

# The Influence of Entrepreneurial Literacy, Farmers' Characteristics, Creativity, and Motivation on the Success of Urban Farming Business

*Factors Influencing the  
Success of Urban  
Farming Business*

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## **ABSTRACT**

*Urban farming has emerged as a strategic solution to address food security and economic opportunities in Indonesian cities. Despite its potential, urban farmers face challenges related to knowledge, skills, creativity, and motivation that influence business success. This study aims to examine the effects of entrepreneurial literacy, farmers' characteristics, creativity, and motivation on the success of urban farming enterprises. A quantitative approach was employed, surveying 421 urban farmers who were members of local farming groups. Data were collected using questionnaires and analyzed through Structural Equation Modeling (SEM). The results indicate that entrepreneurial literacy, farmers' characteristics, creativity, and motivation each have a positive effect on urban farming business success. These findings imply that strengthening entrepreneurial literacy, creativity, and motivation among urban farmers is essential for sustaining business performance and long-term viability. Policy interventions that focus on capacity-building programs, technical support, and resource facilitation can play a crucial role in enhancing the effectiveness and scalability of urban farming initiatives, thereby contributing to broader economic and community development.*

**Keywords:** *Entrepreneurial Literacy, Farmers' Characteristics, Farmers' Creativity, Farmers' Motivation, Urban Farming Success.*

## **ABSTRAK**

*Pertanian perkotaan telah muncul sebagai solusi strategis untuk meningkatkan ketahanan pangan dan peluang ekonomi di kota-kota Indonesia. Meskipun memiliki potensi, petani perkotaan menghadapi berbagai tantangan terkait pengetahuan, keterampilan, kreativitas, dan motivasi yang memengaruhi keberhasilan usaha pertanian mereka. Penelitian ini bertujuan untuk menganalisis pengaruh literasi kewirausahaan, karakteristik petani, kreativitas, dan motivasi terhadap keberhasilan usaha pertanian perkotaan. Pendekatan kuantitatif digunakan dengan melibatkan 421 petani perkotaan yang tergabung dalam kelompok tani setempat sebagai responden. Data dikumpulkan melalui kuesioner dan dianalisis menggunakan Structural Equation Modeling (SEM). Hasil penelitian menunjukkan bahwa literasi kewirausahaan, karakteristik petani, kreativitas, dan motivasi masing-masing memiliki pengaruh positif dan signifikan terhadap keberhasilan usaha pertanian perkotaan. Temuan ini mengimplikasikan bahwa penguatan literasi kewirausahaan, kreativitas, dan motivasi petani perkotaan merupakan faktor kunci dalam menjaga kinerja usaha dan keberlanjutan jangka panjang. Intervensi kebijakan yang berfokus pada program peningkatan kapasitas, dukungan teknis, dan fasilitasi sumber daya memiliki peran strategis dalam*

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**Kata Kunci:** Literasi Kewirausahaan, Karakteristik Petani, Kreativitas Petani, Motivasi Petani, Keberhasilan Usaha Pertanian.

## INTRODUCTION

Indonesia is an agricultural country, where its agricultural sector has a highly critical role in improving the national economy (Hardin et al., 2019). This can be seen from the large number of Indonesians working as farmers. At present, the development of the agricultural sector does not only occur in rural areas, but many residents of urban areas also choose to work as farmers (Nukpezah & Blankson, 2017). Pölling et al. (2017) stated that currently, agricultural areas in densely populated regions are fragmented due to changes in economic models, population growth, and urban encroachment. The agricultural sector is also the largest contributor to national development. However, although Indonesia is known for its abundant natural potential, it still relies on imported food from other countries, so that agriculture remains a priority in national development (Fleming et al., 2018).

Urban farming is a process of developing a farming system from a conventional-based system to one assisted by several modern technologies (Tahir et al., 2022). The history of modern agriculture has witnessed a major expansion in production (Ray, 2020). The role of agriculture in the economy is significant in various countries, with the sector contributing around 65% of employment and 75% of domestic trade (Naziri et al., 2014). Significant progress in reducing hunger and poverty across regions depends on the development and transformation of the agricultural sector (Uduji et al., 2019). In Indonesia, urban agriculture began developing significantly during the COVID-19 pandemic (Suparwoko & Taufani, 2017). Jakarta is one of the cities where residents, academics, and youth groups have started cultivating vegetables in yards and on rooftops using hydroponic systems (Arief et al., 2021). Nevertheless, agricultural systems and genetic resources face overlapping pressures, including economic, climate, and demographic changes (Nordhagen et al., 2017). In urban farming, challenges such as the conversion of green land into residential areas due to population growth create arid environments and environmental pollution (Broughan et al., 2016).

In running a farming business, farmers must have literacy and an entrepreneurial spirit similar to general entrepreneurial characteristics in identifying business opportunities and creating value for products (Zhang et al., 2022). Guampe et al. (2022) showed that entrepreneurial literacy is a long-term capital for determining survival strategies during a pandemic and even after new normal conditions. Furthermore, other research findings suggest that the emergence of entrepreneurs in a society depends on social, religious, cultural, psychological, and economic factors that are closely interrelated (Lawrence et al., 2012). Understanding these factors is crucial in creating an environment that facilitates the development of entrepreneurial behaviour (Winarto, 2015). Farmer entrepreneurship can help increase employment and income among farmers (Liu et al., 2021).

Farmers' characteristics are also important in selecting farming technology to produce high-quality crops (Jan, 2021). These characteristics facilitate decision-making processes and illustrate competence in managing agricultural operations according to effective plans based on plant cultivation techniques (Van Hecken et al., 2019; Chitja & Mudhara, 2022). Farmers who understand environmental and socio-economic conditions can make better decisions in selecting crop varieties (Ishikawa et al., 2019). Social spirit, competence in managing agricultural activities, proper time management, and business control are all essential in forming these characteristics.

Urban farmers are expected to have creative and innovative ideas as a basis for developing their business. Creativity is crucial for competing in unpredictable markets, and it is influenced by both personal and environmental factors (Dimmick, 2016).

Creativity is a key element in entrepreneurship, both generally and in farming business, leading to innovation and new discoveries that provide financial and non-financial benefits (Chitja & Mudhara, 2022).

The success of farmers in selling crops or managing a farming business is also influenced by motivation. Farmers usually grow crops to gain financial benefits and personal satisfaction, including self-fulfillment, goals, and values, while also being influenced by cultural norms, identity, and social context (Darnhofer & Walder, 2019; Othman et al., 2019). Many studies have examined farmers' motivations, but research on urban farmers' motivation is limited. A study in Malaysia by Ramalingam et al. (2019) using a modified version of Clary's volunteer function inventory, identified urban farmers' motivation as primarily seeking personal gain without intending to benefit others. Considering the roles of entrepreneurial literacy, farmers' characteristics, creativity, and motivation in supporting farming business performance, this study aims to examine their influence on the success of urban farming businesses in Makassar City, South Sulawesi, Indonesia.

## **LITERATURE REVIEW & HYPOTHESIS DEVELOPMENT**

### **The Effect of Entrepreneurial Literacy on the Success of Urban Farming Business**

The agricultural sector is one of the indicators in solving the high poverty chain problems in Indonesia. However, these problems are not yet solved due to several obstacles, including entrepreneurial literacy, which, in fact, has not developed rapidly in the world of agriculture. The entrepreneurial literacy refers to initiatives to explore and recognize viable and sustainable opportunities (Martin & Novicevic, 2013). It has an important role as it is the theoretical basis for the concept of entrepreneurship, shaping the mindset, attitude, and character or behavior of an entrepreneur (Susetyo & Lestari, 2014). Furthermore, the entrepreneurial literacy also refers to one's knowledge of entrepreneurship with various positive, innovative, and creative characteristics to develop the business opportunities into those that provide personal benefits and benefits for society or consumers (Mugiono et al., 2020; Rachman, 2021). Entrepreneurial skills are also required and beneficial entrepreneurial competencies for young agricultural entrepreneurs, which provide value in knowledge, skills, and personal characteristics (Bolarinwa & Okolocha, 2016).

Furthermore, entrepreneurial literacy greatly determines the success of an entrepreneur's business. In the context of farming business, entrepreneurial literacy also greatly influences the success of the farming business success (Guampe et al., 2022). If the farmers have the knowledge of entrepreneurial literacy, they can find opportunities in marketing their agricultural crops. Meanwhile, for the urban farmers, this entrepreneurial literacy does not greatly influence the success of urban farming business sales, but also the farmers' considerations during the planting process. Crothers et al. (2013) define the agripreneurs as those involved in various activities whose income mainly depends on the practice of cultivating land, cultivating crops, and raising livestock.

H1: Entrepreneurial literacy has a positive effect on the success of urban farming businesses.

### **The Effect of Farmers' Characteristics on the Success of Urban Farming Business**

As an agricultural country, Indonesia has farmers of various types or characteristics. These farmers' characteristics are formed and influenced by internal factors and external factors. Ray (2020) defined the characteristics as a part of a person that underlie the person's behavior, either at work or in other circumstances. The farmers' characteristics include their character, traits, or behavior, which can be seen from their mindset, attitude and action patterns towards the environment (Vogl et al., 2016). These characteristics can also facilitate the farmers in the decision-making process. Furthermore, the farmers' characteristics also illustrate the farmers' competence in managing the farming business run according to an effective plan based on plant cultivation techniques (Adesina &

Zinnah, 2017). In addition, the characteristics and competencies are interrelated in determining better and sustainable performance. The farmers who have good characteristics in developing their farming business will find it easier to solve problems and be able to take advantage of existing opportunities to increase their income and welfare (Raghuwanshi et al., 2022). Furthermore, the farmers' characteristics can also be seen from several perspectives, including the farmers' age, level of education, area of land owned, and farming experience (Mithun et al., 2021).

Younger farmers tend to innovate more easily and are physically stronger, which can increase their business income (Martinovska et al., 2016). Education level also influences mindset, with more educated farmers demonstrating more advanced thinking compared to less educated ones (Yazdanpanah et al., 2022). Land area is a crucial production factor affecting income, whether owned or managed under agreements with landowners (Tommasi et al., 2021). Farming experience, reflecting the number of years in the profession, is closely linked to success, as longer experience enhances proficiency and farming skills (Michelson, 2017).

H2: The farmers' characteristics have a positive effect on the success of urban farming businesses.

### **The Effect of Farmers' Creativity on the Success of Urban Farming Business**

In general, creativity makes a significant contribution to business success. The higher the businessman's level of creativity in running a business, the more successful the business is run (Putu, 2018). Creativity refers to the ability to grow new and innovative thoughts to create business opportunities and solve problems or difficulties encountered in a business (Heunks, 2015). This creativity can be obtained from studying according to their abilities, considering that humans naturally have creativity in their minds, and it has also become one of the main human needs for self-actualization (Kempe & Memmert, 2018). Printezis et al., (2017) defined creativity as a person's skill in creating new inventions in the form of ideas or real creations that have not been widely found in the surrounding environment. It is also an illustration of the great ideas of human minds (Kullu et al., 2020).

The success of a farmer in running his business is measured by his ability to get things done with his creativity (Kiminami et al., 2019). High creativity greatly influences the success of urban farming business, because there is a sense of self-confidence that eliminates feelings of fear of failing in running a business, as they believe that the products/crops produced are creative products (Sūmane et al., 2018). Farming is one of the business opportunities run creatively, so that innovations in the farming business can be created. The farmers usually apply their creativity in choosing the use of fertilizers, agricultural technology, processed food products, and the development of agro-tourism (Farmer & Tierney, 2017). Altieri et al. (2012) and Ahmed et al. (2024) revealed that creativity can support an entrepreneur to modify new ideas to develop their business and affect business success.

H3: Farmers' creativity has a positive effect on the success of urban farming businesses.

### **The Effect of Farmers' Motivation on the Success of Urban Farming Business**

The population growth in Indonesia is a domestic market opportunity for urban farming. In this context, urban farming refers to gardens, plots, and other smallholdings near or within city limits for the purpose of producing food for sale or local consumption, including growing crops and raising animals, as well as activities related to the food distribution and marketing (Brown & McCarty, 2017). The development of farming in urban areas is also one of the programs of the Food and Agriculture Organisation (FAO) in an effort to reduce world hunger by increasing access to food in urban areas (Rahdriawan & Arriani, 2020). Therefore, many urban farmers are developing their farming in the form of a farming business. In running the farming business, there is an

influence on the farmers' motivation to achieve the success of the farming business. One of the factors that drives the success of farmers in running a farming business is motivation. It is such a key or guide for an entrepreneur in running their business. The motivation and entrepreneurial spirit have a close relationship in achieving the desired competence. Furthermore, the motivation is also the driving force that makes a person passionate about doing a job effectively and integrated in an effort to achieve satisfaction (Ollero, 2017). It can also be interpreted as an encouragement to someone to carry out an activity in order to achieve a goal (Ghaffari et al., 2017).

In addition, the motivation explains a person's sincerity in trying as much as he can based on his ability to meet individual needs. Motivation is also a tendency in the form of encouragement that comes from within oneself to move and adapt to something (Potter & Magner, 2018; Yusuf et al., 2024). Therefore, it can be concluded that motivation is a person's encouragement to try to achieve something they want with the ability they have to satisfy their life needs. A farmer becomes more confident in running his business because of motivation. The motivation helps the business be more effective and efficient, and run as planned (Qu, 2014). Therefore, the farmers' motivation is very influential in the success of the urban farming business. Furthermore, highly motivated farmers will have a high level of productivity, and this may lead to an increase in the farmers' income level (Bopp et al., 2019).

H4: Farmers' motivation has a positive effect on the success of urban farming businesses.

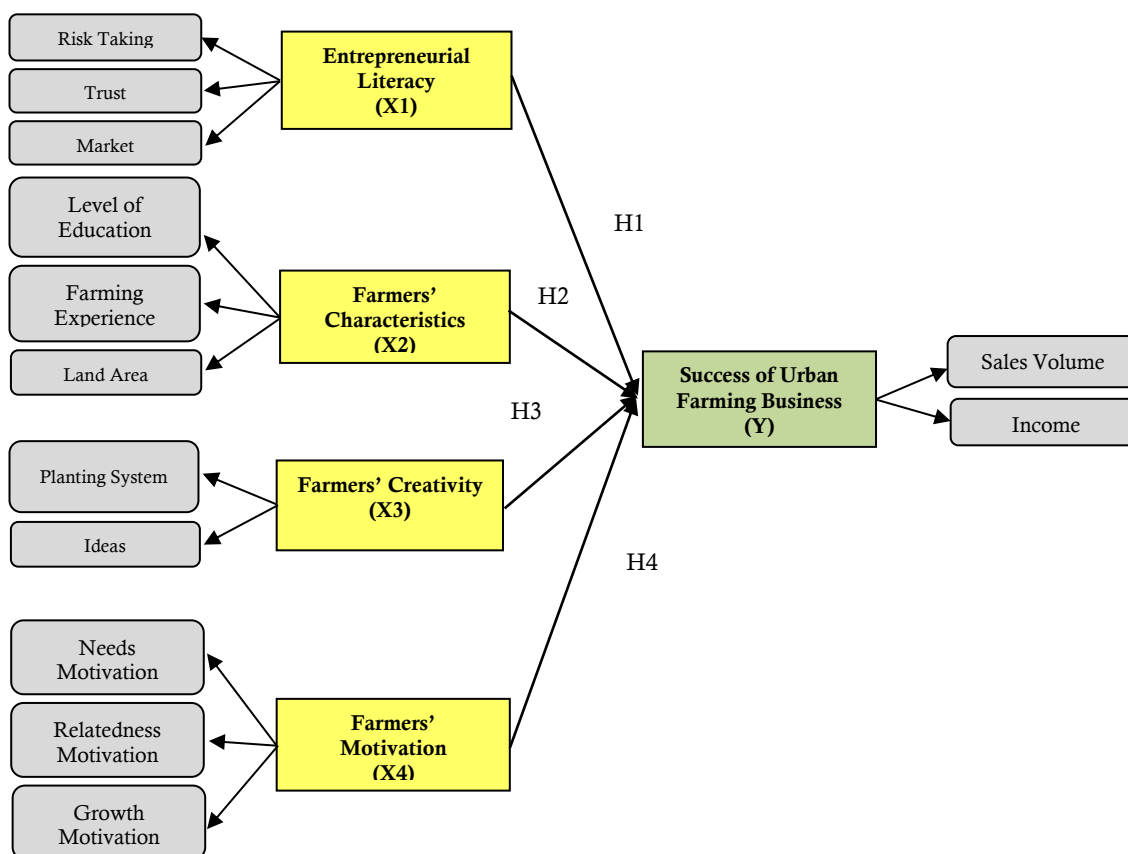


Figure 1. Research Paradigm Model

Based on Figure 1, the above research paradigm model explains that this study seeks to reveal the direct influence between the independent variables including the entrepreneurial literacy (X<sub>1</sub>), farmers' characteristics (X<sub>2</sub>), farmers' creativity (X<sub>3</sub>), and farmers' motivation (X<sub>4</sub>) on the dependent variable (the success of urban farming business (Y)).

## RESEARCH METHODS

This present study was conducted using a quantitative approach. The population consisted of farmers who were members of urban farmer groups in Makassar City, South Sulawesi Province, Indonesia. A purposive sampling technique was applied, with criteria including that participant must have been actively running a farming business and members of an urban farming group for at least one to two years. A total of 421 urban farmers participated in this study.

Data were collected using a structured questionnaire designed according to the criteria determined by the researchers. Each item was measured using a Likert scale to obtain quantitative data. The study examined several key variables and their respective indicators. Entrepreneurial literacy (X1) was measured using indicators of risk-taking, self-confidence, and market orientation (Yohana et al., 2021). Farmers' characteristics (X2) were assessed through their level of education, farming experience, and land area (Dawoe et al., 2012). Farmers' creativity (X3) was evaluated using indicators such as planting systems and the generation of ideas (Riwukore & Habaora, 2019). Farmers' motivation (X4) was measured through existence motivation, relatedness motivation, and growth motivation (Conner et al., 2012). Finally, the success of the urban farming business (Y) was assessed using sales volume and income as indicators (Davis et al., 2016).

By employing these indicators, the study aimed to comprehensively capture the multi-dimensional factors influencing the performance of urban farming businesses. Data collection was complemented with observations and documentation to ensure validity and reliability. The combination of these measures allows for a systematic and quantitative analysis of the relationships between entrepreneurial literacy, farmers' characteristics, creativity, and motivation, and the resulting success in urban farming businesses. The results of the processed data are based on responses collected in 2022.

The collected data were analysed using Structural Equation Modelling (SEM) with SmartPLS software to test the proposed hypotheses. A descriptive test was also conducted to describe the distribution of the data. This combination of methods allowed for a systematic and quantitative analysis of the relationships between entrepreneurial literacy, farmers' characteristics, creativity, and motivation, and their effect on the success of urban farming businesses.

## RESULTS

This study examines the influence of entrepreneurial literacy, farmers' characteristics, farmers' creativity, and farmers' motivation on the success of urban farming businesses. There was a total of 421 respondents participating in this study. They were farmers who were also members of farming groups in Makassar City. Table 1 presents an overview of the respondents' profile.

Table 1. Respondents' Profile

Respondents' Profile	Characteristic	Frequency	Percentage (%)
Gender	Male	272	64.52
	Female	149	35.48
Age	37 - 40 years old	68	16.13
	41 - 44 years old	149	35.48
	45 - 48 years old	163	38.71
	49 - 52 years old	41	9.68
Farming Experience	3 - 5 years	190	45.16
	6 - 8 years	231	54.84

Based on Table 1 above, the respondents were mostly male (64.52% or 272 respondents), while there were only 149 female respondents (35.48%). They were mostly 45-48 years old (38.71% or 163 respondents), followed by 149 respondents of 41-44 years old (35.48%), 68 respondents of 37-40 years old (16.13%), and 41 respondents of 49-52 years old (9.68%). Most of them had been working as farmers for 6-8 years (54.84% or

231 respondents), and 3-5 years (45.16% or 190 respondents). The description of the results of the data processed is elaborated into several categories as follows.

An alternative model describing the relationship between two latent variables in this study is as follows:

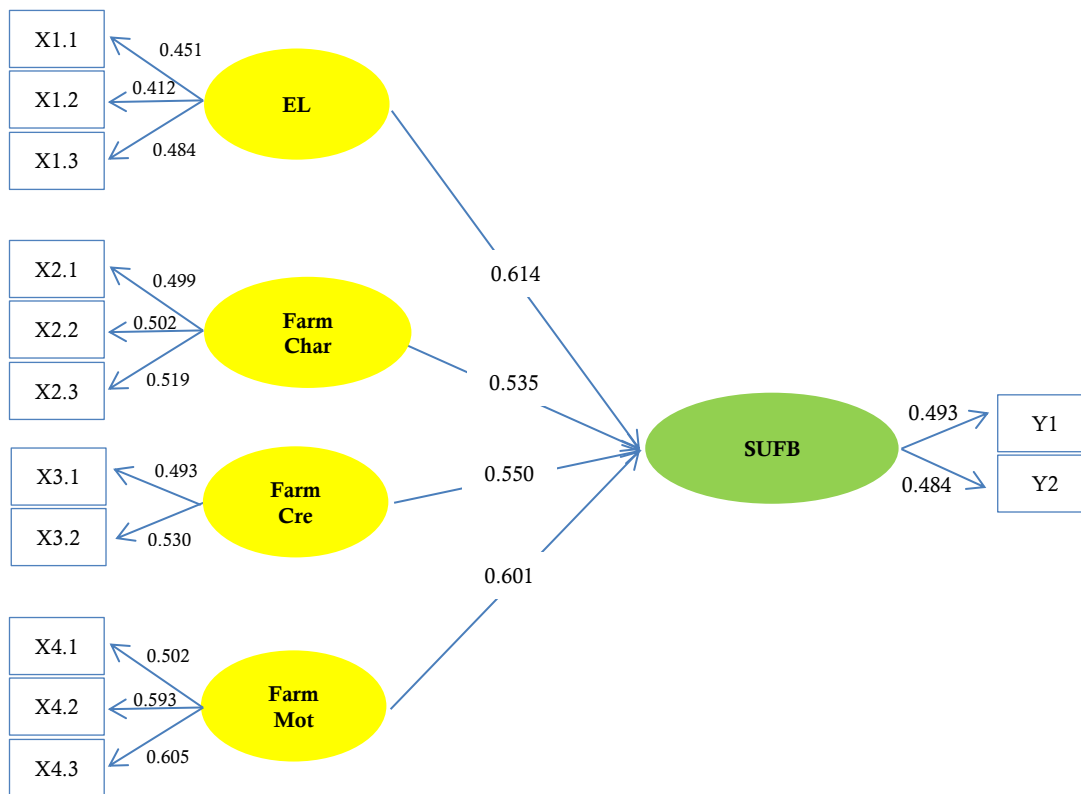


Figure 2. Structural Model Fit

Figure 2 shows that the structural model has met the required criteria. This can be seen from the influence of the independent variables on the dependent variable, which are significant. Figure 2 presents the structural model examining relationships among latent variables. Four exogenous variables, Entrepreneurial Literacy (EL), Farmers' Characteristics (FarmChar), Farmers' Creativity (FarmCre), and Farmers' Motivation (FarmMot) affect the endogenous variable, Success of Urban Farming Business (SUFB).

Each latent variable is measured by multiple indicators. Entrepreneurial Literacy (X1.1–X1.3: risk-taking, self-confidence, market orientation) has loadings of 0.451–0.484. Farmers' Characteristics (X2.1–X2.3: education, experience, land area) load 0.499–0.519. Farmers' Creativity (X3.1–X3.2: planting systems, idea generation) load 0.493–0.530. Farmers' Motivation (X4.1–X4.3: existence, relatedness, growth) load 0.502–0.605. SUFB is measured by Y1 and Y2 (sales volume, income) with loadings of 0.484–0.493.

Table 2. Structural Model Fit

Goodness of Fit Index	Coefficient	Criteria	Conclusion
Chi-square ( $X^2$ )	51.63	Not significant	Fit
P-Value	0.599	$\geq 0.05$	Fit
Df	62	-	Fit
Cmin ( $X^2/Df$ )	0.833	$\leq 2.00$	Fit
RMR (standardized)	0.016	$\leq 0.08$	Fit
RMSEA	0.00	$\leq 0.08$	Fit
GFI	0.97	$\geq 0.90$	Fit
AGFI	0.97	$\geq 0.90$	Fit
CFI	1.00	$\geq 0.94$	Fit
IFI	1.00	$\geq 0.94$	Fit

Goodness of Fit Index	Coefficient	Criteria	Conclusion
NNFI or TLI	0.99	$\geq 0.94$	Fit
AIC (Model)	61.04	Not significant, Relative	Fit

Path coefficients indicate positive effects on SUFB: EL 0.614, Farm Char 0.535, Farm Cre 0.550, and Farm Mot 0.601, confirming that all factors significantly contribute to urban farming business performance. The coefficients also meet the criteria for structural model analysis. As presented in Table 2, the structural model demonstrates a good fit with the empirical data. All goodness-of-fit indices meet the recommended criteria. The Chi-square value is not significant, and the associated p-value exceeds the 0.05 threshold, indicating an acceptable model fit. The Cmin (Chi-square/degrees of freedom) ratio is well below the critical value of 2.00, further supporting model adequacy.

Additionally, the standardized RMR and RMSEA values are very low, suggesting minimal residual discrepancies between the observed and predicted covariance matrices. Fit indices such as GFI, AGFI, CFI, IFI, and NNFI/TLI all exceed their respective recommended thresholds, confirming that the model accurately represents the underlying relationships among variables. The AIC value also indicates that the proposed model is appropriate relative to alternative specifications.

All goodness-of-fit indices have met the required criteria. The lambda coefficient ( $\lambda$ ), determination ( $R^2$ ), and T-Value of each manifest variable that constructs exogenous and endogenous variables can be seen in the following Table 3.

Table 3. Manifests of the Structural Model Constructs

Variable	Manifest	$\lambda$	$R^2$	T-value
Entrepreneurial Literacy	X1.1	0.45	0.04	5.33
	X1.2	0.41	0.03	4.85
	X1.3	0.48	0.04	5.76
Farmers' Characteristics	X2.1	0.50	0.05	6.02
	X2.2	0.50	0.05	6.66
	X2.3	0.52	0.05	6.79
Farmers' Creativity	X3.1	0.49	0.04	5.89
	X3.2	0.53	0.05	6.84
Farmers' Motivation	X4.1	0.50	0.05	6.65
	X4.2	0.59	0.06	7.39
	X4.3	0.61	0.06	7.48
Success of Urban Farming Business	Y1	0.49	0.04	5.88
	Y2	0.48	0.04	5.80

Each manifest that constructs the two latent variables meets the validity criteria, as evidenced by the standard loading value ( $\lambda \geq 0.40$ ) and  $R^2 \leq \lambda$  value. Table 3 presents the manifest variables for each construct in the structural model, along with their factor loadings ( $\lambda$ ), determination coefficients ( $R^2$ ), and t-values. The results indicate that all manifest variables significantly contribute to their respective latent constructs, as evidenced by t-values exceeding the critical threshold.

For Entrepreneurial Literacy, all indicators demonstrate meaningful loadings, confirming that the construct is reliably measured. Similarly, the manifests of Farmers' Characteristics, Creativity, and Motivation show strong and significant associations with their underlying latent variables. The Success of Urban Farming Business (SUFB) is also adequately represented by its indicators, with both manifesting significant contributions. The findings in Table 3 support the validity and reliability of the measurement model, confirming that the observed variables effectively capture the intended latent constructs for further structural analysis.

**Table 4.** Results of Direct Influence Testing

Hypothesis	Coefficient			T-value	Conclusion
	Direct	Indirect	Total		
Entrepreneurial Literacy → Success of Urban Farming Business	0.614	-	0.614	7.48	Significant
Farmers' Characteristics → Success of Urban Farming Business	0.535	-	0.535	6.85	Significant
Farmers' Creativity → Success of Urban Farming Business	0.550	-	0.550	6.94	Significant
Farmers' Motivation → Success of Urban Farming Business	0.601	-	0.601	7.15	Significant

In accordance with the results of the analysis and model findings above, Table 4 presents the results of direct influence testing. Based on Table 4, the results of the direct influence analysis indicate that all the examined factors have a significant impact on the success of urban farming businesses. Specifically, entrepreneurial literacy, farmers' characteristics, creativity, and motivation each show a positive and meaningful effect on business success. These findings suggest that improvements in these areas are likely to enhance the performance and sustainability of urban farming ventures.

## DISCUSSION

Entrepreneurial literacy plays a critical role in the success of urban farming businesses, as farmers must possess creative and innovative abilities alongside the resources to identify opportunities (Cossa et al., 2018). It has been defined as a process of carrying out various activities with certain methods to provide an understanding of entrepreneurship, thereby creating individual prosperity and societal value. Entrepreneurial literacy can enhance farmers' performance and is particularly important for meeting personal needs rather than merely maximizing profits (Sariwulan et al., 2020; Hunter et al., 2022). Paladan (2021) demonstrates that entrepreneurial literacy improves farmers' quality and entrepreneurial competence. Furthermore, entrepreneurial literacy shapes risk-taking behaviors, enabling farmers to take appropriate risks that facilitate business success, while higher literacy levels strengthen entrepreneurial skills and increase the likelihood of achieving business success (Benjamin, 2018; Kariyasa & Dewi, 2019). This study confirms that entrepreneurial literacy (X1) directly affects the success of urban farming businesses (Y), influencing not only crop sales but also decision-making during the planting process (Bolarinwa & Okolocha, 2016; Alshebami & Al Marri, 2022).

Farmers' characteristics, defined as competencies in managing farming activities based on effective cultivation techniques, are essential for selecting appropriate technologies and making informed decisions (Ringgenberg et al., 2018; Ochilo et al., 2019). Farmers with strong characteristics can better solve problems and capitalize on opportunities, leading to increased income and welfare (Lien et al., 2016). Research indicates that specific indicators, such as age, land area, and capital, significantly influence farming success, while other studies highlight the role of education and experience (Ma et al., 2021; Mithun et al., 2021; Novanda et al., 2021). Consistently, this study finds that farmers' characteristics (X2) have a direct effect on urban farming business success (Y), indicating their contribution to achieving successful farming operations.

Creativity is a key factor in entrepreneurship, significantly affecting urban farming success by fostering self-confidence and reducing fear of failure (Milone & Ventura, 2019; Ferreira et al., 2020). Creative farmers perceive their products as unique, which can enhance agricultural productivity. Prior studies support the significant influence of creativity on business performance and product marketing (Losalia, 2020; Talhelm & English, 2020). This study confirms that farmers' creativity (X3) directly impacts the success of urban farming businesses (Y), ensuring that creative approaches contribute to achieving business objectives.

Motivation also significantly influences urban farming success by encouraging farmers to act toward achieving goals (Siegnier et al., 2018; Gaffney et al., 2019). Motivation

reflects internal drives that enable adaptation and proactive engagement in farming activities, increasing confidence, productivity, and income levels (Bottazzi et al., 2018; Potter & Magner, 2018). Research categorises motivation into existence, relatedness, and growth dimensions, all of which affect farming success (Wang et al., 2019; Ranjan et al., 2019). Highly motivated farmers demonstrate higher productivity and income, whereas less motivated farmers encounter more obstacles (Hansson et al., 2013; Kragt et al., 2017). This study confirms that farmers' motivation (X4) has a direct effect on urban farming business success (Y), contributing meaningfully to business outcomes.

Urban farmers face overlapping pressures, including economic, climate, and demographic changes, which necessitate supportive indicators for agricultural processes and business success (Nordhagen et al., 2017; Ringgenberg et al., 2018). Constraints such as limited farm scale, low production efficiency, insufficient capital, and inadequate assistance hinder farming success (Sheilla, 2018; Surya et al., 2020). Urban farming represents a transition from traditional to technology-assisted agriculture, contributing to national economic development (Donner et al., 2021; Alshebami & Al Marri, 2022). The success of urban farming businesses is crucial not only for farmers' welfare but also for enhancing Indonesia's economic growth, highlighting the significance of entrepreneurial literacy, farmers' characteristics, creativity, and motivation as key determinants of successful urban farming enterprises.

## **CONCLUSION**

This study draws several important conclusions based on the research findings. Entrepreneurial literacy plays a significant and direct role in determining the success of urban farming businesses, highlighting the importance of farmers' knowledge and skills in managing their enterprises effectively. Likewise, the characteristics of farmers, including their competence, experience, and ability to make strategic decisions, directly influence business outcomes. Additionally, farmers' creativity and motivation are shown to have a meaningful impact on the success of their urban farming activities, underscoring the role of innovation and personal drive in achieving productive and sustainable farming operations.

These findings carry several practical implications for both farmers and policymakers. Urban farmers are encouraged to continue enhancing their entrepreneurial literacy, creativity, and motivation, as these factors are key to achieving long-term success in their farming ventures. At the same time, the government and relevant institutions are expected to support urban farmers through targeted training programs, technical assistance, and resources that can strengthen their capabilities and facilitate business growth. The limitation of this study is its reliance on cross-sectional data collected in 2022, which prevents the analysis of changes in farmers' characteristics or business performance over time. In addition, the use of purposive sampling limits the generalizability of the findings beyond the specific urban farmer groups selected. The results should therefore be interpreted with caution when applied to broader farming populations or different regional contexts. Furthermore, the study highlights opportunities for future researchers to build upon these findings by refining the research methodology and exploring additional variables or contextual factors that may influence urban farming success. Collectively, these insights emphasize that fostering knowledge, skills, creativity, and motivation among urban farmers is critical not only for individual prosperity but also for contributing to broader economic and community development.

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