Preliminary analysis of effect of farmers opinions and attitudes on their commercialisation: the case of Kosovo

Sophia Davidova, Philip Kostov
Objective – to see whether there is effect of farmers’ values, opinions and attitudes on their commercialisation


In a nutshell, the best predictors of behaviour are:
- Behavioural intentions (based on individual beliefs - attitudes)
- Perceived behavioural control (the control individuals think they have over behaviour)
- Also may include social pressure (subjective norms)

In our case behaviour is commercialisation

Data – some of qualitative statements in the FAO farmers survey
Conceptual model (TPB)

Intentions
Measure_1
Intentions
Measure_2
......
Intentions
Measure_n

Intentions

Behavioural
Control

Control
Measure_1
Control
Measure_2
......
Control
Measure_m

Behaviour
(Commercialisation)

Other factors
To summarise the model

• Behavioural control and intentions determine behaviour
• Intentions may be defined by control (i.e. in addition of direct effect on behaviour control may have an indirect one)
• Other factors may also contribute to the performance of behaviour
• What does it mean for interpretation of results and policy recommendations?
  • e.g. if age is correlated with commercialisation, it is not necessarily because older people do or do not sell
  • it is because intentions to sell (and control over selling which determine the marketing decision) are defined by their subjective evaluation, values and attitudes
  • so changing e.g. the age structure would not necessarily affect commercialisation
Intentions Measures

• Plans or actions designed to facilitate performance of behaviour
  • e.g. investment in land, machinery

• Attitudes/values with regard to behaviour
  • e.g. do they think that commercial farmers are progressive farmers or not

• Social norms
  • e.g. what is the prevailing opinion in the locality about attractiveness of commercial farming
Behavioural Control Measures

• Subjective evaluation of the ease/feasibility of performing behaviour
  • e.g. is it easy or difficult to start selling (or increase the market sales)

• Skills/ability relevant for performing behaviour
  • e.g. do they think they have skills to adjust to the market requirements (standards)

• Attitude/aptitude (do they like performing such behaviour)
  • e.g. do they like going to the market or alternatively prefer waiting for a trader to come to their farms
Empirical implementation: Perceived Behavioural Control

• Behavioural control measured by (subjective evaluation of) constraints to increase of production and sales (section 4.5 of questionnaire)

• This section included statements about barriers to increase production and sales
  • Price level and volatility
  • Competition
  • Infrastructure (market and physical)
  • Information
  • Weak market power
  • Labour a/family; b/hired
  • Skills
  • Marketing training
  • Finance
  • Government support – level and accessibility
Empirical implementation:
Perceived Behavioural Control (cont’d)

a) Low product prices are a severe problem for marketing our products
b) Price fluctuation is severe problem for marketing our products
d)) We lack information and advice on markets and prices
i) In order to be competitive producers we need improved agricultural production skills
j) We lack marketing related business training
k) It is difficult to find hired workers to support us for the wage we can afford
l) We lack financing to be able to develop and commercialise our farm
m) Government support is not accessible or not sufficient for developing our farm business
Empirical implementation: Intentions

• Intentions measured by subjective evaluation of plans and livelihood strategies (section 15 of questionnaire)

• This is a large sections dealing with, e.g.
  • Farm prospects
  • Successions
  • Exit from farming
  • Investment and increase in farm size
  • Apply for direct payments

• It is forward looking – within 2 years from the survey
Empirical implementation: Intentions (cont’d)

• 15.1. Do you think that commercial farming is an attractive field of business in your region?

• 15.2. In the future: How do you evaluate the economic prospects of your farm within a timeframe of 2 years? In 2 years our farm will....
  
  - Not competitive at all
  - Will have difficulties to adapt
  - Don’t know
  - Good prospects to successfully adapt
  - Excellent prospects to successfully adapt

• 15.7.1 How likely is it that your household or members of your household will increase the production of the farm through intensification

• 15.7.3 How likely is it that your household will increase the size of farm through buying or renting land?
Empirical implementation:
Farm aims

• An additional latent factor was constructed based on farming objectives (section 1).

• Farming objectives could in principle measure intentions (i.e. plans to execute behaviour), but may alternatively denote aspirations (without specific plans to support these)

• For this reason farming objectives were also included in the preliminary intentions part of the model; did not perform well and were taken as a separate factor
Measures farm aims

What are your household’s aims in farming?

a) To engage household members with work on the farm
b) To not leave the land unused
c) To increase the production by using new technologies (e.g. high quality seeds)
d) To increase the production by increasing the farm size
e) To make best use of the household’s farm land and assets by using as little external inputs (e.g. fertiliser) as possible
f) To specialise in profitable crops that can be sold on the market
g) To increase the production by using more inputs
h) To maintain land and farm assets to keep the farm in a good condition for the next generation of my family
i) We mainly aim to produce food for our own consumption over commercial production
j) To contribute to the family income (with farming as one of many income sources)
k) To exit farming as it is not a profitable business
Results: Measurement model: Behavioural Control

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## Results: Measurement model: Intentions

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Results: Measurement model: Farming Aims

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Measurement model

- Behavioural control measured reliably

- Farming aims and in particular intentions, however, proved difficult to measure
### Results: Regression model

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Results

• Both intentions and (marginally) behavioural control increase commercialisation

• Farming aims in this case appear to proxy unrealised aspirations and as such reduce commercialisation
Policy implications

• Improving behavioural control will increase commercialisation. This includes reduction/elimination of production and marketing barriers and advice and training.

• Intentions have the largest impact on behaviour (units of measurement). Hence facilitating planning and implementation of marketing strategies is the main channel for successful commercialisation.

• Realising farming aims (aspirations) will remove their negative effect on commercialisation. This can be achieved through creating conditions and in particular advice on how to proceed for transforming them into intentions.