

Benefits and Challenges with Agritourism Enterprises

With agritourism, “opportunity knocks at the doors of farmers and ranchers who have vision, skills and commitment. This opportunity unites tourists’ pursuit for of well-being and rural experiences with farmers’ and ranchers’ need to supplement their income. It provides operators an opportunity to diversify and protect themselves from fluctuating markets, and can allow landowners to benefit financially from wise use of their land” (Holly George and Ellie Rilla, Agritourism and Nature Tourism in CA, 2011).

While agritourism began as a strategy for developing supplemental farm and ranch income, many operators today are as interested in sharing their passion for food production, land stewardship, rural lifestyles and authentic agricultural experience as they are in generating income. There are many other associated benefits you can realize, but also some challenges to consider. The table below lists some of these. The “Assessing Your Potential” section of the handbook will help you identify which benefits best fit your circumstances, as well as which challenges you’ll need to anticipate.

BENEFITS OF AGRITOURISM

Increased and more diversified income

- Provides an opportunity to generate more income. This will probably not take the place of current agricultural crops, but it can add a new profit center to the current operation.
- Can be a small, part-time focus to supplement farm operations, or a main featured activity and income generator.
- Can extend the season for income generation beyond the normal farm/ranch cycle.
- Often, it is a means to add value to farm products through processing and direct marketing.
- Gives more opportunity to be a price-maker versus a price-taker; you can make higher profits from direct-to-consumer marketing of your products.
- Can help you capture the consumer’s food dollar as well as some of what they spend on entertainment and recreation each year.

- Builds future customers for your products; once they return home, they may order more product from you.
- Expands your market; beyond tourists, local people are a built-in market for farm- and ranch-based experiences and high-quality, locally-grown food.

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More value from existing assets

- Offers a way to increase revenue without increasing acreage.
- Provides an opportunity to build a new business with resources that already exist. It takes advantage of underused buildings, land and talent.
- Can build additional physical infrastructure that has value.

Strengthened opportunities for families

- Provides a way to include future generations on the farm or ranch and keep the land in the family.
- Creates new working opportunities for a spouse, children and family members that tap into varied talents.
- Maintains family interest in and attention to the farm.

Sharing of your way of life and promotion of the value of agriculture

- Gives you the chance to educate people about rural living, nature and the agriculture industry, which can lead to improved local policies.
- Can build bridges between farmers and consumers, and between rural and urban populations.
- Demonstrates and showcases how producers protect and care for the land and natural resources.

- Provides an opportunity to educate people about both historic and modern methods of farming, and the risks involved in everyday agriculture.
- Improves people's understanding of local food systems.

Contribution to the economic vitality of your community

- Promotes farming in your community.
- Increases demand for locally-grown farm products.
- Keeps youth and entrepreneurial activities in the local community.
- Addresses the shortage of lodging in rural areas (through farm and ranch stays).
- Presents an opportunity to organize itineraries related to agritourism and other experiences that together draw more visitors to your community.

A fun experience

- Allows you to meet visitors from all walks of life.
- Gives you creative expression.
- Is personally rewarding.

CHALLENGES OF AGRITOURISM

More work

- Can provide low financial return, at least at first.
- Can be hard work for you and family members.
- May require developing new skills.
- Requires more work to keep the farm clean, safe and presentable, which can sometimes affect primary operations.
- Can create staffing issues and increase paperwork.
- It's time-consuming and complicated to learn about and comply with a host of applicable laws and regulations.

More risk

- Presents more regulatory and liability risks.
- Often requires you to spend money upfront to improve facilities for visitors and meet regulatory requirements.
- Depends on travelers having discretionary income to spend, and thus is sensitive to economic downturns even though tourism is a growing sector.
- Potentially creates conflict with neighbors as business ramps up and traffic increases.
- Is not a familiar term for most travelers, and thus the market is not well-defined. There is a need for education to make visitors aware of agritourism experiences as a viable option.

Less down time

- Demands your full and constant attention, and can interfere with family time and activities.
- Requires that you are always “on” — upbeat and available.
- Involves a loss of privacy.

These lists were compiled from several sources, including: Agritourism and Nature Tourism in California, 2nd Edition – University of California Agriculture and Natural Resources; The New Agritourism – Barbara Berst Adams; Agritourism: Cultivating Tourists on the Farm – Washington State University Extension; Agritourism Master Plan for Clackamas County, Clackamas County Tourism Development Council; Creating Successful Agritourism Activities for your Farm – Community Involved in Sustaining Agriculture; Getting Started in Agritourism – Cornell Cooperative Extension; and Oklahoma Agritourism Resource Manual.

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