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ROFITABILITY OF ORNAMENTAL PLANT BUSINESS IN SILANG, CAVITE

THESIS

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PROFITABILITY OF ORNAMENTAL PLANT BUSINESS IN SILANG, CAVITE

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ABSTRACT

TUN EMILY A. AYE MARLAR. Profitability of Ornamental Plant Business in Silang, Cavite Undergraduate Thesis. Bachelor of Science in Business Management, major in Economics. Cavite State University, Indang, Cavite October 2005. Adviser: Dr Nelia C. Cresino.

This study was conducted to: describe the socio-economic characteristics of ornamental plant business owners; determine the profit generated from the operation of ornamental plant business; and identify the problems encountered by ornamental plant business owners.

The study was conducted in selected areas of Silang, Cavite, namely: Ulat, By-Pass (Tubuan) and Ilayang Pulo.

Primary data were gathered through personal interviews with 40 respondents using a prepared questionnaire.

Frequency count, percentage, range, and mean were used in describing the socio-economic characteristics of ornamental plant business owners, the characteristics of their business, and profitability of the ornamental plant business. Ranking was used in presenting the problems encountered by the ornamental plant business owners. Cost and return analysis was also used to determine the profit generated from the ornamental plant business operation.

The town of Silang was the major source of plants by the ornamental plant growers. They offered plants, which were classified into flowering, foliage and bonsai.

Results of the study showed that the average age of ornamental plant business owners were 43 years. Majority of the respondents were female, married and obtained formal education. Most (90%) of the respondents sourced out their income from ornamental plant business. They had been in plant business for seven years. Most of the ornamental plant businesses were located in the town proper with an average starting capital of Php 1375.25. Most of the ornamental plant business owners were single proprietors and employed an average of one employee. The average net income of ornamental plant business amounted to Php 192,552.00 annually.

Seasonality of demand was the major problem encountered by ornamental plant business owners, followed by costumer's behavior, and instability of prices.

Instability of supply, tough competition, lack of capital and inaccessible ornamental plant business location were the other problems cited.

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PROFITABILITY OF ORNAMENTAL PLANT BUSINESS IN SILANG, CAVITE $^{1/}$

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INTRODUCTION

Before, many people just give plants and flowers to their neighbors and relatives but when plants became in demand, they started to sell the plants. Plants and flowers have significant meanings to different people. The giving of plants and flowers is a sign of love and affection. Young men may present flowers to their sweethearts as a token of their love. Flowers also add beauty to women's appearance when they used them as corsage. Brides carry bouquets of flowers on their wedding day. Flowers also bring cheerful note to a sick room and brighten the dull room. It intensifies the beauty of traditional May festivities such as Santacruzan and Flores De Mayo. It also liven up special events such as weddings, birthdays and anniversaries (Farndon, 1998).

As plants and flowers became an important part of the people's lives, many people engaged in selling flowers and make it as their source of income. As such people start to establish plant business. They buy plants from farms and engage in retailing. Nowadays, plant business does not only offer plants but also render services