slight importance.

A majority of the respondents thought that a convenient

TABLE III-11. THE IMPORTANCE OF THE CONVENIENCE OF LOCATION AS RATED BY THE FARM RESPONDENTS.

RESPONSE	NUMBER	PERCENT
Very important	306	38.4
Moderate importance	318	39.9
Slightly important	131	16.5
No importance	25	3.1
No response	16	2.0
TOTAL	796	100.0 ^a

^aTotal may not equal 100 due to rounding.

location was of at least moderate to high importance. The response by the various subdivisions were fairly consistent to the total response. When the total group was divided according to age, size of operation and location of farm, each division had over fifty percent of the respondents indicating moderate or high importance. Tables containing the subdivisions can be found in Appendix B.

Convenience can be considered more than just a handy location. One other possibility was covered in the questionnaire. The question was "DO YOU GIVE A COMPANY YOUR FARM SUPPLY BUSINESS BECAUSE IT ALSO DOES YOUR MARKETING AND VICE-VERSA?" Using one firm for both the purchase of farm supplies and the marketing of farm products was found to be desirable or important to some of the farm respondents but not to a majority. The results to this question can be found in Table III-12. The possible responses were yes and no. Only 23.6 percent of the

respondents said they gave their farm supply business to one firm because it also did their grain marketing or vice-versa, while 74.7 percent answered the question with a no. The subdivisions by age of the respondent, size of average annual sales and location of operation did not reveal any major differences between groups. The tables showing the response according to the various groupings can be found in Appendix B.

TABLE III-12. DO YOU GIVE A COMPANY YOUR FARM SUPPLY BUSINESS BECAUSE IT ALSO DOES YOUR MARKETING AND VICE-VERSA?

RESPONSE	NUMBER	PERCENT
Yes	188	23.6
No	595	74.7
No response	13	1.6
TOTAL	796	100.0 ^a

^aTotal may not equal 100 due to rounding.

The convenience of using one firm for both services does not appear to be of the highest importance with only 23.6 percent doing business at the single firm for that reason. Today's mobility allows farmers the opportunity to do business at more than one firm rather than using one for farm supplies because it does their marketing or vice-versa. This type of convenience does not appear to be of the greatest importance to today's farm people, and may not be a major influence.

A business firm's location is important to farm respondents in

choosing an establishment. However, the convenience of using one business for both farm supply and marketing does not appear to be a major factor in choosing a business establishment.

Credit and Discounts

At a time when the farming operation is more dependent on off-the-farm inputs, the availability of credit or the possibility of discounts can have an impact on the farmer's success. In many cases the recent drought has made the availability of credit necessary to keep the operation going. Five factors related to credits and discounts were included in the first section of the questionnaire. They were the availability of credit, an interest-free credit time period, cash and carry discounts, discounts for cash payments and discounts for volume purchases. All five were rated by the respondents according to their importance, with the possible choices being: very, moderately, or slightly important and no importance.

The availability of credit is very important to many of the farmers as noted by the fact that 58.5 percent of the respondents indicated either moderate or high importance. However, the availability of credit did not receive the overwhelming response as did some of the other factors which might affect a farmer's decision of where to shop. This can be seen in the calculated mean of 2.267. This value would signify something less than moderate importance to the group as a whole.

When the response was divided by the characteristics of age of respondent, size of average annual sales, and location of operation there were some variations in response. The under thirty-five group

TABLE III-13. FARM RESPONDENTS' RATING ON THE IMPORTANCE OF THE AVAILABILITY OF CREDIT.

RESPONSE	NUMBER	PERCENT
Very important	250	31.4
Moderate importance	216	27.1
Slightly important	168	21.1
No importance	145	18.2
No response	17	2.1
TOTAL	796	100.0 ^a

^aTotal may not equal 100 due to rounding

indicated the availability of credit was more important than did the two older groupings. The respondents with smaller operations appeared to place more emphasis on credit than the higher income groups. The respondents from northwestern South Dakota also rated the availability of credit very high. Montana and southeastern respondents had the lowest percentages rating credit availability "very important" with 25 and 27 percent, respectively (Appendix B).

Because of the importance of the availability of credit, an interest-free credit time period is also of importance to farmer patrons. As in the availability of credit, the choices were the four degrees of importance. The results are found in Table III-14. Of the 796 respondents 260 said that the interest free time period was very important. A total of 28.9 percent indicated that this was of moderate importance, 18.7 percent thought it to be slightly important and 17.5 percent said there was no importance to this.

TABLE III-14. THE IMPORTANCE OF AN INTEREST FREE CREDIT TIME PERIOD AS RATED BY RESPONDING FARM PEOPLE.

RESPONSE	NUMBER	PERCENT
Very important	260	32.7
Moderate importance	230	28.9
Slightly important	149	18.7
No importance	139	17.5
No response	18	2.3
TOTAL	796	100.0 ^a

^aTotal may not equal 100 due to rounding.

The calculated mean of this practice was 2.215. This again would suggest a level below moderate importance, although over 60 percent did say that the interest-free credit period was moderately or very important.

The interest-free credit time period has more importance to the respondents than the availability of credit. The initial period without interest charged may make this more attractive than just the extension of credit. Therefore, the interest-free time period would be expected to have a lower calculated mean than the availability of credit.

When the respondents were divided by age, average sales, and location of the farm, the under thirty-five age group and the lower income groups placed the most importance on the interest-free time period for credit. The results separated into these classifications can be found in Appendix B.

The availability of credit and an interest-free period of credit are important and can influence a consumer when choosing a place of business. However, cash and carry discounts have a larger proportion of the respondents indicating that it is very important in choosing a place of business.

The response to the rating of the cash and carry discounts are contained in Table III-15. A total of 40.7 percent of the 796 respondents said this was very important to them when choosing a farm supply or grain marketing firm. Moderate importance was the response of 36.6 percent of the respondents, 13.7 percent indicated that a cash and carry discount was of slight importance, and 6.9 percent indicated the factor was of no importance in the determination of a firm.

TABLE III-15. CASH AND CARRY DISCOUNTS RATED BY IMPORTANCE IN INFLUENCING THE SELECTION OF A BUSINESS FIRM.

RESPONSE	NUMBER	PERCENT
Very important	324	40.7
Moderate importance	291	36.6
Slightly important	109	13.7
No importance	55	6.9
No response	17	2.1
TOTAL	796	100.0

Over three-fourths of the farm respondents thought a cash and carry discount was very or moderately important influence in their decision of where to shop. Cash and carry discounts with a lower

calculated mean (1.865) than the availability of credit appear to be more important to the entire group. Farm people appear to be influenced more by a cash and carry discount than the extension of credit. The saving of money would appear to carry significant weight in the farmers' decision.

The response was again divided according to the age of the respondent, size of average annual sales and location of the farm. There were some variations in response with the most predominant between groups divided by age and sales. The two oldest age groups had a greater percentage who rated cash and carry discounts as very important than the under thirty-five age group. The groups with the smaller annual sales had a greater percentage indicate that the cash and carry discount was "very important" than the respondents with the larger operations. Tables containing these results can be found in Appendix B.

Like the cash and carry discount, a discount for cash payments is very important. The difference between the two discounts is in the amount of service received. Unlike a cash and carry discount, a discount for cash payment does not mean a sacrifice in services. The discount for cash payments was rated by importance in the first question on the survey. Table III-16 contains the results of this rating. "Very important" and "moderately important" responses accounted for 88.0 percent of the 796 respondents.

The calculated mean for this factor was 1.610. The mean is low, indicating fairly high importance to those rating this practice. The discount for cash payment is important to the respondents.

Like that for the cash and carry transaction, it appears to have greater importance to the farmer respondents than credit.

TABLE III-16. DISCOUNT FOR CASH PAYMENT

RESPONSE	NUMBER	PERCENT
Very important	416	52.3
Moderate importance	276	34.7
Slightly important	64	8.0
No importance	24	3.0
No response	16	2.0
TOTAL	796	100.0

A discount for volume purchases could be important to many of the producer respondents and maybe particularly to the larger operators. This factor was rated in the first question of the survey. The results are shown in Table III-17. Responses of very or moderately important account for 74.4 percent of the 796 respondents and would explain the mean of 1.972 obtained in Chapter II. Such a value would indicate that discounts for volume purchases are at least of moderate importance to the group of respondents as a whole. Since only approximately one-fourth of the producers did respond in a manner other than indicating moderate or high importance.

When the respondents were divided into groups according to age of the respondent, size of annual sales and location of the farm there were some differences between groups. The over fifty-five age group

TABLE III-17. FARM RESPONDENTS' RATING OF DISCOUNTS FOR VOLUME PURCHASES ACCORDING TO THE IMPORTANCE IN THE SELECTION OF A BUSINESS FIRM.

RESPONSE	NUMBER	PERCENT
Very important	308	38.7
Moderate importance	284	35.7
Slightly important	119	14.9
No importance	64	8.0
No response	21	2.6
TOTAL	796	100.0 ^a

^aTotal may not equal 100 due to rounding.

had the largest percentage of the three age groups indicating that a discount for cash payment was "very important." However, the combined percentages for answers of "very important" and "moderately important" were approximately equal for all three age groups. The subdivisions by size resulted in over three-fourths of each group answering either "very important" or "moderately important." The Montana group had a lowest percentage of all groups divided by location indicating the discount for cash payment was very important. However, over 80 percent of each of the groups rated the discount for cash payment moderately or very important. The table containing the answers to the questions according to the subdivisions can be found in Appendix B.

Discounts for volume purchases do have an influence on the respondent's decision of where to buy farm supplies or market their farm products. It is something that is considered by many of the

respondents when making the decision of whom to patronize.

The response rating the importance of a discount for volume purchases was divided according to the age of the respondent, size of average annual sales and location of the farm. A discount for volume purchases appears to be the most important to the youngest respondents. Approximately 42.4 percent indicated a discount for volume purchases was very important. Also, the respondents with over \$100,000 in annual sales had a greater percentage (53.6) answering "very important" than did any of the other subdivisions by size of sales. When the respondents were divided by location, the respondents in northwestern South Dakota had the largest percentage (50.9) indicating a volume discount is "very important." The tables containing the response according to the subdivisions can be found in Appendix B.

All of the factors examined in this section were included in the first question of section A of the survey. The factors lend themselves to direct comparison because of the choices for rating given to the respondents. The availability of credit, interest free period of credit, discounts for cash payments, cash and carry discounts, and discounts for volume purchases all carry a relatively high degree of importance to the respondents. A majority of the respondents indicated that these practices were either moderately or very important in the decision of where to do business.

Aside from the consistently high rating of these factors, a comparison can be made between them. While the availability of credit and interest-free credit are both important to the customer the

possibility of discounts for volume or cash purchases do receive a greater proportion of high ratings. The means are lower for the factors relating to discounts than for those concerning credit. The possibility of receiving a discount for cash or volume purchases appears to be more desirable and more important than being able to receive credit.

Summary

The influence which various factors and services have on the choice of a marketing or farm supply firm were examined in this chapter. Specific actions and activities were examined as they would affect the decisions of where to shop. The areas covered in this chapter were: managements' and employees' attitudes and actions, neighbors' actions and rumors, size of the firm, convenience of the firm, and credit and discounts.

Management's participation in political, religious, or sports activities do not influence the farmer's decision of whom to patronize as much as the personalities of the manager and employees. The managers and employees themselves do affect the decision more than specific actions.

Where the neighbors shop does have an influence on the responding producers. Rumors about the firm's financial difficulty does affect the farm people in some way. Many of the respondents are concerned about the reason for the difficulty. The respondents did indicate some influence by the neighbors' choice of a business firm or the rumors about the firm.

The size of the firm can be a factor in the determination of the choice of a place of business. The preference of the farmers appears to be for a smaller, more personal firm. However, this may not be realistic since the larger firm is large because of the amount of actual patronage by farmers.

The convenience of the firm's location does have an impact on where to do business. Using one firm for both farm supplies and marketing of farm products is not a reason for patronizing one firm, as less than one-fourth of the respondents gave an affirmative response to this factor.

Credit and discount are very important in the decision of where to do business. Over one-half of the respondents indicated that credit and the various types of discounts were either very or moderately important. The discounts for cash and carry purchases, volume purchases, and cash payments are more important than the availability of credit or an interest-free credit period.

Many practices, services, and other items do affect farmers' decisions of where to do business. These include the personalities of the manager and employees; neighbors' patronage of the firm; rumors regarding the financial difficulty of a firm; size of the firm; convenience of the firm and the availability of credit and various discounts. These all enter into the total decision making process and are worthy of examination by agri-business firms.

CHAPTER IV

ATTITUDES TOWARD COOPERATIVES AND COOPERATIVE REFUNDS

Farmers in early stages of agricultural development found that through cooperation it was possible to accomplish things otherwise difficult. The idea of self-help and mutual benefit can be seen behind the cooperative movement.

A cooperative can be defined as "a business voluntarily owned and controlled by its member-patrons and operated for them on a non-profit or cost basis."¹ Cooperatives, because of their organization, are most successful when formed in response to a mutual interest or an economic need. This common interest does serve as a motive for success.

The activities of cooperatives are varied ranging from marketing farm products and supplying inputs for farm operations to the provision of electrical power and telephone services, the granting of credit and selling products at retail.² This chapter is concerned specifically with farm supply and marketing cooperatives.

The purpose of a farm cooperative is to serve the farmer in the best possible way and improve the economic well being of individual members. The cooperative can try to increase the return from the sale of farm produce, decrease the cost of inputs to the members or offer new

¹Richard L. Kohls and W. David Downey, Marketing of Agricultural Products, 4th ed. (New York: Macmillan Publishing Co., Inc., 1972), pp. 207-8.

²Calvin A. Kent and Dale Bails, State Taxation of Cooperative Enterprises, (Vermillion, S.D.: Business Research Bureau, 1970) p.1.

or improved services to the members.³ A successful cooperative must accomplish one or more of these three goals or it will not be offering members anything different from the independent firms.

The structure of the cooperative is different from that of other business organizations. The member-patrons are the owners of the company and do have control over the firm through an elected board of directors. The ownership of a cooperative is voluntary like that of the corporate investors.

The principle used in cooperatives for control is "one member-one vote." The board of directors makes decisions regarding the operation of the firm. With many of the patrons also members there are some advantages but also some limitations. For example, it may be difficult for the board of directors to make decisions which benefit the firm as a whole but may hurt some of the members. The emphasis is on membership control as compared to another corporation with many owners having little or no influence on the decisions made and the corporation is an autonomous entity unlike the cooperative.

The member-owners have limited liability like the investors of other corporations. The firm also has the immortality enjoyed by corporations unlike individual proprietorships and partnerships.

Cooperatives are non-profit commercial activities organized to perform services and not to realize monetary gains as a separate legal entity. To retain the non-profit status the cooperative must distribute

³Kohls and Downey, p. 219.

all net margins or savings to patrons after deductions for operation and other lawful expenses.⁴ Without any profit retained by the firm the cooperative is not taxed on profits from the operation.

The cooperative, because of the refunds paid, recognizes the principle of proportionality, members share in the risks, financial obligations and benefits in proportion to the use they make of their organization. The returns or savings of the cooperative are distributed to members in the form of patronage refunds in proportion to the use they make of the association.⁵

Since a cooperative is non-profit, the margin is not taxed as corporate income and the tax liability falls on the individual recipients of the refunds. If equipment is needed the cooperative can defer part of the refund. However, there are legal requirements on the amount of the refund that the cooperative must pay in cash. The individual recipient is liable for the income tax on the entire declared refund. The member may actually have to pay out more money in tax than received from the cooperative. For example, if the cooperative member is in a 30 percent tax bracket and the cooperative only pays the required 20 percent of the earned refund in cash, then he would pay out more in tax in that year than received in cash from the cooperative. Thus the declaration of a refund may actually place a burden on the member. This tax liability is a realistic problem for some cooperatives and some

⁴Martin A. Abrahamsen, Cooperative Business Enterprise, (New York: McGraw-Hill Book Company, 1976) pp. 3-5.

⁵Abrahamsen, p. 5.

cooperative members.

The structure and peculiarities of a cooperative lead to unique and unusual problems. This chapter is devoted to some of these problems and/or areas of concern regarding cooperatives. One of these problems is related to the hired manager. Since the patrons are the owners of the company some considerations must be made to them. Paying the manager a large salary would appear to decrease the amount of potential refund. The first section of this chapter deals with the above problem. The results of the questions asked to determine the attitudes towards patronizing cooperatives as compared to independents will also be examined. The last part of the chapter is devoted to the farmers' attitudes towards patronage refunds. The deferment of refunds, repayment of deferred refunds, and the payment of interest on deferred refunds are all examined in this chapter.

Payment of the Manager's Salary

The net profit or savings of a cooperative belongs to the patrons and is distributed to them in the form of refunds based on patronage with the cooperative. Therefore, an increase in costs or decrease in profits directly affects the patrons. One possible increase in cost is the paying of a larger salary to keep a good manager. In this survey an attempt was made to measure the attitudes of respondents towards paying a good manager what it takes to keep him.

The question dealing with the payment of the manager on the survey is: "ARE YOU OF THE OPINION THAT A GOOD MANAGER WHO CONSISTENTLY IS ABLE TO SHOW SUBSTANTIAL PROFITS OR SAVINGS IS WORTH THE

SALARY IT TAKES TO KEEP HIM?" The response shown in Table IV-1 indicates an overwhelming positive response. This was expected since farmers are businessmen and, as such, a majority would be expected to respond positively. Respondents do indicate that it is important to keep a good manager even if it costs more in salary.

TABLE IV-1. ARE YOU OF THE OPINION THAT A GOOD MANAGER WHO CONSISTENTLY IS ABLE TO SHOW SUBSTANTIAL PROFIT OR SAVINGS IS WORTH THE SALARY IT TAKES TO KEEP HIM?

RESPONSE	NUMBER	PERCENT
Yes	697	87.6
No	75	9.4
No response	24	3.0
TOTAL	796	100.0

Cooperatives Versus Independents

An attempt was made to measure the attitudes of the respondents towards cooperatives because they are cooperatives. Also of interest was the respondents' reactions to cooperatives because of the potential refunds and the possible tax liability from deferred refunds. Cooperatives can attract business with the potential refund or discourage customers because of the possible tax liability of deferred refunds.

The first question asked to measure the attitudes of the farmers towards cooperatives was: "ASSUMING A COOPERATIVE AND INDEPENDENT OFFERED APPROXIMATELY THE SAME PRICE AND SERVICE, WOULD YOU CHOOSE THE COOPERATIVE BECAUSE IT WAS A COOPERATIVE?" Table IV-2 contains the results to this question. Over one-half of the respondents would not

shop at a given firm just because it was a cooperative.

TABLE IV-2. IF A COOPERATIVE AND AN INDEPENDENT OFFERED APPROXIMATELY THE SAME PRICE AND SERVICE (EXCLUDING REFUNDS) WOULD YOU CHOOSE THE COOPERATIVE BECAUSE IT WAS A COOPERATIVE?

RESPONSE	NUMBER	PERCENT
Yes	331	41.6
No	425	53.4
No response	40	5.0
TOTAL	796	100.0

The answers to the question indicate that cooperatives cannot depend on loyalty alone to get farmer patronage. The response seems to indicate that cooperatives must excel in service and/or price to attract the majority of farm customers.

From the subdivision according to age it appears that the younger respondents are not as loyal to the cooperatives as the older groups (Appendix B). Only 35.7 percent of the under thirty-five age group indicated they would choose the cooperative because it was one, compared to 42.7 percent for the thirty-five to fifty-five age group and 47.7 percent of the over fifty-five respondents. If this is true of all farm people and continues then it would indicate a decreasing loyalty from the farmers in the future.

On the basis of location, it seems that respondents in eastern South Dakota would more likely shop at a cooperative because it was one more than those in the western half of South Dakota or the respondents from Montana.

"IF A COOPERATIVE AND AN INDEPENDENT OFFERED APPROXIMATELY THE SAME IN PRICE AND SERVICE WOULD YOU CHOOSE THE COOPERATIVE FOR THE POTENTIAL REFUND?" The response to this question is shown in Table IV-3. Slightly more respondents would go to the cooperative because of the potential refund than would not. Evidently, the possibility of the refund does have some influence on where farmers shop.

TABLE IV-3. IF A COOPERATIVE AND AN INDEPENDENT OFFERED APPROXIMATELY THE SAME PRICE AND SERVICE (EXCLUDING REFUNDS) WOULD YOU CHOOSE THE COOPERATIVE FOR THE POTENTIAL REFUND?

RESPONSE	NUMBER	PERCENT
Yes	387	48.6
No	371	46.6
No response	38	4.8
TOTAL	796	100.0

The response to the question classified by age follows the trend of the total group fairly closely. When divided by size the potential refund appears to be less important to the groups with over \$100,000 in annual sales (37.0 percent). The \$50-100,000 group had the largest percentage (57.9) responding that they would choose the cooperative because of the potential refund. Division by location of the farm shows that the potential refund is an attracting factor to the largest percentage of northeastern South Dakota respondents (52.9). The Montana respondents had the lowest percentage (32.5) answering they would choose the cooperative for the potential refund. These results can be found in

Appendix B.

When asked, IF A COOPERATIVE AND AN INDEPENDENT OFFERED APPROXIMATELY THE SAME PRICE AND SERVICE WOULD YOU CHOOSE THE INDEPENDENT BECAUSE OF YOUR INCOME TAX LIABILITY ON THE COOPERATIVE'S DEFERRED PATRONAGE REFUNDS?, only 20 percent said yes. The results are found in Table IV-4. While about half of the respondents were influenced positively by the refunds, only 20 percent indicated a negative effect from the deferred refunds. The tax liability does not appear to have a large negative influence towards the patronizing of cooperatives.

The response classified by age of the respondent, size of the annual sales and location of the farm can be found in Appendix B.

The over 55 age group appears to be the least distracted by the possible tax liability with 17.2 percent saying they would shop the independent because of the tax liability of deferred cooperative refunds. Southeastern South Dakota had the largest percentage (23.8) indicating they would shop the independent. The other areas all had percentages under 20. When classified by size of the annual sales the tax liability appears to be the most important to the respondents with under \$10,000 and over \$100,000 in sales with 23.8 and 26.1, respectively, indicating they would choose the independent for that reason.

Deferment of Refunds

Because of the organization of the cooperative the member patrons share in the profits of the business. The net benefits and profits are divided among the members of the cooperative in proportion to the amount of patronage and distributed in the form of patronage

TABLE IV-4. IF A COOPERATIVE AND AN INDEPENDENT OFFERED APPROXIMATELY THE SAME PRICE AND SERVICE (EXCLUDING REFUNDS) WOULD YOU CHOOSE THE INDEPENDENT BECAUSE OF YOUR INCOME TAX LIABILITY ON THE COOPERATIVE'S DEFERRED PATRONAGE REFUNDS?

RESPONSE	NUMBER	PERCENT ^a
Yes	159	20.0
No	572	71.9
No response	65	8.2
TOTAL	796	100.0

^aThe total may not equal 100 due to rounding.

refunds. Federal law states that 20 percent of the refund must be paid in cash in the year declared. The remainder may be deferred if there is a need for new equipment or improvements. The deferred refunds then are distributed when the board of directors sees fit. There is no uniformity among cooperatives about when the balance of the refunds is paid to the farm patrons. Distribution of deferred refunds may be when cooperatives have the money, when someone retires or moves away from the community or is paid to the beneficiary or the estate.

The handling of the deferred refunds may be a controversial topic to many farmers. Through the questionnaire an attempt was made to determine the opinion of the farm people regarding the deferment of patronage refunds and alternatives for payment of the balance. The alternatives presented were (1) repayment to the farmer at retirement (age sixty-five) or (2) to a beneficiary or the estate. Both of these alternatives were approached using the assumption that no interest

would be paid on the deferred amount and then, assuming that interest would be paid.

The question concerning the deferment of loans was the first to be approached. Generally, farmers being businessmen themselves and wanting good service understand the need for business firms to buy needed equipment. For cooperatives the money for the equipment must come out of the money for patronage refunds. Therefore, it is sometimes necessary to defer part of the refunds. Most farmers are willing to defer their refunds if a cooperative needs new equipment. The results, as presented in Table IV-5, provide evidence that most of the farmers can understand the need to buy equipment and are satisfied with the situation.

TABLE IV-5. ARE YOU USUALLY SATISFIED TO DEFER PATRONAGE REFUNDS IF THE COOPERATIVE BUYS NEEDED EQUIPMENT?

RESPONSE	NUMBER	PERCENT
Yes	595	74.7
No	177	22.2
No response	24	3.0
TOTAL	796	100.0 ^a

^aTotal may not equal 100 due to rounding.

The response was divided according to the age of the respondent, size of operation and location of the farm. These tables can be found in Appendix B. There was some variation between the groups in response to this question. One difference in response of particular interest

would be between the three age groups. The under thirty-five group appears both less satisfied and more undecided about deferring refunds to buy needed equipment than the over fifty-five age group. The respondents between thirty-five and fifty-five are middle of the road with their yes-no response somewhere between the two extreme groupings. The Montana respondents were less satisfied with deferring refunds to buy needed equipment than the South Dakota respondents.

Distribution of Deferred Refunds

Cooperatives can defer refunds to buy needed equipment. One concern of many farmers is "when" they will receive the deferred refund. With prices and services similar to those of independents, the tax liability for cooperative refunds would suggest that the handling of deferred refunds is important. The questionnaire presented two different ways of handling the payment of the balance of the refunds. The alternatives were (1) payment either to the beneficiary or estate or (2) payment at the age of 65.

The first alternative method of handling deferred patronage refunds is to pay 20 percent in cash with the balance to be paid to a beneficiary or the estate of the member. This same alternative except with interest paid was also presented to the respondents. Response to the alternatives without interest can be found in Table IV-6, while the response to the alternative with interest is found in Table IV-7.

Interest on the deferred refunds paid to beneficiaries appears to increase the attractiveness of cooperative membership to the farm patron or increases the number that are satisfied with this handling of

the refunds. Even though an interest rate was not given, paying interest does make the arrangement more acceptable. This can be noted in the responses, as only 37.4 percent would be satisfied if no interest was paid and 60.3 percent if interest was paid on the deferred amount.

TABLE IV-6. WOULD YOU BE SATISFIED AS A COOPERATIVE MEMBER IF 20% OF YOUR REFUNDS WERE PAID IN CASH AND THE BALANCE TO YOUR BENEFICIARY OR ESTATE?

RESPONSE	NUMBER	PERCENT
Yes	298	37.4
No	448	56.3
No response	50	6.3
TOTAL	796	100.0

TABLE IV-7. WOULD YOU BE SATISFIED AS A COOPERATIVE MEMBER IF 20% OF YOUR REFUNDS WERE PAID IN CASH AND THE BALANCE TO YOUR BENEFICIARY OR ESTATE IF INTEREST WAS PAID ON THE DEFERRED AMOUNT OF THE REFUNDS?

RESPONSE	NUMBER	PERCENT
Yes	480	60.3
No	241	30.3
No response	75	9.4
TOTAL	796	100.0

There are some variations in the response when grouped according to characteristics. The response to these two questions classified by age of respondent, size of annual sales and location of the

farm can be found in Appendix B. When the response is divided according to the average annual sales of the respondent the group under \$10,000 had the largest positive response to both questions. When asked if repayment of deferred loans to the beneficiary was satisfactory 42.9 percent of the under \$10,000 group answered yes compared to 66.7 percent if interest is paid on the deferred amount. The response by the various age classifications follows the total response closely for both questions.

As an alternative to having the payment of deferred refunds made to a beneficiary or estate, the respondents were asked if they would be satisfied if, at age 65, their refunds were paid back either in full in one lump sum or in monthly installments. Again, the respondents were asked if they would be satisfied with the above arrangement if interest were paid on the deferred amount.

A summary of the response to these two questions can be found in Tables IV-8 and IV-9. Approximately three-fourths of the respondents said they would be satisfied with the refunds paid at age sixty-five. Slightly less, 72.5 percent, said they would be satisfied with this arrangement if interest were paid on the deferred amount. Some of the respondents answered yes to the first question and then did not respond to the second. This would possibly explain the variation in response between the two questions since the number answering no remained fairly constant.

Most of the respondents thought receiving the payment at retirement age would be acceptable. This would be consistent with the

TABLE IV-8. WOULD YOU BE SATISFIED AS A COOP MEMBER IF YOUR REFUNDS WERE PAID BACK MONTHLY OR IN FULL AT AGE 65?

RESPONSE	NUMBER	PERCENT
Yes	599	75.3
No	141	17.7
No response	56	7.0
TOTAL	796	100.0

Table IV-9. WOULD YOU BE SATISFIED AS A COOPERATIVE MEMBER IF YOUR REFUNDS WERE PAID BACK MONTHLY OR IN FULL AT AGE 65 IF INTEREST WAS PAID ON THE DEFERRED AMOUNT?

RESPONSE	NUMBER	PERCENT
Yes	577	72.5
No	140	17.6
No response	79	9.9
TOTAL	796	100.0

earlier comments written in by two of the respondents. In response to the question asking if it would be satisfactory to pay the deferred refunds to the beneficiary or estate, two respondents said they earned the money and would like it themselves. The payment at age sixty-five would then be more acceptable to those respondents.

The alternatives presented were, in the most part, satisfactory to those responding to the survey. The alternative receiving the least positive response was that of paying the deferred amount to the beneficiary or estate. This may indicate the dissatisfaction with the

present handling of deferred refunds by many cooperatives. Paying interest on the deferred amount and then distributing the money to the beneficiary or estate was more acceptable. The distribution of the deferred refunds with or without interest to the producer at retirement, age sixty-five, was satisfactory to almost three-fourths of the respondents.

The response to these questions should be of importance to the cooperatives and may give them some indication of what their patrons' attitudes are concerning deferred refunds. It is not possible to operate without deferring at least some of the refunds to buy needed equipment and make improvements. Most of the respondents appear to realize and accept this since almost three-fourths were willing to defer refunds. Because it may be necessary to defer refunds it is important that they be paid back in a manner which would be acceptable to the farmer patrons.

If the customers are not happy with the cooperatives handling of the deferred refunds, the cooperative may lose the farmer's patronage. This is an area that deserves the attention of the cooperative's manager and the board of directors.

Paying Interest on Deferred Refunds

Another question was asked regarding deferred refunds. The question was: "WOULD YOU BE SATISFIED AS A COOPERATIVE MEMBER IF INTEREST WAS PAID ON ALL DEFERRED REFUNDS EVEN IF IT WOULD MEAN SMALLER REFUNDS?" As seen in Table IV-10, 55.8 percent answered yes, 36.8 percent said they would not be satisfied with this, while 7.4 percent did

not respond to the question.

If interest is paid on deferred refunds the current income of the cooperative will be decreased and the current refunds would also be smaller by the amount of interest. Interest paid on deferred refunds can be viewed as a premium on the refunds previously deferred or the amount invested in the cooperative by the patrons. The addition of this "premium" may be the reason for the positive response to the practice. Smaller refunds would be satisfactory to the respondents if interest were paid on the deferred refunds, as indicated by the 55 percent yes response.

TABLE IV-10. WOULD YOU BE SATISFIED AS A COOPERATIVE MEMBER IF INTEREST WAS PAID ON ALL DEFERRED REFUNDS EVEN IF IT WOULD MEAN SMALLER REFUNDS?

RESPONSE	NUMBER	PERCENT
Yes	444	55.8
No	293	36.8
No response	59	7.4
TOTAL	796	100.0

It is interesting to note that no mention was made in the question about the rate of interest that might be paid, nor were there any qualifications in the answers regarding the rates. It may be impossible for some cooperatives to pay interest on deferred refunds even if the majority of the their patrons would like it. Many cooperatives operate on a very small margin, and also may have restrictions of

various kinds concerning paying interest on refunds. However, it is thought to be important to know peoples' attitudes towards interest on refunds so new policies can be made or existing policies defended.

Summary

Cooperatives are appealing to many farm people. Overall, 41.6 percent of the respondents indicated they would choose a cooperative because it is a cooperative. The potential refund is an appealing factor to about one-half of those responding while the liability of the deferred refunds does not seem to detract from the cooperative.

The handling of the deferred refunds is important. Most of the respondents can understand the need to defer refunds to buy needed equipment and are satisfied with this. This would imply that they are willing to forego a refund in order to receive better or more extensive service. Once cooperatives have deferred the refunds the question of repayment arises. Most of the respondents seem to be satisfied if the refund is paid to the beneficiary or estate if interest is also paid. The repayment of the refund at age sixty-five with or without interest was acceptable to almost three-fourths of the producer respondents.

CHAPTER V

ATTITUDES TOWARD THE MARKETING AND PRICING OF GRAIN

This chapter contains an analysis of various aspects of grain marketing. The three areas that will be covered are: reasons for changing market outlets in the past, desirability of market advice and the acceptability of possible pricing alternatives.

Reasons for Changing Market Outlets

Many reasons could prompt a farmer to switch market outlets. Eight possible reasons were presented to the respondents asking them if these had caused them to change outlets in the past. The eight reasons presented were: (1) thought they were being cheated, (2) inadequate testing equipment, (3) inefficient loading and unloading system, (4) not enough premium for high quality, (5) too much discount for low quality, (6) thought the company was not up-to-date on current market trends, (7) indifferent attitude of management and employees and (8) because the wife delivered grain.

Each of these possible reasons will be examined separately in this section. The producers were given the possibility of a yes or no response.

Farmers Thought They Were Being Cheated

The first section of the question was "HAVE YOU EVER CHANGED MARKET OUTLETS FOR YOUR FARM PRODUCTS BECAUSE YOU THOUGHT YOU WERE BEING CHEATED?" About 50 percent of the 796 respondents answered yes

to the question (Table V-1). Such a high percentage of "yes" responses indicates that trust in management is very important.

TABLE V-1. HAVE YOU EVER CHANGED MARKET OUTLETS FOR YOUR FARM PRODUCTS BECAUSE YOU THOUGHT YOU WERE BEING CHEATED?

RESPONSE	NUMBER	PERCENT
Yes	398	50.0
No	364	45.7
No response	34	4.3
TOTAL	796	100.0

Inadequate Testing Equipment

Inadequate or inefficient equipment could be a reason for changing market outlets. Two questions included in the survey attempted to determine if these were common reasons for changing outlets. The first question dealing with inadequate testing equipment was "HAVE YOU EVER CHANGED MARKET OUTLETS FOR YOUR FARM PRODUCTS BECAUSE OF INADEQUATE TESTING EQUIPMENT?" Approximately 27.5 percent of the respondents indicated they had changed market outlets for this reason (Table V-2). Since one-quarter of the farmers had changed outlets because of inadequate equipment it would appear that the quality of the testing equipment that a firm has is important to the farmer producer. Therefore, this should be a consideration for any firm buying farm produce.

Inefficient Loading and Unloading Equipment

The second question dealing with equipment is "HAVE YOU EVER CHANGED MARKET OUTLETS FOR YOUR FARM PRODUCTS BECAUSE OF AN INEFFICIENT

LOADING AND UNLOADING SYSTEM?" About one-fourth of the respondents indicated that they had changed outlets because of the loading and unloading system (Table V-3).

TABLE V-2. HAVE YOU EVER CHANGED MARKET OUTLETS FOR YOUR FARM PRODUCTS BECAUSE OF INADEQUATE TESTING EQUIPMENT (PROTEIN, MOISTURE, ETC.)?

RESPONSE	NUMBER	PERCENT
Yes	219	27.5
No	544	68.3
No response	33	4.1
TOTAL	796	100.0 ^a

^aTotal may not equal 100 due to rounding.

TABLE V-3. HAVE YOU EVER CHANGED MARKET OUTLETS FOR YOUR FARM PRODUCTS BECAUSE OF INEFFICIENT LOADING AND UNLOADING SYSTEM?

RESPONSE	NUMBER	PERCENT
Yes	197	24.7
No	564	70.9
No response	35	4.4
TOTAL	796	100.0

Although only about one-fourth of the respondents indicated that these were reasons for changing outlets it may be important for the companies to look at their equipment. If the equipment is inefficient or inadequate farmers may be getting less than desired service

and spend more time than necessary. Farmers concerned with profit maximization cannot afford the cost of extra time, especially during rush seasons. Once again, good service is important to the customer.

Any variations in the response to the above questions when classified by age, size of operation, and location of the farm can be found in Appendix B.

Too Much Discount or Too Little Premium

Pricing can be a sensitive area, especially with current market trends. A farmer may feel that he is not getting enough for his grain either because there was too much discount for low quality or not enough premium for high quality. The farmer respondents were asked if they had changed market outlets because of these reasons. Almost 40 percent (Table V-4) answered that they had changed outlets because of too much discount and 47.4 percent (Table V-5) indicated they had changed outlets due to a lack of premium for high quality grain. Of the 377 respondents answering yes to the first question, 239 also answered yes to the second question. What appears to be an inconsistency may not necessarily be so. A farmer may have changed outlets because the discount on some grains appeared to be too high while there was also a lack of premium for grain that was of high quality.

The dissatisfaction with pricing policies of the marketing firms may also be seen in the response to the question asking if their marketing companies were up on the current market trends.

TABLE V-4. HAVE YOU EVER CHANGED MARKET OUTLETS FOR YOUR FARM PRODUCTS BECAUSE OF NOT ENOUGH PREMIUM FOR HIGH QUALITY?

RESPONSE	NUMBER	PERCENT
Yes	377	47.4
No	381	47.9
No response	38	4.8
TOTAL	796	100.0 ^a

^aTotal may not equal 100 due to rounding.

TABLE V-5. HAVE YOU EVER CHANGED MARKET OUTLETS FOR YOUR FARM PRODUCTS BECAUSE OF TOO MUCH DISCOUNT FOR LOW QUALITY?

RESPONSE	NUMBER	PERCENT
Yes	318	39.9
No	439	55.2
No response	39	4.9
TOTAL	796	100.0

Market Outlet Not Up on Current Market Trends

Another reason for changing market outlets is that the outlet is not up-to-date on current trends. Over one-fourth of the respondents said this had been a reason for changing firms when asked: "HAVE YOU EVER CHANGED MARKET OUTLETS FOR YOUR FARM PRODUCTS BECAUSE YOU FELT THE COMPANY WAS NOT UP-TO-DATE ON CURRENT MARKET TRENDS?" The results are found in Table V-6.

TABLE V-6. HAVE YOU EVER CHANGED MARKET OUTLETS FOR YOUR FARM PRODUCTS BECAUSE YOU FELT THE COMPANY WAS NOT UP-TO-DATE ON CURRENT MARKET TRENDS?

RESPONSE	NUMBER	PERCENT
Yes	229	28.8
No	526	66.1
No response	41	5.2
TOTAL	796	100.0 ^a

^aTotal may not equal 100 due to rounding.

Indifferent Attitude of Management and Employees

Once again, the respondents indicated that the management and employees can affect a farm producer's decision of where to do business. Poor or indifferent attitudes of the management and employees could prompt a farmer to change market outlets. The 796 respondents were asked: "HAVE YOU EVER CHANGED MARKET OUTLETS FOR YOUR FARM PRODUCTS BECAUSE OF INDIFFERENT ATTITUDE OF MANAGEMENT AND EMPLOYEES?" Approximately 56.0 percent said they had changed outlets for this reason (Table V-7). In Chapter III the effect of the management and employees on farmers in choosing a firm was examined. As noted earlier, the personalities of the manager and the employees are important in the decision of who gets a farmer's business. The response to this question would indicate the effect that the attitudes of the manager and employees can have not only in the initial selection of a firm, but also in the decision of whether or not to continue to patronize a firm.

When the response was divided according to age of the

TABLE V-7. HAVE YOU EVER CHANGED MARKET OUTLETS FOR YOUR FARM PRODUCTS BECAUSE OF INDIFFERENT ATTITUDES OF MANAGEMENT AND EMPLOYEES?

RESPONSE	NUMBER	PERCENT
Yes	446	56.0
No	314	39.4
No response	36	4.5
TOTAL	796	100.0 ^a

^aTotal may not equal 100 due to rounding.

respondent, size of sales and location of the firm some differences in response can be found. The most prominent variation is in the division by size of sales. The over \$100,000 group and the \$50-100,000 group had the largest percentages responding affirmatively with 63.9 and 57.9, respectively.

TABLE V-8. HAVE YOU EVER CHANGED MARKET OUTLETS FOR YOUR FARM PRODUCTS BECAUSE YOUR WIFE DELIVERED THE GRAIN?

RESPONSE	NUMBER	PERCENT
Yes	19	2.4
No	711	89.3
No response	66	8.3
TOTAL	796	100.0

Wife Delivered Grain

The results of the question asking: HAVE YOU EVER CHANGED MARKET

OUTLETS FOR YOUR FARM PRODUCTS BECAUSE YOUR WIFE DELIVERED GRAIN?, can be found in Table V-8. Only 2.4 percent of the respondents had changed their market outlets for this reason. A few respondents did qualify their answer indicating that their wives delivering grain caused them to change outlets due to the equipment or employees. The 2.4 percent does not appear to be a significant number of persons who changed market outlets for this reason.

Alternatives in Pricing

The unpredictability of commodity prices prompted the suggestion of two pricing alternatives. The first possibility was for an average annual price for grain each year. The second alternative was for a guaranteed price above the cost of production. The response to these is examined to determine if responding farm people would be willing to accept a pricing alternative.

Average Annual Price for Grain

The results to the question "WOULD YOU BE WILLING TO TAKE THE AVERAGE ANNUAL PRICE FOR YOUR GRAIN EACH YEAR?" are found in Table V-9. Only 31.4 percent of the respondents said they would be willing to take an average annual price. Less than one-third indicated they would be willing to take this price. From this response it is evident that the average annual price is not acceptable to most of the respondents. The risk involved may be almost as great as taking the market price at the time of the sale. The average annual price would not guarantee that the farmers would make a profit or even that they would be able to cover expenses.

TABLE V-9. WOULD YOU BE WILLING TO TAKE THE AVERAGE ANNUAL PRICE FOR YOUR GRAIN EACH YEAR?

RESPONSE	NUMBER	PERCENT
Yes	250	31.4
No	498	62.6
No response	48	6.0
TOTAL	796	100.0

There are some variations in the response when divided by age of respondent and average size of sales. The respondents over the age of fifty-five (Appendix B) appear to be a little more willing to accept an average price than the other subdivisions by age. Of the five groupings according to the size of annual sales the lowest income group (Under \$10,000) is more willing to accept the average annual price than the other groups. Approximately 42.9 percent of the under \$10,000 group answered yes to the above question (Appendix B). This is the largest percentage of any group. In the \$10-25,000 subdivision 36.2 percent indicated that they would be willing to take this price. The three upper income divisions were fairly consistent in the percentage answering yes to the question. This would imply that the lower income groups would be more willing to take the average annual price for grain. This may be an attempt to obtain some security or stability.

Guaranteed Price Above the Cost of Production

Another alternative of guaranteed pricing was presented to eliminate the risk that is present even with average annual pricing. Table

V-10 contains the results to the question, "WOULD YOU BE WILLING TO FOREGO THE CHANGE FOR WINDFALL PROFITS ON GRAIN IF YOU COULD BE GUARANTEED A PRICE ABOVE THE COST OF PRODUCTION?" The possibilities for answering were most of the time, half of the time and hardly ever. Approximately, 52.9 percent of the respondents answered that they would be willing to accept this price most of the time while those answering with a response of half of the time included 24.9 percent.

TABLE V-10. WOULD YOU BE WILLING TO FOREGO THE CHANCE FOR WINDFALL PROFITS IF YOU COULD BE GUARANTEED A PRICE ABOVE THE COST OF PRODUCTION?

RESPONSE	NUMBER	PERCENT
Most of the time	421	52.9
Half of the time	198	24.9
Hardly ever	130	16.3
No response	47	5.9
TOTAL	796	100.0

The guaranteed price above the cost of production would eliminate some uncertainty because the producer would know that the costs would be covered. Some risk would be eliminated by this guaranteed price, which is probably the reason why a majority of the respondents said they would be willing to forego windfall profits in favor of this alternative most of the time.

Once again, a larger percentage of the over fifty-five age group had indicated that they would be willing to accept the guaranteed price

most of the time, than was true for the other two age groups (Appendix B). The response to this question is favorable in each of the categories. Over 50 percent of each of the income groups indicated that this arrangement would be acceptable to them most of the time. The results classified according to the size and location of the farm can be found in Appendix B.

The average annual pricing is acceptable to less than one-third of the respondents while the guaranteed price above the cost of production is attractive to a majority. This may be due to the uncertainty of covering costs with the average price whereas the guaranteed pricing would eliminate some of the uncertainty. The guaranteed price would be a viable alternative from a farmer's viewpoint.

Market Advice

The complexity and uncertainty of the commodity markets increases the need for up-to-date accurate information about the current markets and trends. Without all the relevant information the best decision may not be made. Two possible ways to deal with this lack of market information would be to let someone else make the marketing decisions or receive advice from local marketing companies. The respondents were asked about their attitudes concerning the two alternatives and were also asked if they presently subscribed to a market advice service. Assuming that a market advice service was reliable, the respondents were asked how much they would pay for advice. These questions are the topic of this section.

Having someone else make the marketing decisions may appear to

be easy but it is not necessarily desirable. The respondents were very definite in their answer to the question asking them if they would like to have someone else make their marketing decisions for them, as 82.7 percent answered no. The results are found in Table V-11. An overwhelming majority of the farm people think that having someone else make their decision is undesirable or unacceptable.

There are some variations in the response when divided according to age of respondent, size of average annual sales and location of the farm.

When classified by age of the respondent, 17.7 percent of the 35-55 age group answered yes compared to 6.7 percent of the under 35 age group. The Montana group had the lowest percentage (10.0) of the groups classified by location answering yes.

TABLE V-11. WOULD YOU LIKE TO HAVE SOMEONE MAKE YOUR MARKETING DECISIONS FOR YOU?

RESPONSE	NUMBER	PERCENT
Yes	108	13.6
No	658	82.7
No response	30	3.8
TOTAL	796	100.0 ^a

^aTotal may not equal 100 due to rounding

Even though the respondents do not want to have anyone make their decisions for them, they appear willing to accept advice before for making the decisions. A majority of the producers said they would

like local marketing companies to recommend strategies about such things as when to sell. Approximately 62.7 percent answered affirmatively to the question, "DO YOU WANT YOUR LOCAL MARKETING COMPANIES TO RECOMMEND STRATEGIES (TIME TO SELL, ETC.) TO YOU?" The results for this question are in Table V-12.

TABLE V-12. DO YOU WANT YOUR LOCAL MARKETING COMPANIES TO RECOMMEND STRATEGIES (TIME TO SELL, ETC.) TO YOU?

RESPONSE	NUMBER	PERCENT
Yes	499	62.7
No	262	32.9
No response	35	4.4
TOTAL	796	100.0

The respondents divided according to the characteristics of age, size of operation, and location of the farm can be found in Appendix B. The youngest respondents (under 35) had the largest affirmative response to the recommendation of marketing strategies with 65.5 percent. Respondents from northwestern South Dakota had the largest percentage (75.4) of the groups classified by location wanting strategies recommended. When divided by average sales the two largest income groups had the highest percentage with 65.0 percent for the \$50-100,000 group and 63.8 percent for the over \$100,000 group.

As a whole, the idea of recommending strategies is generally desirable. The producers make their own decisions, but may have more insight into the total situation if they got someone else's opinion. The

respondents appear to want to maintain control of the important decisions.

With the complexity of the markets and its many facets that may be involved, a market advice service may be desirable. The market experts could recommend strategies and maybe give insight on how the markets behave. Presently there are several market advice services available to farmers. A total of 29.0 percent of the farm people responding to the questionnaire said they subscribe to one or more of these. The results to this question can be found in Table V-13.

TABLE V-13. DO YOU NOW SUBSCRIBE TO A MARKET ADVICE SERVICE?

RESPONSE	NUMBER	PERCENT
Yes	231	29.0
No	548	68.8
No response	17	2.1
TOTAL	796	100.0 ^a

^aTotal may not equal 100 due to rounding

Market advice services are available for a price and more could be made available. The amount that an individual would pay annually for such a service is the subject of one of the questions. "HOW MUCH WOULD YOU PAY ANNUALLY FOR RELIABLE MARKET ADVICE, INCLUDING MARKET ALERTS FOR POSSIBLE CHANGES AND CURRENT PRICE INFLUENCING NEWS?" The results to this question can be found in Table V-14.

When the respondents were willing to pay for a market advice

service the greatest percentage (21.4) would pay \$100. A total of 62.7 percent of the respondents indicated they would be willing to pay for reliable advice. Some of the respondents underlined reliable emphasizing that assumption. This may be an indication of the lack of trust in the reliability of market advice.

TABLE V-14. HOW MUCH WOULD YOU BE WILLING TO PAY ANNUALLY FOR RELIABLE MARKET ADVICE, INCLUDING MARKET ALERTS FOR POSSIBLE CHANGES AND CURRENT PRICE INFLUENCING NEWS?

RESPONSE	NUMBER	PERCENT
\$ 0	225	28.3
25	134	17.0
50	109	13.6
100	170	21.4
300	50	6.3
500	27	3.4
750	0	0.0
1000	8	1.0
No response	73	9.0
TOTAL	796	100.0

Many of the respondents would like to have local companies recommend marketing strategies and most are willing to pay a specified amount for such advice. This response indicates a desire to receive advice from outside sources even for a price.

Summary

Producers change market outlets for many reasons. Past experiences and causes for patronizing a new firm give an indication of what the farm respondents are seeking in a grain marketing firm. A majority of the respondents that had changed outlets did so because they thought they were cheated or the management and employees had an indifferent attitude toward the customer.

Grain marketing has an element of risk. Two alternatives in pricing were presented to the respondents. The majority of farmers appeared to favor a guaranteed price above cost while only about a third of the respondents would be willing to take an average annual price. The guaranteed price would reduce risk more than the average price.

The farm respondents indicated a desire for more information in the ranking of future services in Chapter II. This same idea seems to reappear when a majority of the respondents said they would like their local marketing firms to recommend strategies and many indicated they would be willing to pay for advice.

CHAPTER VI

SUMMARY AND RECOMMENDATION FOR FURTHER STUDY

The results of this survey may be used as a guideline and serve to suggest possible changes that could be made by agri-business firms. Business firms must consider their own operation individually rather than adopting a new policy or service because it received a high rating from the respondents. It is intended that the results of this study will help firms evaluate their business in light of what farmers indicated was important to them on the questionnaire.

The study reveals that several factors were of significant importance to customers' decisions. The most important was quality of products which received the highest ranking. Competitive prices for both inputs and outputs were also very important to the respondents. They also stressed service, quality and promptness, as well as various individual services.

A very limited amount of formal research has been done regarding what farmers are seeking from the agri-business firms. Realizing the limitations of this project a recommendation must be made for further study of the subject. The limited amount known about the attitudes and needs of farmers is not adequate for agri-business firms to determine exactly what farmers need or want. Therefore, inadvertently firms may not be serving farmers the way they fully intend to do.

One area is cooperatives and their handling of refunds. Cooperatives in the past and present hold an important position among farm

supply and grain marketing firms. However, if cooperatives can no longer depend on loyalty alone then it is necessary to attract farmers in other ways. Feasible ways of becoming more competitive for farmer patronage would be worth further research.

Grain marketing is an important concern to most farmers, especially when prices are low. While average annual pricing received limited support, a guaranteed price above the cost of production received a favorable response. This would seem to indicate that farmers may be willing to forego some windfall profits if there was some way to reduce the risk and cover the cost of production.

Farmers are also interested in information which would assist them in decisions concerning their business operation. This information can take the form of a daily broadcast of markets, a specialist in the relevant areas, or a market advice service. The feasibility of a market advice service either by local marketing firms or by an individual company could warrant further study.

Little formal research has been done on what farmers want or need from agri-business firms. The potential for research in this area is virtually unlimited. Along with trying to determine what farmers want, research is also possible to determine what cooperatives can do to increase the attraction for farmers. There are also many possibilities for the marketing of grain and the availability of market advice.

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APPENDIX A

What Factors Determine Where You Make Your Farm Supply
Purchases and Farm Product Marketing?

ALL INFORMATION GIVEN WILL BE TREATED CONFIDENTIALLY, AND
YOUR ANSWERS WILL NOT BE USED IN A WAY THAT WILL IDENTIFY
YOU OR YOUR RELATIONSHIP TO ANY BUSINESS.

Section A

1. Please rank these factors as to their importance in determining who gets your farm supply business, i.e., fertilizer, ag chemicals, feed, seed, etc., (excluding machinery) and where you market your farm products.

Mark a (1) for those you consider very important

Mark a (2) for those of moderate importance to you

Mark a (3) for those you feel are slightly important

Mark a (0) for those which are of no importance to you

- () a. competitive prices
- () b. quality of products
- () c. quality of service
- () d. promptness of service
- () e. sales representative calls at your place
- () f. on farm service
- () g. availability of specialized or technical services (fertilizer spreading, soil testing, weed spraying, etc.)
- () h. usually have on hand what you want (large inventory)
- () i. availability of credit
- () j. interest free credit time period
- () k. cash and carry discounts
- () l. discount for volume purchases
- () m. discount for cash payments
- () n. free delivery service
- () o. convenience of location
- () p. because business is in county seat town
- () q. because the business is a cooperative
- () r. because the business is not a cooperative
- () s. because the business handles coop products
- () t. community activity of management and employees
- () u. personality of manager
- () v. personality of employees
- () w. trust in management and employees
- () x. staff is source of dependable advice
- () y. handles nationally advertised products
- () z. local advertising of business
- () aa. business opens early time ()
- () bb. business opens late time ()
- () cc. business accomodating during rush farming seasons
- () dd. business is open evenings a week
- () ee. business is open on Sunday
- () ff. emergency service available
- () gg.
- () hh.
- () ii.
- () jj.
- () kk.
- () ll.

Please check one of the following. Space is provided after each answer to add comments if you wish.

2. If two businesses offered approximately the same service, price and products but one had new, modern, pleasant looking facilities while the other had old, poor appearing facilities, would you tend to do business with the nicer appearing place of business? () Yes () No
3. Does the management's political activity influence where you do business?
() Considerable () Some () None () Negatively
4. Does the management's regular participation in religious activities influence where you do business? () Considerable () Some () None
() Negatively
5. Would the knowledge that the management never participated in any religious activity affect your desire to do business with that firm?
() Considerable () Some () None () Negatively
6. Does sponsorship of or participation in sports activities influence who gets your business? () Considerable () Some () None
() Negatively
7. Does the impression that a business is very prosperous influence you to do your business with that company? () Considerable () Some
() None () Negatively
8. If you heard a rumor that a place where you do business is having great financial difficulty, what influence would that have on you?
() Make me more loyal () Make me look to other places of business
() No affect at all
9. Does the impression that many people in your area do business at a certain place influence you to do business there? () Considerable () Some
() None () Negatively
10. Do you give a company your farm supply business because it also does your marketing or vice-versa? () Yes () No
11. Do you buy any of your farm supply or crop production products direct from a wholesaler? () Yes () No
If yes, approximately what percent? _____
12. Are you a dealer for any farm supply or crop production products?
() Yes () No

13. Do you tend to favor a small personal business to a large business place?
 Yes No
14. Do you believe in order to remain competitive farm supply and marketing concerns must become larger, and with an increased trade territory?
 Yes No
15. Do you usually check prices at more than one place before you sell grain?
 Yes No
 Before you by farm supplies? Yes No

Section B

SECTION B DEALS MOSTLY WITH YOUR ATTITUDE ABOUT COOPERATIVES.
 WE ASK YOU TO ANSWER THE QUESTIONS WHETHER OR NOT YOU ARE A
 REGULAR COOPERATIVE PATRON.

1. Are you of the opinion that a good manager who consistently is able to show substantial profits or savings is worth the salary it takes to keep him?
 Yes No
2. If a cooperative and an independent offered approximately the same price and service (excluding refunds)
- a. Would you choose the cooperative because it is a cooperative?
 Yes No
 - b. Would you choose the cooperative for the potential refund?
 Yes No
 - c. Would you choose the independent because of your income tax liability on the cooperatives deferred patronage refund?
 Yes No
3. Are you usually satisfied to defer patronage refunds if the cooperative buys needed equipment or facilities? Yes No
4. Would you be satisfied as a coop member if:
- a. 20 percent of your refunds were paid in cash and the balance to your beneficiary or estate? Yes No
 - b. Would this arrangement be satisfactory if interest was paid on the deferred amount of refunds? Yes No
5. Would you be satisfied as a cooperative member:
- a. If your refunds were paid back monthly or in full at age 65?
 Yes No
 - b. Would this arrangement be satisfactory if interest was paid on the deferred amount of refunds? Yes No
6. Would you be satisfied as a cooperative member if interest was paid on all deferred refunds even when it would mean smaller refunds?
 Yes No

Section C

SECTION C RELATES TO YOUR ATTITUDES OF MARKETING AND PRICING GRAIN

1. Do you feel you know how your local elevator manager arrives at the price he quotes you for your grade of grain? () Yes () No
2. Have you ever changed market outlets for your farm products because:
 - () Yes () No - You thought you were being cheated?
 - () Yes () No - Of inadequate testing equipment (protein, moisture, etc.)?
 - () Yes () No - Of inefficient loading and unloading system?
 - () Yes () No - Indifferent attitude of management or employees?
 - () Yes () No - Of not enough premium for high quality?
 - () Yes () No - Too much discount for low quality?
 - () Yes () No - You felt the company was not up to date on current market trends?
 - () Yes () No - Because your wife delivered the grain? If yes, for what specific reason?
3. Would you be willing to take the annual average price for your grain each year? () Yes () No
4. How often would you contract to sell your grain ahead of harvest if it weren't for the fear of being short of crop at delivery?
 - () Most of the time () Half of the time () Hardly ever
5. Do you enjoy speculating on the price of your grain as compared to contracting or hedging? () Yes () No () Sometimes
6. Would you like to have someone make your marketing decisions for you?
 - () Yes () No
7. Do you want your local marketing companies to recommend strategies (time to sell, etc.) to you? () Yes () No
8. How much would you be willing to pay annually for reliable market advice, including market alerts for possible changes, and current price influencing news?

() 0	() \$300
() \$25.	() \$500
() \$50.	() \$750
() \$100.	() \$1,000
9. Do you now subscribe to a market advice service? () Yes () No

10. Do you feel you understand what grain or livestock futures represent in local prices to you?
 Yes No - Grain futures
 Yes No - Livestock futures
11. Have you traded in futures? Yes No
 If yes, was it to Speculate Hedge
12. What portion of the time do you speculate as compared to hedging your
 Grain: Most of the time Half the time Hardly ever
 Livestock: Most of the time Half the time Hardly ever
13. Would you be willing to forego the chance for windfall profits on grain if you could be guaranteed a price above the cost of production?
 Most of the time Half the time Hardly ever

Section D

SECTION D RELATES TO HOW YOU RANK IN IMPORTANCE VARIOUS SERVICES THAT MIGHT BE OFFERED BY YOUR FARM SUPPLY AND MARKETING FIRM OF THE FUTURE.

As in Section A

Mark a (1) for those you consider very important
 Mark a (2) for those of moderate importance to you
 Mark a (3) for those you feel are slightly important
 Mark a (0) for those which are of no importance to you

- 1. keeping your farm records
- 2. income tax service
- 3. hot line for instant news to farmers
- 4. daily radio broadcast of markets
- 5. transmit market news through C.B. radios
- 6. weekly company newsletter
- 7. annual company sponsored social event
- 8. crop planning for your farm
- 9. specialist in all areas (i.e., fertilizer, insecticides, feeds, etc.)
- 10. off-farm storage for most of areas grain
- 11. complete one stop service for farm supply and marketing
- 12. sell and service machinery
- 13. sell and service cars and trucks
- 14. sell groceries
- 15. sell clothing
- 16. airplane spraying
- 17. crop spraying (ground vehicle)
- 18. veterinary service
- 19. rendering service
- 20. banking and lending service
- 21. complete farm management service
- 22. grain and livestock futures brokerage service
- 23. market advice service
- 24. television auction for marketing animals
- 25. offer annual average price for grains

- 26. fencing service
- 27. irrigation and water systems service
- 28. management service for rural water systems
- 29. a method of paying farmers for storing grain until its needed
- 30.
- 31.
- 32.
- 33.
- 34.
- 35.
- 36.
- 37.
- 38.
- 39.
- 40.

Major enterprises of the farm you operate

(Those that contribute at least 25 percent to the gross income of the farm)

- corn and sorghums
- wheat and small grains
- oil seeds - flax, sunflowers, soybeans
- cow calf operation
- cattle feeding
- feeder pigs
- hog feeding
- dairy
- other - specify

Average size of total annual farm sales (last 4 years)

- up to \$10,000
- \$10 - \$25,000
- \$25 - \$50,000
- \$50 - \$100,000
- Over \$100,000

Area of Residence

- SE $\frac{1}{4}$ of South Dakota
- NE $\frac{1}{4}$ of South Dakota
- NW $\frac{1}{4}$ of South Dakota
- SW $\frac{1}{4}$ of South Dakota

Your Age _____



Year	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960
Population	100	105	110	115	120	125	130	135	140	145	150
Area	100	100	100	100	100	100	100	100	100	100	100
Income	100	105	110	115	120	125	130	135	140	145	150
Expenditure	100	105	110	115	120	125	130	135	140	145	150
Balance	0	0	0	0	0	0	0	0	0	0	0

Year	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970
Population	155	160	165	170	175	180	185	190	195	200
Area	100	100	100	100	100	100	100	100	100	100
Income	155	160	165	170	175	180	185	190	195	200
Expenditure	155	160	165	170	175	180	185	190	195	200
Balance	0	0	0	0	0	0	0	0	0	0

APPENDIX B

Year	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980
Population	205	210	215	220	225	230	235	240	245	250
Area	100	100	100	100	100	100	100	100	100	100
Income	205	210	215	220	225	230	235	240	245	250
Expenditure	205	210	215	220	225	230	235	240	245	250
Balance	0	0	0	0	0	0	0	0	0	0

Source: Bureau of Economic Analysis, Department of Commerce, National Income and Product Accounts for the United States.

TABLE B-1a. MANAGEMENT'S POLITICAL ACTIVITY AS AN INFLUENCE ON WHERE FARMERS DO BUSINESS: BY AGE OF THE RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Considerable	5	2.2	19	5.1	13	7.5	38	4.8
Some	59	26.5	108	29.0	51	29.3	227	28.5
None	149	66.5	216	58.1	93	53.4	470	59.0
Negatively	10	4.5	24	6.5	13	7.5	49	6.2
No Response	1	.4	5	1.3	4	2.3	12	1.5
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-1b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Considerable	3	7.1	10	7.1	13	6.2	6	2.5	4	2.9	38	4.8
Some	8	19.0	42	29.8	53	25.2	70	29.2	48	34.8	227	28.5
None	26	61.9	76	53.9	131	62.4	149	62.1	76	55.1	470	59.0
Negatively	5	11.9	12	8.5	9	4.3	12	5.0	8	5.8	49	6.2
No Response	0	0.0	1	.7	4	1.9	3	1.3	2	1.4	12	1.5
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-1c. BY LOCATION OF THE FARMING OPERATION.

Response	SE 1/4 of SD		NE 1/4 of SD		NW 1/4 of SD		SW 1/4 SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Considerable	11	4.3	18	4.8	4	7.0	4	6.1	0	0.0	38	4.8
Some	69	27.0	16	25.7	15	26.3	20	30.3	27	67.5	227	28.5
None	158	61.7	230	61.5	32	56.1	39	59.1	9	22.5	470	59.0
Negatively	17	6.6	21	5.6	5	8.8	3	4.5	3	7.5	49	6.2
No Response	1	0.4	9	2.4	1	1.8	0	0.0	1	2.5	12	1.5
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-2a. MANAGEMENT'S RELIGIOUS ACTIVITIES AS AN INFLUENCE ON WHERE FARMERS DO BUSINESS: BY AGE OF THE RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Considerable	11	4.9	32	8.6	19	10.9	65	3.2
Some	49	21.9	135	36.3	55	31.6	248	31.2
None	153	68.3	184	49.5	91	52.3	441	55.4
Negatively	11	4.9	17	4.6	7	4.0	36	4.5
No Response	0	0.0	4	1.1	2	1.1	6	0.8
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-2b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Considerable	3	7.1	12	8.5	17	8.1	16	6.7	15	10.9	65	8.2
Some	7	16.7	42	29.8	71	33.8	81	33.8	41	29.7	248	31.2
None	29	69.0	79	56.0	114	54.3	132	55.0	74	53.6	441	55.4
Negatively	3	7.1	8	5.7	6	2.9	10	4.2	7	5.1	36	4.5
No Response	0	0.0	0	0.0	2	1.0	1	0.4	1	0.7	6	0.8
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-2c. BY LOCATION OF THE FARMING OPERATION

Response	SE 1/4 of SD		NE 1/4 of SD		NW 1/4 of SD		SW 1/4 of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Considerable	26	10.2	32	8.6	3	5.3	2	3.0	2	5.0	65	8.2
Some	38	34.4	117	31.3	13	22.8	15	22.7	14	35.0	248	31.2
None	129	50.4	203	55.6	36	63.2	44	66.7	22	55.0	441	55.4
Negatively	12	4.7	12	3.2	5	8.8	5	7.6	2	5.0	36	4.5
No Response	1	0.4	5	1.3	0	0.0	0	0.0	0	0.0	6	0.8
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-3a. MANAGEMENT'S LACK OF PARTICIPATION IN RELIGIOUS ACTIVITIES AS AN INFLUENCE ON WHERE THE RESPONDENTS DO BUSINESS: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Considerable	5	2.2	33	8.9	20	11.5	62	7.8
Some	60	26.8	162	43.5	72	41.4	303	38.1
None	139	62.1	147	39.5	72	41.4	370	46.5
Negatively	20	8.9	27	7.3	3	4.6	56	7.0
No Response	0	0.0	3	0.8	2	1.1	5	0.6
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-3b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Considerable	3	7.1	18	12.8	12	5.7	14	5.8	12	8.7	62	7.8
Some	11	26.2	49	34.8	98	46.7	89	37.1	48	34.8	303	38.1
None	24	57.1	65	46.1	89	42.4	120	50.0	61	44.2	370	46.5
Negatively	4	9.5	9	6.4	9	4.3	16	6.7	17	12.3	56	7.0
No Response	0	0.0	0	0.0	2	1.0	1	0.4	0	0.0	5	0.6
Total	42	100.0	141	100.0	210	100.0	240	100.0	133	100.0	796	100.0

TABLE B-3c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Considerable	26	10.2	23	7.5	5	8.8	3	4.5	0	0.0	62	7.8
Some	105	41.0	155	41.4	14	24.6	17	25.8	11	27.5	303	38.1
None	110	43.0	159	42.2	32	56.1	43	65.2	25	62.5	370	46.5
Negatively	14	5.5	29	7.8	6	10.5	3	4.5	4	10.0	56	7.0
No Response	1	0.4	4	1.0	0	0.0	0	0.0	0	0.0	5	0.5
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-4a. MANAGEMENT'S SPONSORSHIP OR PARTICIPATION IN SPORTS ACTIVITIES AS IT INFLUENCES WHERE FARMERS DO BUSINESS: BY AGE.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Considerable	0	0.0	5	1.3	4	2.3	9	1.1
Some	39	17.4	70	18.8	36	20.7	151	19.0
None	169	75.4	269	72.3	123	70.7	578	72.6
Negatively	14	6.3	25	6.7	9	5.2	51	6.4
No Response	2	0.9	3	0.8	2	1.1	7	0.9
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-4b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Considerable	2	4.8	2	1.4	3	1.4	0	0.0	1	0.7	9	1.1
Some	6	14.3	33	23.4	39	18.6	45	18.8	25	18.1	151	19.0
None	31	73.8	92	65.2	154	73.3	183	76.3	102	73.9	578	72.6
Negatively	3	7.1	14	9.9	11	5.2	10	4.2	10	7.2	51	6.4
No Response	0	0.0	9	0.0	3	1.4	2	0.8	0	0.0	7	0.9
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-4c. BY LOCATION OF THE FARM.

Response	SE $\frac{1}{4}$ of SD		NE $\frac{1}{4}$ of SD		NW $\frac{1}{4}$ of SD		SW $\frac{1}{4}$ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Considerable	4	1.6	2	0.5	0	0.0	3	4.5	0	0.0	9	1.1
Some	49	19.1	71	20.6	8	14.0	13	19.7	4	10.0	151	19.0
None	179	69.9	271	72.5	45	78.9	46	69.7	36	90.0	578	72.6
Negatively	22	8.6	20	5.3	4	7.0	3	4.5	0	0.0	51	6.4
No Response	2	0.8	4	1.1	0	0.0	1	1.5	0	0.0	7	0.9
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-5a. THE IMPORTANCE OF THE MANAGER'S PERSONALITY AS IT AFFECTS THE DETERMINATION OF WHERE TO DO BUSINESS: BY AGE OF THE RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	72	32.1	177	47.6	87	50.0	345	43.3
Moderate Importance	110	49.1	146	39.2	59	33.9	325	40.8
Slightly Important	32	14.3	41	11.0	16	9.2	93	11.7
No Importance	7	3.1	6	1.6	6	3.4	19	2.4
No Response	3	1.3	2	0.5	6	3.4	14	1.8
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-5b. BY SIZE OF FARM.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	24	57.1	66	46.8	94	44.8	94	39.2	55	39.9	345	43.3
Moderate Importance	15	35.7	53	37.6	86	41.0	102	42.5	59	42.8	325	40.8
Slightly Important	1	2.4	14	9.9	22	10.5	36	15.0	18	13.0	93	11.7
No Importance	0	0.0	7	5.0	6	2.9	2	0.8	4	2.9	19	2.4
No Response	2	4.8	1	0.7	2	0.9	6	2.5	2	1.4	14	1.8
	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-5c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	110	43.0	169	45.2	36	63.2	23	34.8	6	15.0	345	43.3
Moderate Importance	105	41.0	148	39.4	12	21.1	25	53.0	23	57.5	325	40.8
Slightly Important	33	12.9	39	10.4	6	10.5	7	10.6	8	20.0	93	11.7
No Importance	7	2.7	9	2.4	1	1.8	1	1.5	1	2.5	19	2.4
No Response	1	0.4	9	2.4	2	3.5	0	0.0	2	5.0	14	1.8
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Total may not equal 100 due to rounding.

TABLE B-6a. THE IMPORTANCE OF THE EMPLOYEES' PERSONALITIES AS THEY INFLUENCE FARMERS' DECISIONS OF WHERE TO SHOP: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	65	29.0	161	43.3	82	47.1	318	39.9
Moderate Importance	116	51.8	158	42.5	64	36.8	347	43.6
Slightly Important	33	14.7	47	12.6	19	10.9	103	12.9
No Importance	7	3.1	5	1.3	3	1.7	15	1.9
No Response	3	1.3	1	0.3	6	3.4	13	1.6
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-6b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	24	57.1	64	45.4	87	41.4	82	34.2	47	34.1	318	39.9
Moderate Importance	12	28.6	58	41.1	92	43.8	113	47.1	63	45.7	347	43.6
Slightly Important	4	9.5	14	9.9	23	11.0	39	16.3	22	15.9	103	12.9
No Importance	0	0.0	4	2.8	6	2.9	1	0.4	4	2.9	15	1.9
No Response	2	4.8	1	0.7	2	1.0	5	2.1	2	1.4	13	1.6
Total	42	100.0	141	100.0	210	100.0	240	100.0	133	100.0	796	100.0

TABLE B-6c. BY LOCATION OF FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	93	38.3	158	42.2	37	64.9	21	31.8	2	5.0	318	39.9
Moderate Importance	111	43.4	160	42.8	11	19.3	39	59.1	25	62.5	347	43.6
Slightly Important	40	15.6	42	11.2	6	10.5	5	7.6	10	25.0	103	12.9
No Importance	6	2.3	6	1.6	1	1.8	1	1.5	1	2.5	15	1.9
No Response	1	0.4	8	2.1	2	3.5	0	0.0	2	5.0	13	1.6
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-7a. THE INFLUENCE OF NEIGHBORS' PATRONAGE AS IT INFLUENCES A FARMER TO DO BUSINESS THERE ALSO: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Considerable	15	6.7	28	7.5	21	12.1	65	8.2
Some	122	54.5	195	52.4	78	44.8	410	51.5
None	82	36.6	133	35.8	69	39.7	294	36.9
Negatively	4	1.8	14	3.8	5	2.9	23	2.9
No Response	1	0.4	2	0.5	1	0.6	4	0.5
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-7b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Considerable	4	9.5	17	12.1	19	9.0	15	6.3	10	7.2	65	8.2
Some	19	45.2	68	48.2	104	49.5	129	53.8	79	57.2	410	51.5
None	18	42.9	50	35.5	85	40.5	86	35.8	46	33.3	294	36.9
Negatively	1	2.4	6	4.3	2	1.0	9	3.8	2	1.4	23	2.9
No Response	0	0.0	0	0.0	0	0.0	1	0.4	1	0.7	4	0.5
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-7c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Considerable	19	7.4	34	9.1	7	12.3	2	3.0	3	7.5	65	8.2
Some	135	52.7	189	50.5	26	45.6	32	48.5	26	65.0	410	51.5
None	94	36.7	139	37.2	22	38.6	29	43.9	9	22.5	294	36.9
Negatively	8	3.1	9	2.4	2	3.5	3	4.5	1	2.5	23	2.9
No Response	0	0.0	3	0.8	0	0.0	0	0.0	1	2.5	4	0.5
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-8a. THE INFLUENCE OF A RUMOR CONCERNING THE FINANCIAL DIFFICULTY OF A PLACE WHERE THE FARMER CURRENTLY DOES BUSINESS: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Make me more loyal	42	16.5	86	23.1	54	31.0	191	24.0
Make me look to other places of business	72	28.3	129	34.7	62	35.6	269	33.8
No effect at all	100	39.4	133	35.8	49	28.2	292	36.7
No response	10	3.9	24	6.5	9	5.2	44	5.5
Total	254	100.0	372	100.0	174	100.0	796	100.0

TABLE B-8b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Make me more loyal	11	26.2	48	34.0	45	21.4	56	23.3	26	18.8	191	24.0
Make me look to other places of business	16	38.1	40	28.4	71	33.8	83	34.6	50	36.2	269	33.8
No effect at all	13	31.0	49	34.8	85	40.5	84	53.0	53	38.4	292	36.7
No response	2	4.8	4	2.8	9	4.3	17	7.1	9	6.5	44	5.5
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-8c. BY LOCATION OF THE FARM.

Response	SE 1/2 of SD		NE 1/2 of SD		MW 1/2 of SD		SW 1/2 of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Make me more loyal	60	23.4	87	23.3	16	28.0	14	21.2	13	32.5	191	24.0
Make me look to other places of business	79	30.9	137	36.6	18	31.6	21	31.8	13	32.5	269	33.8
No effect at all	96	37.5	132	35.3	22	38.6	28	42.4	13	32.5	292	36.7
No response	21	8.2	18	4.8	1	1.8	3	4.5	1	2.5	44	5.5
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-9a. THE PREFERENCE OF A SMALL PERSONAL BUSINESS TO A LARGE BUSINESS PLACE:
BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	150	67.0	251	67.5	113	64.9	528	66.3
No	68	30.4	113	30.4	50	28.7	240	30.2
No Response	6	2.6	8	2.2	11	6.3	28	3.5
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-9b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	33	78.6	100	70.9	144	68.6	148	61.7	84	60.9	528	66.3
No	9	21.4	38	27.0	57	27.1	83	34.6	48	34.8	240	30.2
No Response	0	0.0	3	2.1	9	4.3	9	3.8	6	4.3	28	3.5
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-9c. BY LOCATION OF THE FARM.

Response	SE $\frac{1}{4}$ of SD		NE $\frac{1}{4}$ of SD		NW $\frac{1}{4}$ of SD		SW $\frac{1}{4}$ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	168	65.6	249	66.6	40	70.2	45	68.2	23	57.5	528	66.3
No	78	30.5	112	29.9	17	29.8	19	28.3	14	35.0	240	30.2
No Response	10	3.9	13	3.5	0	0.0	2	3.0	3	7.5	28	3.5
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-10a. THE RESPONDENTS' REACTION TO THE NECESSITY FOR FARM SUPPLY AND MARKETING FIRMS TO BECOME LARGER TO REMAIN COMPETITIVE: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	89	39.7	158	42.5	73	42.0	333	41.8
No	130	58.0	203	54.6	91	52.3	435	54.6
No Response	5	2.2	11	3.0	10	5.7	28	3.5
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-10b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	20	47.6	51	36.2	86	41.0	92	38.3	74	53.6	333	41.8
No	21	50.0	83	58.9	119	56.7	136	56.7	64	46.4	435	54.6
No Response	1	2.3	7	5.0	5	2.4	12	5.0	0	0.0	28	3.5
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-10c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	112	43.8	148	39.6	23	40.4	26	39.4	23	57.5	333	41.8
No	132	51.6	213	57.0	32	56.1	40	60.6	16	40.0	435	54.6
No Response	12	4.7	13	3.5	2	3.5	0	0.0	1	2.5	28	3.5
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-11a. THE IMPORTANCE CONSIDERED OF LOCATION HAS IN SELECTION OF A BUSINESS FIRM: BY AGE OF THE RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very important	74	33.0	155	41.7	69	39.7	306	38.4
Moderate Importance	98	43.8	144	38.7	69	39.7	318	39.9
Slightly Important	41	18.3	59	15.9	25	14.4	131	16.5
No Importance	8	3.6	10	2.7	7	4.0	25	3.1
No Response	3	1.3	4	1.1	4	2.3	15	2.0
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-11b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		20-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	16	38.1	69	48.9	83	39.5	87	36.3	40	29.0	306	38.4
Moderate Importance	16	18.1	51	36.2	83	39.5	97	40.4	65	27.1	318	39.9
Slightly Important	7	16.7	17	12.1	39	18.6	36	15.0	27	11.3	131	16.5
No Importance	1	2.4	2	1.4	4	1.9	14	5.8	3	1.3	25	3.1
No Response	2	4.8	2	1.4	1	0.5	0	2.5	3	1.3	15	2.0
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-11c. BY LOCATION OF THE FIRM.

Response	SE 1/2 of SD		NE 1/2 of SD		NW 1/2 of SD		SW 1/2 of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	96	37.5	151	40.4	24	49.1	22	33.3	8	29.0	306	38.4
Moderate Importance	107	41.8	146	39.0	17	29.8	28	42.4	19	47.5	318	39.9
Slightly Important	42	16.4	57	15.2	7	12.3	14	21.2	11	27.5	131	16.5
No Importance	11	4.3	9	2.4	3	5.3	2	3.0	0	0.0	25	3.1
No Response	0	0.0	11	2.9	2	3.5	0	0.0	2	5.0	15	2.0
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-12a. THE USE OF ONE FIRM FOR MARKETING AND THE PURCHASE OF FARM SUPPLIES:
BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	45	20.1	83	22.3	53	30.5	188	23.6
No	175	78.1	283	76.1	118	67.8	595	74.7
No Response	4	1.8	6	1.6	3	1.7	13	1.6
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-12b. BY SIZE OF AVERAGE ANNUAL SALES

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	10	23.8	39	27.7	54	25.7	55	22.9	24	17.4	188	23.6
No	29	69.0	102	72.3	154	73.3	181	75.4	113	81.9	595	74.7
No Response	3	7.1	0	0.0	2	1.0	4	1.7	1	0.7	13	1.6
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-12c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	52	20.3	101	27.0	15	26.3	11	16.7	7	1.75	188	23.6
No	200	78.1	265	70.9	42	73.7	55	83.3	32	80.0	595	74.7
No Response	4	1.6	8	2.1	0	0.0	0	0.0	1	2.5	13	1.6
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-13a. THE IMPORTANCE OF THE AVAILABILITY OF CREDIT: BY AGE OF RESPONDENTS.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	89	39.7	105	28.2	47	27.0	250	31.4
Moderate Importance	68	30.4	105	28.2	38	21.8	216	27.1
Slightly Important	46	20.5	34	22.6	34	19.5	168	21.1
No Importance	18	8.0	75	20.2	47	27.0	145	18.2
No Response	3	1.3	3	0.8	8	4.6	17	2.1
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-13b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	15	35.7	50	35.5	73	34.8	69	28.8	34	24.6	250	31.4
Moderate Importance	9	21.4	45	31.9	47	22.4	73	30.4	35	25.4	216	27.1
Slightly Important	8	19.0	22	15.6	54	25.7	49	20.4	33	23.9	168	21.1
No Importance	6	14.3	23	16.3	33	15.7	44	18.3	33	23.9	145	18.2
No Response	4	9.5	1	0.7	3	1.4	5	2.1	3	2.1	17	2.1
Total	42	100.0	141	100.0	210	100.0	240	100.0	135	100.0	796	100.0

TABLE B-13c. BY LOCATION OF THE FARM.

Response	SE 1/4 of SD		NE 1/4 of SD		NW 1/4 of SD		SW 1/4 of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	69	27.0	120	32.1	26	45.6	23	34.9	10	25.0	250	31.4
Moderate Importance	66	25.8	108	28.9	10	17.5	17	25.8	15	37.5	216	27.1
Slightly Important	70	27.3	70	18.7	7	12.3	13	19.7	7	17.5	168	21.1
No Importance	48	18.8	66	17.6	12	21.1	13	19.7	6	15.0	145	18.2
No Response	3	1.2	10	2.7	2	3.5	0	0.0	2	5.0	17	2.1
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-14a. THE IMPORTANCE OF AN INTEREST-FREE CREDIT TIME PERIOD: BY AGE OF RESPONDENTS.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	79	35.3	126	33.9	47	27.0	260	32.7
Moderate Importance	72	32.1	109	29.3	41	23.6	230	28.9
Slightly Important	50	22.3	73	19.6	24	13.8	149	18.7
No Importance	19	8.5	59	15.9	56	32.2	139	17.5
No Response	4	1.8	5	1.3	6	3.4	18	2.3
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-14b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	15	35.7	55	39.0	68	32.4	72	30.3	39	28.3	260	32.7
Moderate Importance	10	23.8	37	26.2	60	28.6	79	33.2	36	26.1	230	28.9
Slightly Important	8	19.0	25	17.7	42	20.0	41	17.2	32	23.2	149	18.7
No Importance	7	16.7	23	16.3	36	17.1	40	16.8	28	20.3	139	17.5
No Response	2	4.8	1	0.7	4	1.9	6	2.5	3	2.2	13	2.3
Total	42	100.0	141	100.0	210	100.0	238	100.0	138	100.0	796	100.0

TABLE B-14c. BY LOCATION OF FARM.

Response	SE ¼ of SD		NE ¼ of SD		SW ¼ of SD		NW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	87	34.0	123	32.9	22	38.6	18	27.3	9	22.5	260	32.7
Moderate Importance	66	25.8	116	31.0	10	17.5	18	27.3	19	47.5	230	28.9
Slightly Important	52	20.3	64	17.1	10	17.5	15	22.7	8	20.0	149	18.7
No Importance	49	19.1	61	16.3	13	22.8	13	19.7	2	5.0	139	17.5
No Response	2	0.8	10	2.7	2	3.5	2	3.0	2	5.0	18	2.3
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-15a. THE IMPORTANCE OF A CASH AND CARRY DISCOUNT: BY AGE OF RESPONDENTS.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	73	32.6	159	42.7	81	46.6	324	40.7
Moderate Importance	99	44.2	132	35.5	55	31.6	291	36.6
Slightly Important	39	17.4	54	14.5	13	7.5	109	13.7
No Importance	8	3.6	25	6.7	19	10.9	55	6.9
No Response	5	2.2	2	0.5	6	3.4	17	2.1
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-15b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	23	54.8	64	45.4	89	42.4	82	34.7	51	37.0	324	40.7
Moderate Importance	11	26.2	44	31.2	79	37.6	100	42.4	51	37.0	291	36.6
Slightly Important	5	11.9	22	15.6	23	11.0	35	14.8	24	17.4	109	13.7
No Importance	0	0.0	10	7.1	16	7.6	16	6.8	10	7.2	55	6.9
No Response	3	7.1	1	0.7	3	1.4	3	1.1	2	1.4	17	2.1
Total	42	100.0	141	100.0	210	100.0	236	100.0	138	100.0	796	100.0

TABLE B-15c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	124	48.4	144	38.5	21	36.8	25	37.9	9	22.5	324	40.7
Moderate Importance	86	33.6	136	36.4	18	31.6	30	45.4	20	50.0	291	36.6
Slightly Important	32	12.5	54	14.4	8	14.0	3	12.1	7	17.5	109	13.7
No Importance	13	5.1	30	8.0	8	14.0	2	3.0	2	5.0	55	6.9
No Response	1	0.4	10	2.7	2	3.5	1	1.5	2	5.0	17	2.1
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-16a. THE IMPORTANCE OF A DISCOUNT FOR CASH PAYMENTS: BY AGE OF RESPONDENTS.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	91	40.6	205	55.1	103	59.2	416	52.3
Moderate Importance	104	46.4	118	31.7	50	28.7	276	34.7
Slightly Important	22	9.8	31	8.3	9	5.2	64	8.0
No Importance	3	1.3	14	3.8	7	4.0	24	3.0
No Response	4	1.8	4	1.1	5	2.9	16	2.0
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-16b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	23	54.8	78	55.3	113	53.8	109	45.4	75	54.3	416	52.3
Moderate Importance	10	23.8	42	29.8	73	34.8	97	40.4	49	35.5	276	34.7
Slightly Important	4	2.4	16	11.3	14	6.7	22	9.2	8	5.8	64	8.0
No Importance	3	7.1	5	3.5	5	2.9	6	2.5	4	2.9	24	3.0
No Response	2	4.8	0	0.0	4	1.9	6	2.5	2	1.4	16	2.0
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-16c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Very Important	145	56.6	188	50.3	34	59.6	31	47.0	15	37.5	416	52.3
Moderate Importance	89	34.8	123	34.2	12	21.1	26	39.4	21	52.5	276	34.7
Slightly Important	17	6.6	33	8.8	5	8.8	7	10.6	2	5.0	64	8.0
No Importance	4	1.6	16	4.3	4	7.0	0	0.0	0	0.0	24	3.0
No Response	1	0.4	9	2.4	2	3.5	2	3.0	2	5.0	16	2.0
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-17a. THE IMPORTANCE OF A DISCOUNT FOR VOLUME PURCHASES: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Vary Important	95	42.4	145	39.0	58	33.3	308	38.7
Moderate Importance	91	40.6	123	33.1	65	37.4	284	35.7
Slightly Important	26	11.6	57	18.0	21	12.1	119	14.9
No Importance	7	3.1	33	8.9	23	13.2	64	8.0
No Response	5	2.2	4	1.1	7	4.0	21	2.6
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-17b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Vary Important	14	33.3	50	35.5	73	34.8	88	36.7	74	53.6	308	38.7
Moderate Importance	10	23.8	41	29.1	79	37.6	98	40.8	46	33.3	284	35.7
Slightly Important	7	16.7	28	19.9	33	15.7	39	16.3	10	7.2	119	14.9
No Importance	7	16.7	21	14.9	20	9.5	8	3.3	6	4.3	64	8.0
No Response	4	9.5	1	0.7	5	2.4	7	2.9	2	1.4	21	2.6
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-17c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Vary Important	100	35.1	134	35.8	29	50.9	25	37.9	19	47.5	308	38.7
Moderate Importance	94	36.7	138	36.9	12	21.1	25	37.9	15	37.5	284	35.7
Slightly Important	34	13.3	58	15.5	9	15.8	14	21.2	3	7.5	119	14.9
No Importance	24	9.4	34	9.1	5	8.8	0	0.0	1	2.5	64	8.0
No Response	4	1.6	10	2.7	2	3.5	2	3.0	2	5.0	21	2.6
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-18a. A GOOD MANAGER WHO IS CONSISTENTLY ABLE TO SHOW SUBSTANTIAL PROFITS OR SAVING IS WORTH THE SALARY NECESSARY TO KEEP HIM: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	194	86.6	321	86.3	160	92.0	697	87.6
No	26	11.6	39	10.5	10	5.7	75	9.4
No Response	4	1.8	12	3.2	4	2.3	24	3.0
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-18b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	36	85.7	128	90.8	182	86.7	209	87.1	121	87.7	697	87.6
No	4	9.5	9	6.4	24	11.4	25	10.4	11	8.0	75	9.4
No Response	2	4.8	4	2.8	4	1.9	6	2.5	6	4.3	24	3.0
Total	42	100.0	141	100.0	210	100.0	240	100.0	133	100.0	796	100.0

TABLE B-18c. BY LOCATION OF FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	223	87.1	332	88.8	48	84.2	59	89.4	33	82.5	697	87.6
No	25	9.8	37	9.9	7	12.3	4	6.1	2	5.0	75	9.4
No Response	8	3.1	5	1.3	2	3.5	3	4.5	5	12.5	24	3.0
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-19a. GIVEN A COOPERATIVE AND AN INDEPENDENT WITH PRICE AND SERVICE, THE RESPONDENT'S DESIRE TO DO BUSINESS WITH THE COOPERATIVE: BY AGE OF THE RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	80	35.7	159	42.7	83	47.7	331	41.6
No	131	58.5	197	53.0	84	48.3	425	53.4
No Response	13	5.8	16	4.3	7	4.0	40	5.0
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-19b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	16	38.1	57	40.4	87	41.4	110	45.8	50	36.2	331	41.6
No	25	59.5	76	53.9	111	52.9	118	49.2	82	59.4	425	53.4
No Response	1	2.4	8	5.7	12	5.7	12	5.0	6	4.3	40	5.0
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-19c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	116	45.3	164	43.9	17	29.8	22	33.3	12	30.0	331	41.6
No	125	48.8	189	50.5	40	70.2	42	63.6	26	65.0	425	53.4
No Response	15	5.9	21	5.6	0	0.0	2	3.0	2	5.0	40	5.0
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-20a. GIVEN A COOPERATIVE AND AN INDEPENDENT WITH APPROXIMATELY THE SAME PRICE AND SERVICE, THE RESPONDENT'S DESIRE TO CHOOSE THE COOPERATIVE BECAUSE OF THE POTENTIAL REFUND: BY AGE OF THE RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	108	48.2	184	49.5	84	48.3	387	48.6
No	105	46.9	179	45.7	83	47.7	371	46.6
No Response	11	4.9	18	4.8	7	4.0	38	4.8
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-20b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	18	42.9	61	43.3	104	49.5	139	57.9	51	37.0	387	48.6
No	24	57.1	73	51.8	98	46.7	89	37.1	77	55.8	371	46.6
No Response	0	0.0	7	5.0	8	3.8	12	5.0	10	7.2	38	4.8
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-20c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	119	46.5	198	52.9	27	35.5	29	43.9	13	32.5	387	48.6
No	122	47.7	157	42.0	30	39.5	36	54.5	24	60.0	371	46.6
No Response	14	5.9	19	5.1	19	25.0	1	1.5	3	7.5	38	4.8
Total	256	100.0	374	100.0	76	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-21a. GIVEN A COOPERATIVE AND INDEPENDENT WITH THE SAME PRICE AND SERVICE, THE RESPONDENT'S CHOICE OF THE INDEPENDENT BECAUSE OF THE TAX LIABILITY ON THE COOPERATIVE'S DEFERRED PATRONAGE REFUNDS: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	43	19.2	79	21.2	30	17.2	159	20.0
No	165	73.7	262	70.4	131	75.3	572	71.9
No Response	16	7.1	31	8.3	13	7.5	65	8.2
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-21b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	10	23.8	26	18.4	46	21.9	34	14.2	36	26.1	159	20.0
No	31	73.8	100	70.9	144	68.6	191	79.6	92	66.7	572	71.9
No Response	1	2.4	15	10.6	20	9.5	15	6.3	10	7.2	65	8.2
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-21c. BY LOCATION OF THE FARM.

Response	W V % of SD		W V % of SD		W V % of SD		W V % of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	61	23.8	72	19.3	7	13.2	11	16.7	7	17.5	159	20.0
No	172	67.2	272	72.7	48	84.2	51	77.3	27	67.5	572	71.9
No Response	23	9.0	30	8.0	2	3.5	4	6.1	6	15.0	65	8.2
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-22a. AS A COOPERATIVE MEMBER, THE RESPONDENT'S WILLINGNESS TO DEFER PATRONAGE REFUNDS TO BUY NEEDED EQUIPMENT: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	159	71.0	281	75.5	139	79.9	595	74.7
No.	55	24.6	84	22.6	31	17.8	177	22.2
No Response	10	4.5	7	1.9	4	2.3	24	3.0
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-22b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	29	69.0	109	77.3	147	70.0	194	80.8	102	73.9	595	74.7
No	12	28.6	28	19.9	60	28.6	36	15.0	32	23.2	177	22.2
No Response	1	2.4	4	2.8	3	1.4	10	4.2	4	2.9	24	3.0
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-22c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	193	75.4	292	75.4	47	82.5	49	74.2	23	57.5	595	74.7
No	52	20.3	87	23.3	10	17.5	14	21.2	13	32.5	177	22.2
No Response	11	4.3	5	1.3	0	0.0	3	4.5	4	10.0	24	3.0
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-23a. RESPONDENTS' SATISFACTION WITH COOPERATIVES' PAYMENTS OF 20 PERCENT OF REFUNDS PAID IN CASH AND THE BALANCE TO THE BENEFICIARY OR ESTATE: BY AGE OF RESPONDENTS.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	81	36.2	144	38.7	64	36.8	298	37.4
No	128	57.1	211	56.7	97	55.7	448	56.3
No Response	15	6.7	17	4.6	13	7.5	50	6.3
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-23b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	18	42.9	52	36.9	86	41.0	80	33.3	48	34.8	298	37.4
No	23	54.8	79	56.0	110	52.4	145	60.4	83	60.1	448	56.3
No Response	1	2.4	10	7.1	14	6.7	15	6.3	7	5.1	50	6.3
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-23c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	108	42.2	127	34.0	25	43.9	20	30.3	18	45.0	298	37.4
No	134	52.3	224	59.9	30	52.6	41	62.1	17	42.5	448	56.3
No Response	14	5.5	23	6.1	2	3.5	5	7.6	5	12.5	50	6.3
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-24a. THE SATISFACTION OF RESPONDENTS IF 20 PERCENT OF COOPERATIVE REFUNDS WERE PAID IN CASH AND THE BALANCE PAID WITH INTEREST TO THE BENEFICIARY OR ESTATE: BY AGE OF RESPONDENTS.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	133	61.6	227	61.0	103	59.2	480	60.3
No	67	29.9	114	30.6	53	30.5	241	30.3
No Response	19	8.5	31	8.3	18	10.3	75	9.4
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-24b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	28	66.7	88	62.4	131	62.4	136	56.7	80	58.0	480	60.3
No	12	28.6	41	29.1	65	31.0	76	31.7	44	31.9	241	30.3
No Response	2	4.8	12	8.5	14	6.7	23	11.7	14	10.1	75	9.4
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-24c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	148	57.8	238	63.6	35	61.4	39	59.1	19	47.5	480	60.3
No	83	32.4	106	28.5	18	31.6	21	31.8	13	32.5	241	30.3
No Response	25	9.8	30	8.0	4	7.0	6	9.1	8	20.0	75	9.4
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-25a. SATISFACTION OF RESPONDENTS IF DEFERRED REFUNDS WERE PAID BACK EITHER MONTHLY OR IN FULL AT AGE 65: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	151	67.4	299	80.4	135	77.6	599	75.3
No	57	25.4	53	14.2	27	15.5	141	17.7
No Response	16	7.1	20	5.4	12	6.9	56	7.0
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-25b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	32	76.2	100	70.9	154	73.3	187	77.9	108	78.3	599	75.3
No	8	19.0	32	22.7	44	21.0	36	15.0	19	13.8	141	17.7
No Response	2	4.8	9	6.4	12	5.7	17	7.1	11	8.0	56	7.0
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

Table B-25c. BY LOCATION OF THE FARM.

Response	SE 1/4 of SD		NE 1/4 of SD		NW 1/4 of SD		SW 1/4 of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	186	72.7	288	77.0	40	70.2	53	80.3	31	77.5	599	75.3
No	55	21.5	61	16.3	11	19.3	10	15.2	4	10.0	141	17.7
No Response	15	5.9	25	6.7	5	10.5	3	4.5	5	12.5	56	7.0
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-26a. SATISFACTION OF COOPERATIVE MEMBERS IF DEFERRED REFUNDS WERE PAID BACK WITH INTEREST, EITHER IN FULL OR MONTHLY, AT AGE 65: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	156	69.6	284	76.3	125	71.8	577	72.5
No	48	21.4	57	15.3	29	16.7	140	17.6
No Response	20	8.9	31	8.3	20	11.5	79	9.9
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-26b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	33	78.6	97	68.8	158	75.2	168	70.0	102	73.9	577	72.5
No	5	11.9	30	21.3	36	17.1	46	19.2	22	15.9	140	17.6
No Response	4	9.5	14	9.9	16	7.6	26	10.8	14	10.1	79	9.9
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-26c. BY LOCATION OF THE FARM.

Response	SE 1/4 of SD		NE 1/4 of SD		NW 1/4 of SD		SW 1/4 of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	136	72.7	275	73.5	37	64.9	52	78.8	26	26.0	577	72.5
No	50	19.5	61	16.3	13	22.8	8	12.1	8	20.0	140	17.6
No Response	20	7.8	38	10.2	7	12.3	6	9.1	6	15.0	79	9.9
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-27a. SATISFACTION OF A COOPERATIVE MEMBER IF INTEREST WAS PAID ON DEFERRED REFUNDS EVEN IF IT WOULD MEAN SMALLER REFUNDS: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	127	56.7	219	58.9	93	53.4	444	55.8
No	81	36.2	135	36.3	65	37.4	293	36.8
No Response	16	7.1	18	4.8	16	9.2	59	7.4
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-27b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	24	57.1	77	54.6	112	53.3	136	56.7	85	61.6	444	55.8
No	15	35.7	55	39.0	86	41.0	81	33.8	46	33.3	293	36.8
No Response	3	7.1	9	6.4	12	5.7	23	9.6	7	5.1	59	7.4
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-27c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	151	59.0	205	54.8	29	50.9	40	60.6	19	47.5	444	55.8
No	87	34.0	147	39.3	23	40.4	20	30.3	15	37.5	293	36.8
No Response	18	7.0	22	5.9	5	8.8	6	9.1	6	15.0	59	7.4
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-28a. RESPONDENTS WHO CHANGED MARKET OUTLETS BECAUSE THEY THOUGHT THEY WERE BEING CHEATED: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	111	49.6	179	48.1	96	55.2	398	50.0
No	107	47.8	180	48.4	66	37.9	364	45.7
No Response	6	2.7	13	3.5	12	6.9	34	4.3
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-28b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	21	50.0	71	50.4	97	46.2	120	50.0	77	55.8	398	50.0
No	20	47.6	66	46.8	107	51.0	106	44.2	55	39.9	364	45.7
No Response	1	2.4	4	2.8	6	2.9	14	5.8	6	4.3	34	4.3
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-28c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	107	41.8	208	55.6	30	52.6	32	48.5	19	47.5	398	50.0
No	136	53.1	156	41.7	25	43.9	30	45.5	17	42.5	364	45.7
No Response	13	5.1	10	2.7	2	3.5	4	6.1	4	10.0	34	4.3
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-29a. RESPONDENTS WHO CHANGED MARKET OUTLETS BECAUSE OF INADEQUATE TESTING EQUIPMENT: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	63	28.1	99	26.6	51	29.3	219	27.5
No	155	69.2	262	70.4	109	62.6	544	68.3
No Response	6	2.7	11	3.0	14	8.0	33	4.1
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-29b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	9	21.4	40	28.4	62	29.5	65	27.1	38	27.5	219	27.5
No	32	76.2	96	68.1	143	68.1	162	67.5	95	68.8	544	68.3
No Response	1	2.4	5	3.5	5	2.4	13	5.4	5	3.6	33	4.1
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-29c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	65	25.4	103	27.5	21	36.8	16	24.2	12	30.0	219	27.5
No	178	69.5	260	69.5	34	59.6	47	71.2	24	60.0	544	68.3
No Response	13	5.1	11	2.9	2	3.5	3	4.5	4	10.0	33	4.1
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-30a. RESPONDENTS WHO CHANGED MARKET OUTLETS BECAUSE OF INEFFICIENT LOADING AND UNLOADING SYSTEM: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	68	30.4	87	23.4	40	23.0	197	24.7
No	150	67.0	274	73.7	119	68.4	564	70.9
No Response	6	2.7	11	3.0	15	8.6	35	4.4
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-30b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	9	21.4	27	19.1	50	23.3	63	26.3	43	31.2	197	24.7
No	31	73.8	108	76.6	155	73.8	164	68.3	90	65.2	564	20.9
No Response	2	4.8	6	4.3	5	2.4	13	5.4	5	3.6	35	4.4
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-30c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	67	26.2	95	25.4	8	14.0	18	27.3	9	22.5	197	24.7
No	176	68.8	263	71.7	46	80.7	45	68.2	27	67.5	564	70.9
No Response	13	50.1	11	2.9	3	5.3	3	4.5	4	10.0	35	4.4
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-31a. RESPONDENTS WHO CHANGED MARKET OUTLETS BECAUSE OF NOT ENOUGH PREMIUM PAID FOR HIGH QUALITY: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	106	47.3	178	47.8	82	47.1	377	47.4
No	112	50.0	180	48.4	77	44.3	381	47.9
No Response	6	2.7	14	3.8	15	8.6	38	4.8
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-31b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	22	52.4	63	44.7	102	48.6	111	46.3	71	51.4	377	47.4
No	18	42.9	71	50.4	102	48.6	115	47.9	61	44.2	381	47.9
No Response	2	4.8	7	5.0	6	2.9	14	5.8	6	4.3	33	4.8
Total	40	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-31c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	119	46.5	130	48.1	29	50.9	33	50.0	16	40.0	377	47.4
No	124	48.4	181	48.4	25	43.9	29	43.9	20	50.0	381	47.9
No Response	13	5.1	13	3.5	3	5.3	4	6.1	4	10.0	38	4.8
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-32a. RESPONDENTS WHO CHANGED MARKET OUTLETS BECAUSE OF TOO MUCH DISCOUNT FOR LOW QUALITY PRODUCTS: BY AGE OF RESPONDENTS.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	83	37.1	159	42.7	68	39.1	318	39.9
No	135	60.3	200	53.8	90	51.7	439	55.2
No Response	6	2.7	13	3.5	16	9.2	39	4.9
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-32b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	16	38.1	59	41.8	90	42.9	90	37.5	58	42.0	318	39.9
No	24	57.1	76	53.9	114	54.3	135	56.3	74	53.6	439	55.2
No Response	2	4.8	6	4.3	6	2.9	15	6.3	6	4.3	39	4.9
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-32c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	101	39.5	153	40.9	25	43.9	24	36.4	14	35.0	318	39.9
No	140	54.7	208	55.6	30	52.6	38	57.6	22	55.0	439	55.2
No Response	15	5.9	13	3.5	2	3.5	4	6.1	4	10.0	39	4.9
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-33a. RESPONDENTS WHO CHANGED MARKET OUTLETS BECAUSE THE COMPANY WAS NOT UP-TO-DATE ON CURRENT MARKET TRENDS: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	59	26.3	114	30.6	46	26.4	229	28.8
No	159	71.0	244	65.6	110	63.2	526	66.1
No Response	6	2.7	14	3.8	18	10.3	41	5.2
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-33b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	10	23.8	34	24.1	58	27.6	67	27.9	54	39.1	229	28.8
No	30	71.4	100	70.9	145	69.0	159	66.3	73	56.5	526	66.1
No Response	2	4.8	7	5.0	7	3.3	14	5.8	6	4.3	41	5.2
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-33c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	84	32.8	99	26.5	12	21.1	18	27.3	15	37.5	229	28.8
No	158	61.7	260	69.5	40	70.2	46	69.7	21	52.5	526	66.1
No Response	14	5.5	15	4.0	5	8.8	2	3.0	4	10.0	41	5.2
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-34a. RESPONDENTS WHO CHANGED MARKET OUTLETS BECAUSE OF INDIFFERENT ATTITUDES OF MANAGEMENT AND EMPLOYEES: BY AGE OF RESPONDENTS.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	120	53.6	218	58.6	98	56.3	446	56.0
No	99	44.2	144	38.7	58	33.3	314	39.4
No Response	5	2.2	10	2.7	13	10.3	36	4.5
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-34b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	19	45.2	73	51.8	115	54.8	139	57.9	88	63.8	446	56.0
No	21	50.0	62	44.0	87	41.4	91	37.9	45	32.6	314	39.4
No Response	2	4.8	6	4.3	8	3.8	10	4.2	5	3.6	36	4.5
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-34c. BY LOCATION OF THE FARM.

Response	SE ½ of SD		NE ½ of SD		NW ½ of SD		SW ½ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	146	57.0	215	57.5	29	50.9	33	50.0	22	55.0	446	56.0
No	97	37.9	149	39.8	24	42.1	30	45.5	13	32.5	314	39.4
No Response	13	5.1	10	2.7	4	7.0	3	4.5	5	12.5	36	4.5
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-35a. RESPONDENTS WHO CHANGED MARKET OUTLETS BECAUSE THE WIFE DELIVERED GRAIN:
BY AGE OF RESPONDENTS.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	5	2.2	8	2.2	5	2.9	19	2.4
No	207	92.4	337	90.6	145	83.3	711	89.3
No Response	12	5.4	27	7.3	24	13.8	66	8.3
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-35b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	2	4.8	6	4.3	4	1.9	6	2.5	0	0.0	19	2.4
No	38	90.5	123	87.2	195	92.9	214	89.2	124	89.9	711	89.3
No Response	2	4.8	12	8.5	11	5.2	20	8.3	14	10.1	66	8.3
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-35c. BY LOCATION OF FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	5	2.0	11	2.9	1	1.3	1	1.5	1	2.5	19	2.4
No	230	89.8	337	90.1	50	87.7	58	87.9	34	85.0	711	89.3
No Response	21	8.2	26	7.0	6	10.5	7	10.6	5	12.5	66	8.3
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-36a. RESPONDENTS INDICATION OF WILLINGNESS TO ACCEPT AN AVERAGE ANNUAL PRICE FOR GRAIN EACH YEAR: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	69	30.8	107	28.8	67	38.5	250	31.4
No	145	64.7	247	66.4	90	51.7	498	62.6
No Response	10	4.5	13	4.8	17	9.8	48	6.0
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-36b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	18	42.9	51	36.2	61	29.0	70	29.2	41	29.7	250	31.4
No	20	47.6	84	59.6	136	64.8	151	62.9	93	67.4	498	62.6
No Response	4	9.5	6	4.3	13	6.2	19	7.9	4	2.9	48	6.0
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-36c. BY LOCATION OF THE FARM.

Response	SE ¼ of SW		NE ¼ of SW		NW ¼ of SW		SW ¼ of SW		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	67	26.2	132	35.3	16	28.1	25	37.9	9	22.5	250	31.4
No	175	68.4	225	60.2	37	64.9	33	50.0	27	67.5	498	62.6
No Response	14	5.5	17	4.5	4	7.0	8	12.1	4	10.0	48	6.0
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-37a. RESPONDENT'S WILLINGNESS TO FOREGO THE CHANCE FOR WINDFALL PROFITS ON GRAIN IF A GUARANTEED PRICE ABOVE THE COST OF PRODUCTION WERE AVAILABLE: BY AGE OF RESPONDENTS.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Most of the time	94	42.0	209	56.2	110	63.2	421	52.9
Half of the time	84	37.5	83	22.3	25	14.4	198	24.9
Hardly ever	36	16.1	60	16.1	27	15.5	130	16.3
No Response	10	4.5	20	5.4	12	6.9	47	5.9
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-37b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Most of the time	22	52.4	75	53.2	110	52.4	134	55.8	74	53.6	421	52.9
Half of the time	8	19.0	40	28.4	55	26.2	52	21.7	34	24.6	198	24.9
Hardly ever	10	23.8	24	17.0	32	15.2	37	15.4	25	18.1	130	16.3
No Response	2	4.8	2	1.4	13	6.2	17	7.1	5	3.6	47	5.9
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-37c. BY LOCATION OF THE FARM.

Response	SE 1/2 of SD		NE 1/2 of SD		NW 1/2 of SD		SW 1/2 of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Most of the time	114	44.5	218	58.3	35	61.4	33	50.0	19	47.5	421	52.9
Half of the time	76	29.7	85	22.7	5	8.8	20	30.3	12	30.0	198	24.9
Hardly ever	49	19.1	55	14.7	13	22.8	8	12.1	4	10.0	130	16.3
No Response	17	6.6	16	4.3	4	7.0	5	7.5	5	12.5	47	5.9
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-38a. RESPONDENT'S DESIRE TO HAVE SOMEONE MAKE MARKETING DECISIONS: BY AGE OF RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	15	6.7	66	17.7	24	13.8	108	13.6
No	204	91.1	290	78.0	144	82.8	658	82.7
No Response	5	2.2	16	4.3	6	3.4	30	3.8
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-38b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	4	9.5	21	14.9	35	16.7	28	11.7	19	13.8	108	13.6
No	37	88.1	118	83.7	169	80.5	197	82.1	115	83.3	658	82.7
No Response	1	2.4	2	1.4	6	2.9	15	6.3	4	2.9	30	3.8
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-38c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	31	12.1	56	15.0	8	14.0	8	12.1	4	10.0	108	13.6
No	216	84.4	306	81.8	49	86.0	53	80.3	33	82.5	658	82.7
No Response	9	3.5	12	3.2	0	0.0	5	7.6	3	7.5	30	3.8
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-39a. RESPONDENT'S DESIRE FOR LOCAL COMPANIES TO RECOMMEND MARKETING STRATEGIES:
BY AGE OF RESPONDENTS.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	147	65.6	238	64.0	101	58.0	499	62.7
No	68	30.4	120	32.3	64	36.8	262	32.9
No Response	9	4.0	14	3.8	9	5.2	35	4.4
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-39b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	26	61.9	88	62.4	126	60.0	156	65.0	88	63.8	499	62.7
No	14	33.3	48	34.0	80	38.1	68	28.3	44	31.9	262	32.9
No Response	2	4.8	5	3.5	4	1.9	16	6.7	6	4.3	35	4.4
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-39c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	156	60.9	231	61.8	43	75.4	42	63.6	25	62.5	499	62.7
No	88	34.4	131	35.0	14	24.6	18	27.3	11	27.5	262	32.9
No Response	12	4.7	12	3.2	0	0.0	6	9.1	4	10.0	35	4.4
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 due to rounding.

TABLE B-40a. RESPONDENTS PRESENTLY SUBSCRIBING TO A MARKET ADVICE SERVICE: BY AGE OR RESPONDENT.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	74	33.0	112	30.1	33	21.8	231	29.0
No	145	64.7	253	68.0	133	76.4	543	68.8
No Response	5	2.2	7	1.9	3	1.7	17	2.1
Total	224	100.0	372	100.0	174	100.0	796	100.0

TABLE B-40b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	5	11.9	18	12.8	55	26.2	69	28.8	78	56.5	231	29.0
No	37	88.1	122	86.5	152	72.4	163	67.9	57	41.3	548	68.8
No	0	0.0	1	0.7	3	0.5	8	3.3	3	2.2	17	2.1
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-40c. BY LOCATION OF THE FARM.

Response	SE ¼ of SD		NE ¼ of SD		NW ¼ of SD		SW ¼ of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	61	23.8	107	28.6	20	35.1	21	16.7	21	52.5	231	29.0
No	186	72.7	264	70.6	37	64.9	43	65.2	16	40.0	543	68.8
No Response	9	3.5	3	0.8	0	0.0	2	3.0	3	7.5	17	2.1
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Notes: Totals may not equal 100 due to rounding.

TABLE B-41a. ADULT RESPONDENTS WOULD BE WILLING TO PAY ANNUALLY FOR RELIABLE MARKET ADVICE: BY AGE OF RESPONDENTS.

Response	Under 35		35-55		Over 55		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
\$ 0	42	18.3	110	29.6	61	35.1	225	28.3
25	43	19.2	65	17.5	23	13.2	134	17.0
50	33	14.7	53	14.2	20	11.5	109	13.6
100	50	22.3	79	21.2	38	21.8	170	21.4
300	24	10.7	21	5.6	4	2.3	50	6.3
500	13	5.8	9	2.4	3	1.7	27	3.4
750	0	0.0	0	0.0	0	0.0	0	0.0
1000	4	1.8	2	0.5	2	1.1	8	1.0
No Response	15	6.7	33	8.9	23	13.2	73	9.0
Total	224	100.0	37	100.0	174	100.0	196	100.0

TABLE B-41b. BY SIZE OF AVERAGE ANNUAL SALES.

Response	Under 10,000		10-25,000		25-50,000		50-100,000		Over 100,000		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
\$ 0	21	50.0	57	40.4	66	31.4	52	21.7	20	14.5	225	28.3
25	6	14.3	31	22.0	39	18.6	41	17.1	13	9.4	134	17.0
50	5	11.9	18	12.8	27	12.9	36	15.0	22	15.9	109	13.6
100	6	14.3	18	12.8	43	20.5	58	24.2	43	31.2	170	21.4
300	2	4.8	1	0.7	13	6.2	24	10.0	10	7.2	50	6.3
500	0	0.0	0	0.0	8	3.8	2	0.8	16	11.6	27	3.4
750	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
1000	0	0.0	0	0.0	1	0.5	2	0.8	5	3.6	8	1.0
No Response	2	4.8	16	11.3	13	6.2	25	10.4	9	6.5	73	9.0
Total	42	100.0	141	100.0	210	100.0	240	100.0	138	100.0	796	100.0

TABLE B-41c. BY LOCATION OF THE FARM.

Response	SE 1/4 of SD		NE 1/4 of SD		NW 1/4 of SD		SW 1/4 of SD		Montana		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent	No.	Percent
\$ 0	77	20.1	111	29.7	22	38.6	13	19.7	1	2.5	225	28.3
25	39	15.2	74	19.8	6	10.5	13	19.7	2	5.0	134	17.0
50	28	10.9	55	14.7	8	14.0	13	19.7	4	10.0	109	13.6
100	64	25.0	67	17.9	11	19.3	13	19.7	15	37.5	170	21.4
300	13	5.1	26	7.0	2	3.5	2	3.0	7	17.5	50	6.3
500	9	3.5	9	2.4	1	1.8	1	1.5	6	15.0	27	3.4
750	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
1000	0	0.0	2	0.5	2	3.5	2	3.0	2	5.0	8	1.0
No Response	26	10.2	30	8.0	5	8.7	9	13.6	3	7.5	73	9.0
Total	256	100.0	374	100.0	57	100.0	66	100.0	40	100.0	796	100.0

Note: Totals may not equal 100 percent due to rounding.