

# OWNER MOTIVATION IN SMALL SIZE FAMILY FARMS: INSIGHTS FROM AN EXPLORATORY STUDY ON THE ORNAMENTAL PLANT INDUSTRY

## Abstract

Owner motivations are a relatively new area of investigation, which has seen over the last fifteen years the succession of numerous articles and studies. Therefore an in-depth study of the owner motivation can become an useful and strategic tool for improving strategies of small firm success. This case study particularly aims to analyse this phenomenon in the context of the ornamental plant sector, considering that the characteristics of this sector may be indicative of the ongoing dynamics for modern agricultural productions. The analysis was designed and planned in order to identify the owners motivations within family farm and it was conducted by segmenting the sample into two sub-samples according to a range of different production (short or long productive cycle) and economic size farm. Results allow to highlight how emotion item is particularly relevant for owners in both groups. Affective motivation is a key factors influencing the actions and business approaches of respondents. In addition inheritance is another predominant motivation among respondents that prompted the decision to become an owner. The findings also show interesting questions that could have on the potential impact about the owner's decision-making. In fact, we have identified two aspects of owner action, which can be exclusively the competence of the individual (Group A), or well distinct among managerial responsible management and commitment to operational management skills and more knowledge of human resources (Group B). Despite the limit of the research, this study contributes to report the results for a specific region and a specific sector, its empirical applications could reasonably be extensible and also applicable to other similar agricultural sectors of the Mediterranean, with a high level of technological innovation and a high level of owners' know-how where there remains a strong link between businesses and socio-familiar context.

Keywords: micro size farms, innovation, ownership, organization training management.

## INTRODUCTION

Owner motivations are a relatively new area of investigation, which has seen over the last fifteen years the sequence of several articles and studies. Since seminal paper on owner motivation (Scott Morton and Podolny, 2002) it has been highlighted the dual perspective of many industries, where the targets may tend to maximize utility or profit in relation to the different motivations of business' owners.

The importance of social and economic motivation of business owners have been widely debated (Ollenburg and Buckley, 2007; Wang et al., 2007) and interesting contributions on the owner role about performance of small and medium-sized businesses, they have been undergone in depth through the impact assessment of human and organisational capital (Leitao and Franco, 2010; Walker *et al.*, 2007). Small businesses are in fact vital to the economy of many Western countries for their ability to develop employment and increase the possibility of generating wealth in local communities and rural areas (Walker *et al.*, 2007; Timpanaro *et al.*, 2013; Di Vita *et al.*, 2015b).

Therefore an in-depth study of the owner motivation can become an useful and strategic tool for improving strategies of small firm success. This case study particularly aims to analyse this phenomenon in the context of the ornamental plant sector, considering that the characteristics of this sector may be indicative of the ongoing dynamics for modern agricultural productions. This is

due to the variety of products offered by various different products from each other substantially, intended to meet needs both primary and discretionary. In fact, among the agricultural production sectors involved in global competition, ornamental industry is one of the most complex and dynamic (Di Vita *et al.*, 2015a). Inevitably, it appears therefore, the impact on corporate strategies carried out by owner motivation dynamics (Mason, 2008), especially for those that have limited business size, and where the contribution of manual and intellectual work provided by the owner and his family are crucial in their economic success.

Organisations known as family firms have been studied from different points of view, however, in literature there is still not a shared vision on the criteria for identifying and parameter and information to be used in order to define a family firm. A recent contribution has identified two different dimensions to define the term “family firm”: the owners who possess a sufficient share of the capital likely to control business decisions and can transmit the family business to the next generation (Vallejo and Martos, 2007).

This meaning can be considered suitable also for family farms, to whom it is necessary to integrate the fact that labour input comes from, even if only partially and for intellectual work, by members of the owners’ family (Schmitt, 1991). In fact the essence of family farms requires a substantial relationship as well as economic and social interdependence between family and farm participating both to become united in a common substance, transmitted from generation to generation (Potter and Loble 1992; Potter and Loble, 1996; Gray, 1998; Idda and Pulina, 2011).

The study focuses on the ornamental plant industry which is an agricultural productive sector extremely composite in its organizational structure and market, where the farm’s capacity is how to know tackling or stimulating luxury needs, whose time horizon over time could be lived up preferences around alternative products. In this context, the aim of the analysis is to observe main owner motivation and actions, identifying those that will avoid strategies success in businesses of firms producing Mediterranean ornamental plants.

The analysis was designed and planned to identify the owners motivations within family farm and it was conducted by segmenting the sample into two sub-samples. They were differentiated by a range of different types of production (short or long productive cycle) and economic size in order to evaluate whether there are differences between motivations, the level of organization and innovation propensity among entrepreneurs of the two sub-samples, in a hypothesis of an insufficient strategic planning of small businesses (family farms) in the field of ornamental plants.

## **MAIN FEATURES OF ORNAMENTAL PLANT BUSINESS**

The ornamental sector in Italy is represented mainly by businesses of economic size quite small, where the family businesses represent the majority (owned business), knowledge are based almost exclusively on basic education and training with difficulties to developing on it. However, for the latter type of business, aiming to contribute to a possible innovative initiative, the motivational action flows, sporadically, by the owner leader (head of the family), mainly, by another member of the family (social capital) (Wasdani, 2014), primarily the youngest, whose level of education is upper level (Ashourizadeh, 2014).

Family businesses coexist by dependent and joint work, in which the conditions of economic, social and cultural indulge more these last two business typologies to the innovative and motivational action. As before mentioned, they relying on short/medium term and they concern about differentiation processes. In this case, product innovation is a function either of its difference from the existing or from past market experience such as the reinvention (Dougherty, 1992).

Therefore personality and corporate performance (Ong, 2013) are functional to the owner in order to make a product still useful and dissimilar (creativity) surprising and competing successfully. This allows a firm to have a competitive advantage over its rivals, depending on the ability and the speed of using this opportunity. Imitative strategies of competitors erode the competitive advantage of innovative businesses relegating the best results (premium price) in a temporary advantage (D'Aveni, 1994).

Ornamental farms therefore operate in hypercompetitive markets (Allegra et al; 2014) in which there is the simultaneous cohabitation of short and long-term of temporary benefits.

The dynamic condition suggests to ornamental farms to adapt typologies/segment to a new product. In fact, in the ornamental sector, the novelty of a product is completely replaced over time by serialized products, to which they rely even the unit production survival. However, in owner organisations, the virtuous dynamic guides human internal behaviour to new combinations of different products to create new positions of competitive advantage (temporary). This generates hypercompetitive markets change, useful to stimulate growth and economic development about the sector in question (Allegra et al., 2014).

In addition, for this sector, frequently opens new economic opportunities arising from changing corresponding market demand. Changes that contribute to set up the flower and ornamental plant sector constantly evolve in terms of introduction of innovations (both product and process), which appears crucial if we consider how the sector is particularly vulnerable to rapid changes in fashionable trends of consumers (Asciuto et al., 2008).

This particularly occurs when these effects can disturb the demand of many ornamental products, primarily when foreign markets are interested in destination products (Zarba *et al.*, 2015), which for

geographical, cultural and welfare conditions are quite different, whereas the demand for discretionary consumer is proportional (or more than proportional) to income or connected to hetero-direct forms of consumption (i.e. Veblen effect, see: Liebenstein, 1950).

Therefore, looking at the owner behaviour is required to have a certain experience and competence (knowledge) and a great ability to make the offer attractive and updated at substantive and symbolic level. Businesses, therefore, must be ready to rethink and reorganize all of its assets, in order to maintain a sustainable state over time (Barrel, 2012).

The possibility of changing is therefore a function of the ability to interpret the contingencies of the market in order to find the right answer in relation to the complex nature of the ornamental production assets. The remarkable pro-activity that leads the motivational action spontaneously, reflects a dynamic nature of business organisation that operates in a production sector, extremely dynamic in terms of production and structure but characterized by a certain prevalence of family farms.

## **DATA AND METHODS**

A two-step methodology was adopted to analyse the attitudes and motivation of the producers about the key themes already outlined.

In a first phase, focus groups were conducted with industry experts possessing an adequate knowledge background about market (producers, traders and brokers, institutional officials and researchers) in order to identify what could be the main cluster discussion and the issues to be explored in relation to what motivates business owners in working in the ornamental sector, selecting the items to be included in the final questionnaire. As a consequence based on the results emerged from the discussions, held during these meetings, a questionnaire to be submitted to the owners was designed. The selection of owners of representative businesses for sizes and typologies of productions was used as samples for the interviews took place.

Interviews were then conducted using a questionnaire submitted to a sample of ornamental farms. Sampled ornamental farms were identified by taking into account the characteristics of the territories as well as some specific attributes of the production units, specifically samples included farms located in eastern Sicily, within the province of Catania and Messina and in Western area of island, in Marsala (Trapani).

Research was carried out in the most important productive areas of Sicily. In light of this, 24 representative farms were identified by taking into account the territories characteristics as well as some specific attributes of the units production. Sampled ornamental farms were located in eastern Sicily, within the province of Catania and Messina and in western area of the island, within Trapani

province (Marsala) (Di Vita *et al.*, 2015b). Despite the sample is numerically limited and restricted to a defined geographical area (Sicily) and as such is not representative of the national reality, it has a strong local identity and it is certainly indicative of the southern and central production sector in Italy, in terms of technology and organisation.

A specific questionnaire, containing closed questions, was administered with face to face method in order to identify the most significant features of those interviewed, as well as the main issues related to pot plant producers' motivation. The questionnaire was divided into two parts. The first one took into account aspects related to production, market and distribution while the second part, which is focused on the present paper, it was addressed to analyse organisational and motivational characteristics of ornamental farms owners.

With regard to socio-demographic characteristics the owners interviewed are composed almost entirely of males, have an average age of about 50 years, with a variation between a minimum of 26 and a maximum of 71 years. Their level of education is made up in 20.8% of cases by an elementary education and secondary school, while 67.7% have a high school diploma, and only 12.5% have a university degree.

Data, derived from the answers of those interviewed, were divided into two sub-samples and according to a previous qualitative methodological approach (Kings and Ilbery, 2012) they were analysed in quantitative terms, through univariate statistics type (cumulative and relative frequency). They were supported by qualitative analysis based on general impressions and attitudes emerged by preliminary focus groups, in order to make some comparisons of any motivational differences among business owners belonging to the two sub-samples in this study.

The relative frequency of answers has been referred to the absolute frequency normalized by the total number of respondents:

$$f_i = \frac{n_i}{N} = \frac{n_i}{\sum_j n_j}.$$

The two sub samples, characterized by different range of turnover but nonetheless, attributable to micro-size farms were divided according to their specialization and the consequent economic dimension (turnovers), in order to assess whether there are differences among the motivations, the level of organisation, and the capacity of innovation among owners of the two sub-samples, in a hypothesis of an insufficient small businesses strategic planning (family farms) in the field of ornamental.

The distinction of the two sub groups should help to better understand and select the most significant variables related to the owner's motivation that can certainly have an impact on the performance of micro-size family farms. In particular the group A consists of farms on average smaller, with production typologies more oriented towards production of pluriannual species in the shorter production cycle (*Bougainvillea spp.*, *Chamaerops humilis*, etc.) and it has turnovers less than 350,000 euro. Conversely the group B is characterized by farms involved primarily in the production of permanent arboreal plants, or from plants characterized by a longer production cycle and greater vegetative development and therefore by an increased pot diameter such as ornamental citrus (*Citrus spp.*), ornamental olive tree (*Olea europea*) and carob tree (*Ceratonia siliqua*), with turnovers in excess of 400,000 Euros and having a greater propensity to export.

### **ANALYSIS OF THE RESULTS**

A first element of knowledge is linked to the reasons that have led the business operator to start their production activities: How did they start the business? How did they get the firm? Why did they decide to be a farmer?"

Within the ornamental farms sampled, the common view that emerges with regard to the activity carried out is primarily emotional. For both groups emerge the attachment feelings to the ornamental activity that motivate the business owner. In fact the passion for their job is certainly the main reason. In this regard, the tab. 1 explicate how passion predominates over the "activities motivation" for both groups; the absolute frequency between the two groups differ slightly; since it is equal to 75.0% in Group A, while in Group B the frequency decreases to 66.7%.

The latter, in most cases, it is acquired and strengthened over time in family, in fact, another predominant tendency among respondents on the motivations that prompted the decision to become an owner is evident about *inheritance*. The results are significant for both groups, significant is in fact the amplitude of its relative frequency, slightly higher in the Group A than in Group B (respectively 66.7% versus 50.0%), also for the close connection between this modality with the previous observed. Therefore, all of the abovementioned results confirm what has been shown in a previous study, that the accumulation of specific knowledge plays a role in facilitating the transmission of intra-family farm (Corsi, 2009). In addition, as it is the case in other Western countries, the access to an agricultural business is through the family succession, where the farm owners' sons are most likely to take over the family farm than those who have no direct connection (relationship) with a farm (Keating and Little, 1997).

When the measurement of businesses' performance is beyond the mere economic indicators - characterizing however significantly the third motivation in order of importance in the context of both groups examined, with a frequency distribution included between 33% and 50% - and if we

take into account human capital, it is evident that the only significant variable is the enthusiasm for their work. Such result is quite consistent with the findings of a recent study about the enthusiasm of the entrepreneurs leading small and medium sized businesses (Leitao and Franco, 2010).

**Tab. 1 - Ownership motivation**

<i>Group A</i>	Absolute Frequency (n)	Relative frequency	Frequency distribution (%)	<i>Group B</i>	Absolute Frequency (n)	Relative frequency	Frequency distribution (%)
Inheritance	8	0,7	66,7	Inheritance	6	0,5	50,0
Indipendence	1	0,1	8,3	Indipendence	5	0,4	41,7
Passion	9	0,8	75,0	Passion	8	0,7	66,7
Lack of alternatives	0	0,0	-	Lack of alternative	1	0,1	8,3
Economic perspectives	6	0,5	50,0	Economic perspectives	4	0,3	33,3
<b>Total</b>	<b>24</b>			<b>Total</b>	<b>24</b>		

Whatever the origin farm, ornamental activities in its action is also considered a form of self-realization on the social level, although with a different focus in business life. In particular, looking at the distribution of the perception that respondents compared to their “work” (tab. 2), the *self-realization* is quite important especially in Group A (91.7% versus 83.0%). Such result is in line with the findings by Beaver (2003), which argues for small firm owner managers, the success and therefore business motivations, can be “measured” by the ability to sustain a business style that can combine independence with a certain level of acceptable income, thus making it “comfortable” activities related to the owner role.

Conversely, *source of income* is the item which prevails in Group A (100 % of one against half of the absolute frequency of the other sub sample), pointing out that within the micro-farms the economic factor takes on greater importance among farms characterized by lower turnovers.

In this context, the weight of the different frequencies just above observed, allow us to identify two aspects of owner’s action or *corporate governance*. They can be exclusively an individual competence (Group A), or well-defined among responsible management, operational management and human resources (Group B).

Care for society and the desire to contribute to the development and occupation of local and rural economies represents a quite prevalent aspiration in both samples, which indicates a particular attention to the local population welfare by the interviewees. Surprisingly even “*stress*” is an inseparable component of the owner’s activities, assuming a particularly high percentage in the group with lower turnover, probably because in these farms the owner has to fulfil a number of

functions relating to the production, packaging and marketing, similarly to what happens in other sectors of agro-food small firms (Di Vita et al., 2013).

**Tab. 2 – Job is ... love or money?**

Group A	Absolute Frequency (n)	Relative frequency	Frequency distribution (%)	Group B	Absolute Frequency (n)	Relative frequency	Frequency distribution (%)
Source of income	12	1,0	100,0	Source of income	6	0,5	50,0
Development of local economies	5	0,4	41,7	Development of local economies	5	0,4	41,7
Stress	5	0,4	41,7	Stress	4	0,3	33,3
<b>Total</b>	<b>32</b>			<b>Total</b>	<b>26</b>		

The possibility of imagine that their assets vanish in the hands of third parties, with the risk of losing all personal factors that were transferred to business setting, press the owner for inheritance feeling. Group A owners believe more than those of Group B in the possibility of a continuation of a family member in the ornamental activity in their farm; the tab. 3, in fact, that refers to the “inheritance” expectations, highlights how the modality is equal to 66.7% and 50.0% of the relative frequency to the two sub samples. Hence, similar to what it has been previously observed (Corsi and Salvioni, 2012) confirms that today is strong the internal perception of an inter-generational link-typology, certainly characterized by emotional factors, which support the farm’s passage from father to son.

**Tab. 3 - Inheritance**

Group A	Absolute Frequency (n)	Relative frequency	Frequency distribution (%)	Group B	Absolute Frequency (n)	Relative frequency	Frequency distribution (%)
Possibly	4	0,3	33,3	Possibly	2	0,2	16,7
No	2	0,2	16,7	No	2	0,2	16,7
<b>Total</b>	<b>12</b>		<b>100,0</b>	<b>Total</b>	<b>12</b>		

In relation to the complexity of the physical and social environment in which the owners operates, it is not easy to identify the “good owner’ profile, however, among many possibilities, which may affect the willingness to support thisactivity, the tab. 4 indicates the key issues which determine the success of ornamental plant farms.



For almost all of the respondents “*innovation*” is the key to success for a business owner for almost all of the respondents in both groups (91.7%) considered that, from adaptation to rapidly changing technologies and business practices and operations, it depends on the possibility of intervening in the supply business system to regenerate competitive advantages. In fact, the market conditions of ornamental plants rather changing in space and time, relegate the farms in a position of weakness. As a consequence, the survey points out that an essential prerequisite to be recognized “good owner” is the ability to deal with market difficulties. This first result is quite in line with recent research showing how the owner intuition and the propensity for innovation activities are significant factors for the business success. (Leitao and Franco, 2010).

The fundamental approach to the ornamental offer is based on the level of substantial innovation (Castaldo, 2008) and differentiation due to forms of incremental innovation (Ettlie, 1984). With regard to the latter, for the purposes of our study, it is interesting to mention that the term substantial innovation refers to the ability to create new products/segments and therefore new markets (new application); while the differentiation refers to the ability to characterize in an innovative way their offer so that consumer’s eyes results different from the others, in terms of image and functional and symbolic contents mix (Lugli, 1995).

On the other hand, the development process of a new ornamental product does not have a defined life, this is depends on the innovation degree of the new potential product, which binds an organisational structure (Tushman, 2010) capable of supporting both initiative and market introduction. In addition, although key skills (core competency) and resources available to improve the success rate of innovation that the company intends to conduct (Verona, 1999) only a small part of the innovative ideas turns into successful products (funnel of innovation) (Baregheh, 2009).

The farms of the Group A are especially affected by the mutability of the market, in fact, *market* item includes all farms of this sub sample; while some farms of Group B believe that owner skills must be recognized even in other stages of the value chain, in this case “market” register the 75.0% of absolute frequency.

It is therefore organisational changes that modify both goals as the role and functions carried out within the farm and the economic system of reference (Fontana, 2010). It is understood, the change is related to the need to maintain over time a dynamic and balanced state.

In fact, in the economic field, changing means to update, correct, improve the status quo by adapting themselves to the changing environment, surrounding every business organisation (Barrel, 2012). In relation to the organisational capital aimed at improving business performance, the most significant variables are the following: efficient organisational structure, participatory governance,

incentives for interdisciplinary discussion and dialogue and frequent meetings of the working groups (Leitao and Franco, 2010).

From the findings of the preliminary focus groups, it has also shown how often the owners slowly understand markets changes, adapting with considerable delay to changing business scenarios, confirming what was previously observed about the “success and failure of small business” (Beaver, 2003).

Noteworthy, it is also the item *experience* in a broad sense; Group B owners attribute to it greater importance compared to the Group A (respectively 75.0% versus 58.3%); selecting and solving relevant technical and financial matters which determine the major or minor consensus to the aforementioned item. The latter, however, may also have influenced the attitude of respondents in Group B on *capital* item, in the latter, in fact, they have focused mostly opinions, as shown by table 4.

**Tab. 4 –The most important factors to be a good farmer**

Group A	Absolute Frequency (n)	Relative frequency	Frequency distribution (%)	Group B			
				Absolute Frequency (n)	Relative frequency	Frequency distribution (%)	
Innovation	11	0,9	91,7	Innovation	11	0,9	91,7
Experience	7	0,6	58,3	Experience	9	0,8	75,0
Family tradition	5	0,4	41,7	Family tradition	4	0,3	33,3
Incentives	4	0,3	33,3	Incentives	2	0,2	16,7
Capital	4	0,3	33,3	Capital	7	0,6	58,3
Market	12	1,0	100,0	Market	9	0,8	75,0
<b>Total</b>	<b>43</b>			<b>Total</b>	<b>42</b>		

Training and education courses carried out by owners may contribute in part to influence their motivations and certainly they will foster the success in terms of market goals, considering that a low level of managerial skills is often associated with a failure of small businesses (Perry et al, 2012). The success of the innovative idea, indeed, is assigned to multidisciplinary and transversal skills (Bent, 2012), where levels of professionalism, training, experience and internal knowledge, technical assistance and external knowledge (Pei Xu, 2012), are supported by academic research centers (Groen, 2006). In this direction it can be useful to examine what kind of training the respondents would expect to have on it. For this reason, subsequent part of analysis was addressed to investigate the training courses required by deepening issues’ analysis considered very useful by owners, whose results are shown in Table 5.

The sampled farmers, although recognizing the need for a continuous improvement over time, do not pay particular attention to “training initiatives”, in fact, within two sub samples observed, only

40% underline the importance, having taken part at specific training courses focused on improving marketing strategies and marketing mix, or progressing in the case of *productive techniques*.

This outcomes seems to confirm previous research that highlighted how family business managers were less likely to receive training and education if compared with no family one's (Graves, 2006).

In addition, the presence of national and/or European legislation to which it should be adapted, means that businesses, through their representatives, face initiatives to build professional profiles, such as the case of *work safety*.

Although some studies emphasize the importance of improving education and digital technology of owners (Groen *et al.*, 2006), and there are fundamental differences in information-sharing benefit of the internet for family and non-family firms (Perry *et al.*, 2012), no specific technology ownership education has been detected as priority by respondents during the preliminary focus groups, while it appears an highly significant demand for greater expertise on commercial and marketing aspects.

Regulation forms of the relationship between public and private are theme of highest importance both the fears generated in complying unexpected and unpredictable actions by the legislative decision-maker and related complementary bureaucratic assets as ever more tortuous with exponential increases in transaction costs. From a financial point of view, Italian businesses are strongly influenced by the bureaucratic plethora, even in cases of financial or individual aid and/or special services requests and/or general public services.

**Tab. 5 -Training and education required by respondents**

Group A	Absolute Frequency (n)	Relative frequency	Frequency distribution (%)	Group B	Absolute Frequency (n)	Relative frequency	Frequency distribution (%)
Planning Administration and Farm Management	3	0,3	25,0	Planning Administration and Farm Management	2	0,2	16,7
Law fiscal system	2	0,2	16,7	Law fiscal system	1	0,1	8,3
Marketing and sales strategies	9	0,8	75,0	Marketing and sales strategies	11	0,9	91,7
Improving agricultural techniques	6	0,5	50,0	Improving agricultural techniques	10	0,8	83,3
Work safety	4	0,3	33,3	Work safety	5	0,4	41,7
Staff training	2	0,2	16,7	Staff training	3	0,3	25,0
<b>Total</b>	<b>26</b>			<b>Total</b>	<b>32</b>		

Understanding owners motivation it is certainly essential to identify and discuss the main difficulties found in managing theirs farms.

In this regard, by examining the frequency distribution of 'management and organisational difficulties'; it emerges the effects of pressure of public opinion on farms, especially if the latter

belong to Group A; dimensional economies (scale economies and scope economies) are less affected (in relative terms) from the effects of public pressure.

As shown in tab. 6, it is the relationship with public institutions and tax system to collect a number of preferences rather significant.

In this context, as previously argued (D'Amico et al., 2014), other difficulties may arise from the relationship between farms and markets upstream and downstream of the value chain, from which flows the guiding principle about decisions and corporate behaviour. There is no doubt, in fact, that scheduling the production process is the result of processes which respond to different needs.

In light of this, the need to cope with luxury needs, the main difficulties are to equipping with adequate capability to produce (suppliers) for ornamental plant producers, both in qualitative and in quantitative terms, across broad and articulated ranges, in order to enable various destinations (customers) and to find ornamental pot plant alternatives.

Regardless of business size, the decision process (*planning*) always occupies a considerable space with the preparation of its production capacity by production types; generally, ornamental plant farmers, operate mainly on medium and long term production cycles, as they organize its production largely by contract, with flexibility of lots production intended for speculation of economic situations that arise on the market of ornamental pot plants.

In fact, business organisation plays a central role in the process of generating new opportunities in entrepreneurship enhancement, because knowledge, talent and creativity are crucial assets for corporate leaders behaviour.

In this context, the economic and financial size's farm result in the organisational planning and farm management; in fact Group B finds the greatest difficulties in scheduling (2/3 of the sufficient time used by the sample).

Group A identify difficulties most important in relationships with customers and suppliers (58.3%), on the one hand, conquering the consumer and his loyalty, by ensuring supplying to meet the needs expressed by the market, on the other hand, they come from the resulting benefits in terms of economic performances.

Therefore to make it more difficult good farms functioning are indirect factors external to the production unit, therefore, the owner, operating in a sector characterized by imperfect competition, or facing demand for ornamental pot plants in replacement effect, he still feels particularly exposed and looks to clearing solutions.

### **Tab. 6 – Owners difficulties in business management**

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Group A

Group B

	Absolute Frequency (n)	Relative frequency	Frequency distribution (%)		Absolute Frequency (n)	Relative frequency	Frequency distribution (%)
Planning and farm management	4	0,3	33,3	Planning and farm management	6	0,5	50,0
Law Fiscal system	8	0,7	66,7	Law Fiscal System	6	0,5	50,0
Customers and Suppliers relationship	7	0,6	58,3	Customers and Suppliers relationship	4	0,3	33,3
Staff	1	0,1	8,3	Staff	2	0,2	16,7
Public Administration relationship	10	0,8	83,3	Public Administration relationship	7	0,6	58,3
<b>Total</b>	<b>30</b>			<b>Total</b>	<b>25</b>		

The need, therefore, to create new products (item “initiatives”) becomes important, as shown the answers provided by the sampled firms, although they enjoy a competitive advantage, as before mentioned, their approach is different to an evolutionary path. Table 7 reports that the new production methods and processes, the relative frequency is higher in the case of Group A (75.0%), equal to while it is placed on relatively lower values Group B (66.7%), confirming indirectly, that businesses which generate greater economies of scale, they have less need for innovation, because of the greater availability of innovative solutions.

There is no doubt, in order to formulate a competitive strategy for success, supporting any new forms of marketing can only help to ensure economic and financial objectives expected. In fact, farms generally assign some importance to initiatives aimed at improving the existing *marketing forms*. Most farmers invest on this latter modality, in particular farms’ group with higher budget, in relation to larger volumes of potted ornamental plants commercialized, to deal even with the speculative markets.

This result confirms the requirement by ornamental plants’ producers to optimize strategies related to logistics and distribution in foreign markets (Di Vita *et al.*, 2015a), considering that most farms recourse to various intermediaries mainly *broker* and *national wholesale traders* for placing on the market of Mediterranean ornamental pot plants. While producers giving great importance to the direct sale (Zarbà *et al.*, 2013). The importance of creating new synergies with other horizontal and vertical competitors (distribution businesses) is a goal for both groups. The need to expand their farm is finally significant for Group B probably because they show propensity to a more rational logistic approach.

**Tab. 7 - Future Initiatives**

Group A	Group B			Group B	Group B		
	Absolute Frequency (n)	Relative frequency	Frequency distribution (%)		Absolute Frequency (n)	Relative frequency	Frequency distribution (%)
None	2	0,2	16,7	None	1	0,1	8,3
Expand the farm	2	0,2	16,7	Expand the farm	5	0,4	41,7
New productions and processes	9	0,8	75,0	New productions and processes	8	0,7	66,7
Marketing strategies	7	0,6	58,3	Marketing strategies	8	0,7	66,7
Farm synergies	6	0,5	50,0	Farm synergies	6	0,5	50,0
<b>Total</b>	<b>26</b>			<b>Total</b>	<b>28</b>	<b>100,0</b>	

Noteworthy, finally, the lack of importance that farms allocate to engage in addressing relationship with highly competitive markets, and it also mitigate *synergies with other farms* that can glimpse the reduction of transaction costs and market interaction. In the ornamental industry in fact it emerges clearly behaviours also individual to distinguish themselves from others (business creativity), to achieve competitive advantages, albeit temporary, appropriate only to affirm the owners' image in the markets (creative leadership) though.

This scenario is further emphasized by the fact that farms operate in a distribution system characterized by a high level of dynamism and uncertainty over evolving needs; the underlying question is whether the owners are in a position to exercise substantial control over methods and timing with which the final product gets into the market.

From this point of view, the choice of the distribution path becomes difficult, choosing the final market directly and simply using logistics services (commercial type), or relying on speculators intermediaries and therefore it is difficult to trace how much commercial success/failure is attributable to trade policies adopted, related to the product or other contingencies.

## FORESIGHT CONCLUSIONS

The qualitative approach adopted in present research enabled to identify and understand the main factors related to main owner motivation, which it is believed they will give strategies in the ornamental businesses producing ornamental Mediterranean plants.

In this context, the analysis was designed to observe and compare the owners motivations of small businesses/family farm of two sub-samples including different typology of production and

economic size (short or long productive cycle). Analysis was carried out in order to evaluate whether there exist differences in motivations, level of organization and innovation propensity among entrepreneurs of the two sub-samples, in a hypothesis of an insufficient strategic planning of small businesses (family farms) in the ornamental plant sector and identify which factors could influence the strategies success in businesses of Mediterranean ornamental plants owners.

In particular, recalling the analysis and results section, according to a different production range (short or long productive cycle) and economic farms size among all the motivations observed and discussed, what emerges is how tradition and innovation coexist in the collective imaginary of the respondents.

First results allow to highlight how emotion item is particularly relevant for owners in both groups. Affective motivation is a key factors influencing the actions and business approaches of respondents. Passion for their job is certainly the main reason. In addition inheritance is another predominant motivation among respondents that prompted the decision to become an owner. The results in fact show that in both groups, significant is the amplitude of its relative frequency, slightly higher in Group A (farms with a lower turnover and involved in pluriannual species production with a shorter production cycle) than in Group B (farms with a higher turnover involved in the production of permanent arboreal plants and more export-oriented), also for the close connection with the passion item. While looking at innovation is the key to success for a business owner for almost all of the respondents in both groups.

On the contrary significant differences were observed between two sub samples (Group A and B).

In particular, looking at the distribution of the perception that respondents compared to their work, the *self-realization* is in fact quite important especially in Group A.

Findings also show interesting questions that could have on the potential impact about the owner's decision-making. In fact, we have identified two aspects of owner action, or corporate governance which can be exclusively by individual competence (Group A), or among managerial responsible management and so on (Group B).

Conversely, the item *source of income* is the item which prevail in Group A, even "*stress*" is an inseparable component of the owner's activities, assuming a particularly high percentage in the group with lower turnovers.

Group A owners believed more than those of Group B in the possibility of a continuation of a family member in the ornamental activity in their farm. Noteworthy, it is also the *experience* item in a broad sense; which Group B owners attributed to it greater importance compared to the Group A. It also emerged with a certain distance the importance of safety training at the workplace as well as the introduction of new techniques in the production process. However, Group A showed to be

involved in training related to safety at work while the greater propensity for innovation seemed to characterize educational guidelines followed by Group B.

As previously pointed out, understanding owners motivation it is certainly essential to identify and discuss the main difficulties in order to manage their farms.

In this regard, by examining the frequency distribution of 'management and organisational difficulties' emerged the effects of pressure of public opinion on farms, especially in Group A as well as new production methods and processes.

Last but not least, the importance of creating new synergies with other horizontal and vertical competitors (distribution businesses) is a goal for both groups. Finally, the need to expand their farm is significant for Group B.

Despite the limit of the research, this study contributes to report the results for a specific region and a specific sector, its empirical applications could reasonably be extensible and also applicable to other similar agricultural sectors of the Mediterranean, with a high level of technological innovation and a high level of owners' know-how where there remains a strong link between businesses and socio-familiar context.

Furthermore, with the phenomenon of economic globalization, international space has now become the natural competitive environment of the firm (Cedrola, 2005). The latter, in fact, it is placed in an increasingly large and open market (Mabaya and Cramer, 2014) where it is essential for firms to increase their ability to compete, defend their markets and identify the best forms of supplying (Zarbà et al., 2013).

Given literature about the relationship between networking and the different types of innovation within the agricultural sector is scarce (Lambrecht et al., 2015).

In light of this, this paper could help to better identify and understand all these factors, in particular on the ornamental plant industry, how and why south European countries family farms could effectively implement the concept of owner motivations in their decisions, becoming the latter as a value to be integrated into the culture business, promoting the adoption at all levels of production and everyone within them.

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