AGRICULTURAL TOURISM IN THE U.S.
A COLLABORATIVE RESEARCH
AND EXTENSION PROJECT

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Agriculture in the U.S.  
—An Economic Struggle

- Many of America’s farmers and ranchers have been struggling economically, as they attempt to make their operations viable in the face of fickle markets, low prices, changing environmental conditions, and global competition.
Diversifying Beyond Agricultural Production

- One successful approach in these “changing times” has been in diversifying operations beyond agricultural production.
- Such diversification can generate additional income for ag-operators and enhance overall rural economic and community development.
Value-Added Agriculture

- One area of diversification is for ag-entrepreneurs to “add value” to the products they sell and thus increase their profit potential.
- Value can be added to various ag-products produced and sold to increase profit potential through specialized production, packaging, and marketing.
  - Specialty Items—jams, salsas, honey, cider, wines
- Value-added is also providing various services or experiences with a particular product or mode of production.
  - Direct Sales—“Pick Your Own”
  - Farmers Markets and Roadside Stands
  - Agricultural Festivals and Special Events
2007 Direct Sales Income by State

Source: USDA National Agricultural Statistical Service: 2007 Census of Agriculture
2007 Percentage of Farms Involved in Direct Sales

Source: USDA National Agricultural Statistical Service: 2007 Census of Agriculture
Agritourism

- Value can also be added by providing various services or experiences of interest to visitors.
- Related to value-added agriculture is the development of agricultural, natural, and heritage resources for agritourism, outdoor recreation, and educational opportunities.
- Many ag-operators have amenity resources people value, and can offer opportunities for a diversity of recreation and learning experiences.
Changing Societal Values
Development and Use of our Natural Resources

• More and more emphasis is being placed on the value of amenity resources.
  • Scenery and aesthetics
  • Opportunities for a diversity of recreation experiences
  • Ecological services
    • Clean air and water
    • Providing habitat wildlife
    • Preserving biological diversity

Great Salt Lake from Antelope Island State Park
Continuing and Emerging Tourism Trends

• Evolution of the importance of experience...
  • Transition to an Experience-Based Economy
  • Role of Natural Resources Amenities-Based Experiences

• Today’s travelers seek new and unique, “self-fulfilling” experiences.
  • Traditional tourism activities are being augmented by
    • adventure travel
    • recreation transportation (bikes, OHVs, snowmobiles, watercraft)
    • nature tourism and eco-tourism
    • wildlife viewing and birdwatching
    • agricultural tourism
    • cultural heritage tourism

• Big Fun is Big Business!
  • Leisure-entertainment lifestyle economy
  • Spending, jobs, and taxes
  • Leisure spending projected to be over 10% of GDP by 2015.

Source: Travel Industry Association of America
Agricultural Tourism

• The act of visiting a working farm or ranch or any agricultural operation or business for the purposes of enjoyment, education, and active involvement in a variety of activities and experiences.

• A commercial enterprise not necessarily part of traditional farming/ranching activities, that generates supplemental income for owner-operators through such endeavors as the accommodation of tourists, through heritage and cultural programs, by offering hunting and fishing leases, and through horse packing or other guided trips.

Ag-Tourism includes...

- Dude or Guest Ranches
- Pick Your Own Produce
- Roadside Stands
- Tasting Events
- Farm and Ranch Educational Tours
- Agricultural Heritage Festivals & Fairs
- Farm and Ranch Bed & Breakfasts
- Ag Museums
Ag-Tourism is Value Added
Complementary Items or Activities

- On-Farm/Ranch Camping
- Fishing & Hunting
- Guided Tours
- Wildlife Observation Birdwatching
- Heritage Activities
- Local Arts and Crafts
- Outdoor Recreation
- Wild Flowers
- Gardens
- Nursery Plants
- Souvenirs “Your Farm/Ranch” T-Shirts
- Refreshments
- Honey
- A Place to Eat
Trends in Natural and Cultural Resources Based Tourism

• Develop a Package of Tourism Experiences

• Natural Allies:
  • Agricultural Tourism and Ranch Recreation
  • Outdoor Recreation
  • Nature Tourism
  • Cultural Heritage Tourism
Motivation for Agritourism

• Some ag-operators become involved in agritourism as a way of supplementing their income.
• Others desire an opportunity to educate the public and introduce people to farming and ranching.
## Motivation of Oregon Ranchers to Adopt Ag-Tourism

<table>
<thead>
<tr>
<th>Rank</th>
<th>Motivations</th>
<th>% Ranchers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Additional income</td>
<td>96.8%</td>
</tr>
<tr>
<td>1</td>
<td>To fully utilize the ranch's resources</td>
<td>96.8%</td>
</tr>
<tr>
<td>3</td>
<td>To meet need in recreation vacation marketing</td>
<td>94.1%</td>
</tr>
<tr>
<td>4</td>
<td>Deal with fluctuations in ranch income</td>
<td>84.4%</td>
</tr>
<tr>
<td>5</td>
<td>To educate the consumer</td>
<td>74.1%</td>
</tr>
<tr>
<td>6</td>
<td>Employment for family members</td>
<td>66.7%</td>
</tr>
<tr>
<td>7</td>
<td>It is an interest and/or a hobby of ours</td>
<td>60.7%</td>
</tr>
<tr>
<td>8</td>
<td>Companionships with guests and users</td>
<td>58.6%</td>
</tr>
</tbody>
</table>

Source: de Vasconellos Pegas & Tynon, 2004
Agritourism and Recreational Services

• The 2007 Census of Agriculture asked respondents to report their income related to agritourism and recreational services, such as farm or winery tours, hay rides, hunting, fishing, etc.
• In many states, this income includes rental and lease fees for hunting, fishing, and other recreational purposes.
• Income from these sources does not include value-added products such as jams, salsas, wines, etc.

Source: USDA National Agricultural Statistical Service: 2007 Census of Agriculture
2007 Agritourism and Recreation Services Income by State

Source: USDA National Agricultural Statistical Service: 2007 Census of Agriculture
2007 Percentage of Farms Involved in Agritourism

Source: USDA National Agricultural Statistical Service: 2007 Census of Agriculture
2007 Combined Agritourism and Direct Sales Income by State

Source: USDA National Agricultural Statistical Service: 2007 Census of Agriculture
Challenges in Agritourism Development

• While the development of the agritourism industry in the U.S. offers opportunities for many farmers and ranchers to diversify and complement their existing operations, there are many challenges to be overcome, especially with regard to accessing information critical to decision-making.
## Major Barriers Oregon Ranchers Identified in Adopting Ag-Tourism

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<tr>
<th>Rank</th>
<th>Barriers</th>
<th>% Ranchers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Legal regulations</td>
<td>91.9%</td>
</tr>
<tr>
<td>2</td>
<td>Lack of time</td>
<td>88.6%</td>
</tr>
<tr>
<td>3</td>
<td>Insurance and liability concerns</td>
<td>86.8%</td>
</tr>
<tr>
<td>4</td>
<td>Lack of agritourism business knowledge</td>
<td>77.5%</td>
</tr>
<tr>
<td>5</td>
<td>Lack of financial assistance and resources</td>
<td>74.3%</td>
</tr>
<tr>
<td>6</td>
<td>Lack of personnel</td>
<td>69.7%</td>
</tr>
<tr>
<td>7</td>
<td>Excessive taxation</td>
<td>65.6%</td>
</tr>
<tr>
<td>8</td>
<td>Lack of information (marketing, demand, etc.)</td>
<td>62.5%</td>
</tr>
<tr>
<td>9</td>
<td>Lack of social networks with others in agritourism</td>
<td>58.1%</td>
</tr>
</tbody>
</table>

Source: de Vasconellos Pegas & Tynon, 2004
Agricultural Tourism in the U.S.  
A Collaborative Research and Extension Project

- Extension Specialists at Utah State University, University of Vermont, and University of Wisconsin collaborated in this multi-state project designed to provide web-based information and resources to assist ag-operators in agritourism development.

- Funded by a USDA grant received by the Agricultural Marketing Resource Center (AgMRC) at Iowa State University (http://www.agmrc.org/)
Methods

• A thorough review and assessment of existing internet resources was conducted.

• Contacted key individuals working in the area of agritourism to get their ideas of topics in agritourism that needed to be emphasized and what types of materials were needed by farmers and ranchers working in this area.

• Needs were also identified based on input from farmers and ranchers in several regions of the U.S.

Product

• Seven draft fact sheets/“checklists” were developed that producers could utilize in developing agritourism operations to complement their existing operations.

• Drafts reviewed by ag-operators and other “experts” involved with agritourism development who provided feedback before the fact sheets/“checklists” were finalized.
Agritourism Fact Sheets/“Checklists”

- Successes and Challenges in Agritourism
- Best Management Practices in Agritourism

Successes and Challenges in Agritourism

Best Management Practices in Agritourism

**Success Stories**

- **La Mota Ranch – Sheila.**
  The La Mota Ranch just and add owned and operated by the Holta family. Sheila and her family have been operating the ranch for over 40 years now. They have seen the challenges and successes of the agritourism business. They have expanded their offerings to include events, tours, and educational programs. Sheila has been a valuable resource for other ranch owners and has shared her knowledge through her work with the Texas A&M Agritourism Network.

- **Dospatos Farm – Gary.**
  Gary owns and operates a small-scale farm in the Texas hill country. He has successfully diversified his business by offering agritourism activities such as guided tours, farm tours, and educational programs. Gary has also developed partnerships with local schools and universities to provide educational opportunities for students.

- **Shaker’s Pleasing Pal.**
  Fourteen years ago, Shaker’s Pleasing Pal was a small family-owned business that offered pumpkin picking and other fall activities. Shaker’s Pleasing Pal has grown significantly over the years and now offers a variety of agritourism activities, including hayrides, corn mazes, and holiday light displays. The business has been successful in creating a positive image and reputation for the area.

**Best Management Practices**

- **Authentic Farm or Ranch Experience.**
  Agritourism businesses should strive to offer a genuine farm or ranch experience to their visitors. This includes providing hands-on activities, such as farming or livestock care, and allowing visitors to learn about the farm or ranch’s history and practices.

- **Educational Experience.**
  Agritourism businesses should offer educational experiences that are appropriate for their target audience. Educational opportunities can include farm tours, animal presentations, and educational programs that highlight local agriculture and natural resources.

- **Adaptable Public Facilities.**
  Agritourism businesses should provide adaptable facilities that can accommodate a variety of groups and event sizes. This may include flexible seating arrangements, customizable decoration options, and accessible technology for presentations.

- **Effective Communication.**
  Communication is key to a successful agritourism business. Regularly maintain contact with customers, and be available to answer questions and address concerns. Effective communication can help create a positive experience for all visitors.

**Planning for Your Financial Future.**

Regularly review your business plan and budget, and be prepared to make adjustments as needed. This includes monitoring your financial performance and being proactive in seeking new opportunities for growth and expansion.
Agritourism Fact Sheets/“Checklists”

- Zoning and Health Considerations in Agritourism
- Risk Management and Liability in Agritourism
Agritourism Fact Sheets/“Checklists”

- Agritourism Marketing
- Agritourism Associations and Networks
- Online Agritourism Resources
Positive Feedback!

• “Absolutely wonderful! The comments that follow are minimally important compared to the quality, consideration of the users and thoroughness of the information compiled.” –Vermont Agritourism Specialist

• “I have read the materials and find them informative and these would certainly help farmers and ranchers thinking about agritourism make their decision.” –Utah Farm Specialist

• “I like the checklist idea. This kind of says to the operator, look at the big picture and how you can apply the broad range of concerns and opportunities to a particular operation.” –Utah Rancher

• “I like the examples. They allow people to see where success has been generated....” –Utah Fruit Grower
Future Research Needs

• As a result of this research project conducted for AgMRC, three areas as high priority for future projects were identified:

1. **Liability Insurance** continues to be a barrier for many farmers and ranchers throughout the U.S.
   • AgMRC has the national networks and contacts to effectively address this issue and help producers obtain low-cost insurance policies with adequate coverage.

2. **International Models of Agritourism** can provide guidance for producers in the U.S. Countries such as Australia, Italy, and Ireland have different models with varying amounts of government support.
   • A better understanding of other countries’ agritourism strengths and challenges can improve agritourism initiatives in the U.S.

3. **Best Management Practices**, including authenticity of agritourism, are concerns for many producers who would like to ensure that only working farms and ranches with high quality agritourism products and services can use the agritourism label.
   • AgMRC may be uniquely positioned to disseminate best management practices and even a certification program with national significance.
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