

# Service Satisfaction among Member-Consumer-Owners' (MCOs) of an Electric Cooperative in Iloilo

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**Abstract**— This study aimed to determine the level of satisfaction on the services offered to the Member-Consumer-Owners (MCOs) of an Electric Cooperative in Iloilo and made proposed program among fourteen municipalities and one component city covered for the Fiscal Year 2026. The descriptive–survey research design was employed in this investigation. The participants of this study were the 384 residential consumers of ILECO II within covered municipalities of Pototan, Mina, Dueñas, Dingle, San Enrique, Calinog, Bingawan, Lambunao, Janiuay, Badiangan, Zarraga, New Lucena, Barotac Nuevo, Dumangas and one (1) component city, Passi City. Descriptive statistics employed were mean and standard deviation. Inferential statistics use were independent sample t-test and One-Way ANOVA. The findings revealed that MCOs demonstrated a high level of satisfaction across financial, technical and institutional services as a whole. The MCOs across different municipalities consistently expressed a high level of satisfaction with technical, institutional, and financial services. The results confirmed that MCOs generally held favorable perceptions of financial, technical, and institutional services, with consistently high satisfaction levels and low variability in responses, reflecting stability in service delivery.

The consistently high mean scores across all service dimensions demonstrated that MCOs perceived the cooperative's performance as very satisfactory, reinforcing its strong reputation for service quality. To address these findings, a strengthened pre-membership education seminar was proposed, which provided prospective MCOs with a comprehensive orientation on ILECO II's technical, institutional, and financial services while considering their location, monthly electric bill, membership tenure, and source of income fostering inclusivity, transparency, and sustained engagement.

**Keywords**— Satisfaction, Member-Consumer-Owners, Financial Services, Technical Services, Institutional Services.

## INTRODUCTION

Electricity is one of the essential utilities in any society and economy. It powers industries, businesses, institutions, and homes. Reliable and low-cost electricity has a direct bearing on quality of life, productivity, and progress in the community. In the Philippines, where most communities are scattered geographically, electric services are provided through a combination of private distribution utilities and electric cooperatives. Electric cooperatives (ECs) are characterized by membership since they are owned by consumers, with membership classified as Member-Consumer-Owners (MCOs). Satisfaction of these MCOs is quite vital since it would not only entail economic viability for the cooperative but indeed affect the effectiveness of service delivery (Alipio & Dilla, 2021).

Within this context, the Iloilo II Electric Cooperative, Inc. (ILECO II) plays a vital role in Iloilo province. ILECO II was officially organized on October 18, 1975, under the NEA program, as part of the nationwide initiative to establish electric cooperatives. Since then, it has continuously expanded its franchise area, serving an estimated population of around 141,000 in its coverage and with approximately 104,000 connected consumers in recent records (ILECO II, 2024). Over the years, ILECO II has been instrumental in powering households, schools, businesses, and local industries, contributing to both social and economic growth in its service areas. However, as demand for electricity increases and consumer expectations evolve, ensuring high levels of MCO satisfaction has become a pressing concern. ILECO II serves 14 municipalities under its coverage

namely Pototan, Mina, Dueñas, Dingle, San Enrique, Calinog, Bingawan, Lambunao, Janiuay, Badiangan, Zarraga, New Lucena, Barotac Nuevo, Dumangas and one (1) component city, Passi City. In December 2029, ILECO II's legislative franchise will expire, subject for franchise application through hearing with the Senate of the Philippines, with final approval and signature of the President of the Republic of the Philippines for another fifty (50) years of full operation.

This study on Service Satisfaction among Member-Consumer-Owners of an Electric Cooperative in Iloilo is therefore both appropriate and important. It aims to measure the level of satisfaction among ILECO II's member-consumer-owners, analyze the dimensions that significantly influence their perceptions, and provide recommendations for enhancing service quality. The findings will not only benefit ILECO II in improving its operations and governance but will also contribute to the broader understanding of cooperative-based service delivery in the Philippine electric power sector.

Generally, this study aimed to determine the level of satisfaction of MCOs of ILECO II services and make proposed program to address issues.

Specifically, this study sought to answer the following research questions.

What is the level of satisfaction of MCOs on services in terms of (a) financial services, (b) technical services, and (c) institutional services as a whole and when respondents were grouped into location, monthly electric bill, number of years as member-consumer-owner, and source of income?

Is there a significant difference in the level of satisfaction of MCOs on services in terms of (a) financial services, (b) technical services, and (c) institutional services as a whole and when respondents were grouped into location, monthly electric bill, number of years as member-consumer-owner, and source of income?

What program can be proposed based on the results of the study?

## METHODOLOGY

The study employed a quantitative approach using a descriptive-survey research design to determine the level of satisfaction of ILECO II's Member-Consumer-Owners (MCOs) and to examine differences across selected demographic and socioeconomic variables. This approach is appropriate as it allows the collection of numerical data and facilitates statistical comparison among groups, making it suitable for assessing service satisfaction in utility-based organizations.

The respondents of the study consisted of 384 residential MCOs from the Third and Fourth Districts of Iloilo Province, including the municipalities of Pototan, Mina, Dueñas, Dingle, San Enrique, Calinog, Bingawan, Lambunao, Janiuay, Badiangan, Zarraga, New Lucena, Barotac Nuevo, Dumangas, and Passi City. The sample size was determined using Cochran's Formula for finite population, ensuring representativeness and an acceptable margin of error for the total population of 170,644.

To ensure proportional representation, the study utilized stratified sampling with proportional allocation, where respondents were distributed across municipalities based on their population size. Within each stratum, convenience sampling was applied to select respondents who were readily available and willing to participate during the data collection period.

Data were collected using a structured survey questionnaire, designed to measure the level of satisfaction across key service areas. The gathered data were then organized, coded, and analyzed using appropriate statistical tools such as frequency counts, percentages, means, and inferential statistics to determine significant differences among groups.

## RESULTS AND DISCUSSIONS

1. The results confirm that MCOs generally hold favorable perceptions of financial, technical, and institutional services, with consistently high satisfaction levels and low variability in responses, reflecting stability in service delivery.
2. Satisfaction with services remains uniformly high across municipalities, suggesting that ILECO II

has achieved equitable service provision throughout its coverage area.

3. The consistently high mean scores across all service dimensions demonstrate that MCOs perceive the cooperative's performance as very satisfactory, reinforcing its strong reputation for service quality.
4. The length of membership influences satisfaction levels, as newer members tend to express very high satisfaction, while long-term members—particularly those with over 20 years of membership—show relatively lower satisfaction, especially in certain service areas.
5. While satisfaction is high across all income groups, pensioners report the highest levels of satisfaction, whereas business owners express relatively lower satisfaction, particularly in financial services, indicating the need for targeted financial strategies.
6. Satisfaction with technical and institutional services is stable across groups, but financial services show significant variation, highlighting the importance of tailoring financial programs to diverse member needs.
7. Location plays a significant role in shaping satisfaction across all service dimensions, underscoring the need for localized strategies to address unique community contexts.
8. Consumers who incur higher electricity expenses tend to have different perceptions of financial services compared to those with lower monthly bills. Consequently, the cost of electricity plays a significant role in shaping consumers' satisfaction with the cooperative's financial services. Therefore, it can be concluded that electricity expenses are an important factor affecting how consumers evaluate the financial-related services provided by the cooperative.
9. Membership tenure influences perceptions of technical and institutional services, suggesting that long-term members may have different expectations compared to newer members, while financial services remain unaffected by tenure.
10. Income source does not affect satisfaction with technical and institutional services, but it significantly influences perceptions of financial services, indicating that financial programs must be responsive to socio-economic diversity.
11. Although the majority of respondents across different locations were very satisfied, some respondents from selected municipalities reported only satisfaction with technical, institutional, and financial services. This may be due to differences in service accessibility, response time to concerns, or occasional power interruptions experienced in certain areas, which could slightly affect their overall perception.
12. While most respondents with varying levels of monthly electricity consumption were very satisfied, those within the 301–500 kWh and 201–300 kWh brackets were only satisfied in certain service areas. This may be attributed to higher expectations among consumers with greater electricity usage, sensitivity to billing accuracy, or concerns about rising electricity costs.
13. Despite the majority of long-term member-consumer-owners expressing very high satisfaction, some respondents with 11–20 years and more than 20 years of membership were only satisfied with technical, institutional, and financial services. This may be influenced by their longer exposure to the organization, making them more critical of service consistency, policy changes, or past service experiences.
14. Although most respondents from different income sources were very satisfied, business owners were the only group noted as merely satisfied with financial services. This may be due to their greater demand for accurate billing, flexible payment options, and reliable service continuity, which are essential for business operations.
15. To address these findings, a strengthened pre-membership education seminar is proposed, which will provide prospective MCOs with a comprehensive orientation on ILECO II's technical, institutional, and financial services while considering their location, monthly electric bill, membership tenure, and source of income, thereby fostering inclusivity, transparency, and sustained engagement.

## RECOMMENDATIONS

Based on the findings and conclusions, the researcher came up with the following recommendations:

1. ILECO II should continue to maintain and strengthen the quality of its financial, technical, and institutional services to sustain the consistently high satisfaction levels reported by Member-Consumer-Owners.
2. The cooperative must ensure equitable service delivery across municipalities by implementing monitoring and evaluation mechanisms that address minor differences in location-based perceptions.
3. Financial programs should be tailored to meet the diverse needs of income groups, particularly by providing flexible payment schemes and targeted support for business owners who expressed relatively lower satisfaction.
4. Localized strategies should also be developed to respond to the unique contexts of different communities, while refresher orientations and recognition programs for long-tenured members can help address evolving expectations in technical and institutional services.
5. Financial services must be adapted to the socio-economic realities of members, ensuring inclusivity across varying income sources.
6. It is recommended that ILECO II explore alternative markets that could offer lower electricity rates to benefit its Member-Consumer-Owners.
7. ILECO II should ensure a prompt response in restoring electricity during power outages to minimize inconvenience to Member-Consumer-Owners.
8. ILECO II should improve the consistency of service delivery across different locations, particularly in areas where respondents reported only moderate satisfaction. This may be achieved by enhancing response time to consumer concerns, improving service accessibility, and reducing power interruptions through better operational and technical practices.
9. Special attention should be given to consumers with higher electricity consumption, as they tend to have higher expectations. The organization

should ensure transparency in billing, accuracy in meter readings, and provide programs that promote energy efficiency to improve their satisfaction.

10. ILECO II should develop targeted engagement strategies for long-term members, particularly those with more than 10 years of membership, as they may become more critical over time. Regular consultations, updates on improvements, and recognition of their loyalty can help strengthen their trust and satisfaction.
11. Improvements in financial services should be prioritized, especially for business owners. This includes offering flexible payment options, ensuring accurate and timely billing, and maintaining reliable service continuity to support their business operations.
12. The implementation of a strengthened pre-membership education seminar is recommended to provide prospective members with a comprehensive orientation on ILECO II's technical, institutional, and financial services, while considering their location, monthly electric bill, membership tenure, and source of income. This initiative will foster transparency, inclusivity, and sustained engagement, thereby enhancing overall satisfaction and loyalty among members.

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