

Extra Income through Agritourism

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Outdoor Business Workshop for Landowners

August 27, 2013



What is Agritourism?

Direct sale of
products

Farm tours

Special events

Alternative uses of
farmland

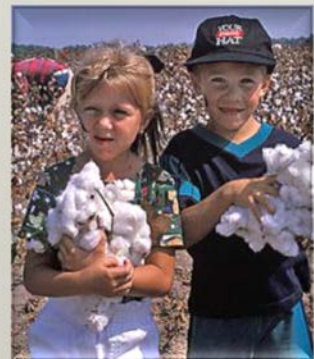
Any enterprise combining elements of
agriculture and tourism

On-farm lodging

Children's activities

Education
museums or
demonstrations

Entertainment &
activities



Potential Benefits to Farmers

- Increase income
- Identify new customers
- Lose the middle man
- Closer linkages to the nonagricultural business community
- Raise awareness of & appreciation for agricultural production



"When things are going good, we all tend to put on our blinders. A year like this one forces you to re-evaluate the scope of your operation. Many positives come out of a negative year. For example, diversification makes a difference."

Mitch Lazenby
Auburn, AL - 2007



Research on Agritourism

(2005 Farm Market Annual Survey)

- More likely to see an increase in net income
- Most operations charge, but pricing structure varies
- On average, higher number of employees
- More likely to preserve & use historical/cultural/heritage practices
- Recreational tourism & special events most commonly cited diversification strategy

Visits & Characteristics

(National Survey on Recreation and the Environment, 2005-08)

- 71.3 million people visited farms or agricultural settings
 - 27.6% of population
 - 20.2% increase from 1999-2001
 - Excludes school groups



Travel Trends

(Travel Industry Association of America)

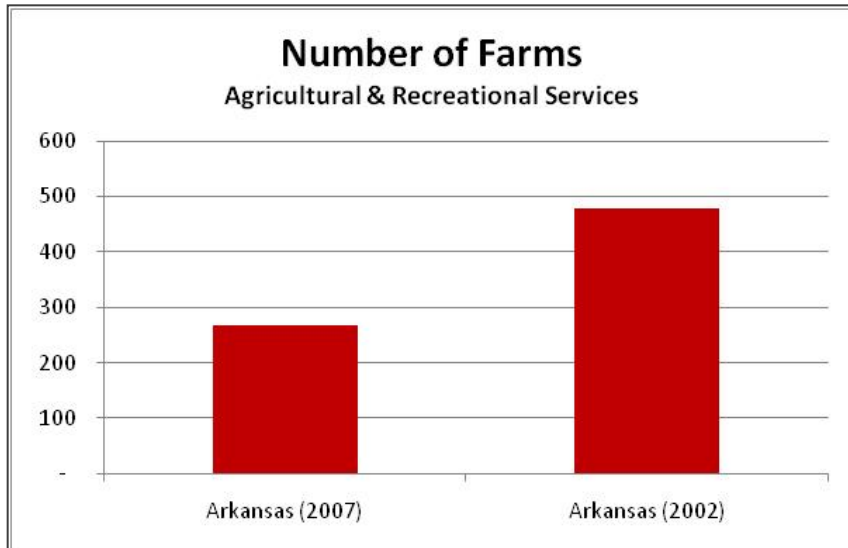




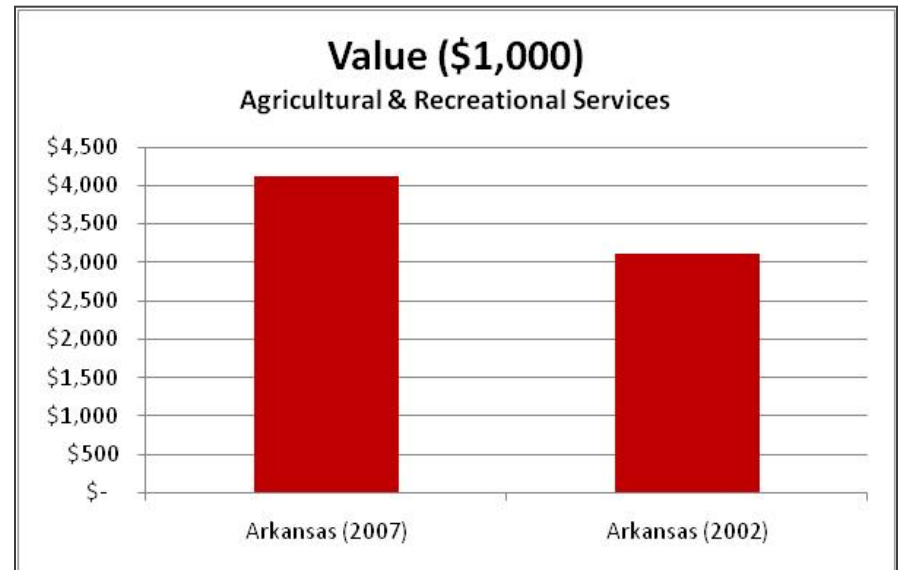
Agritourism In Arkansas

Farms Engaged in Agritourism

(2007 Census of Agriculture)

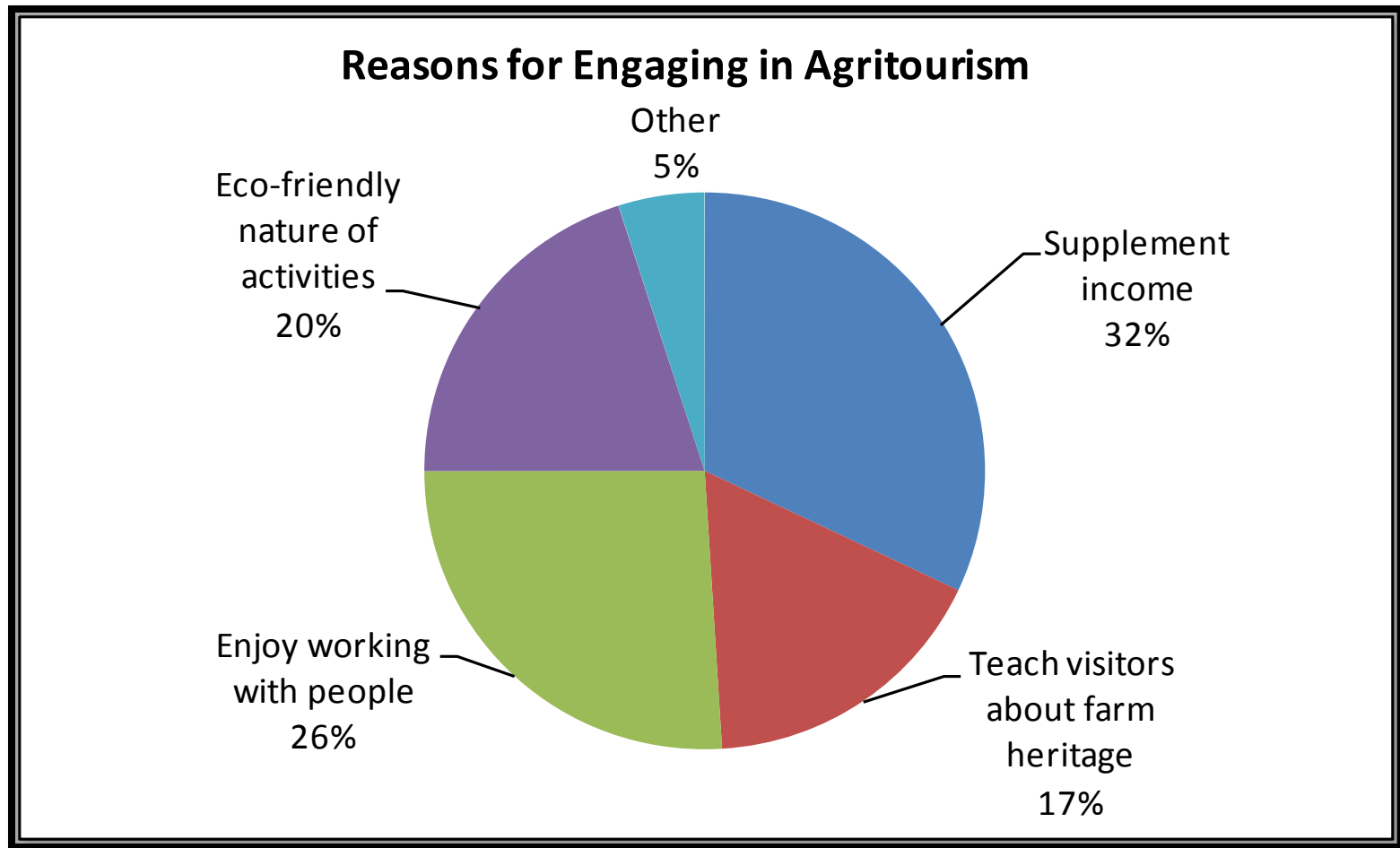


- 268 farms
- \$4.1 million in receipts



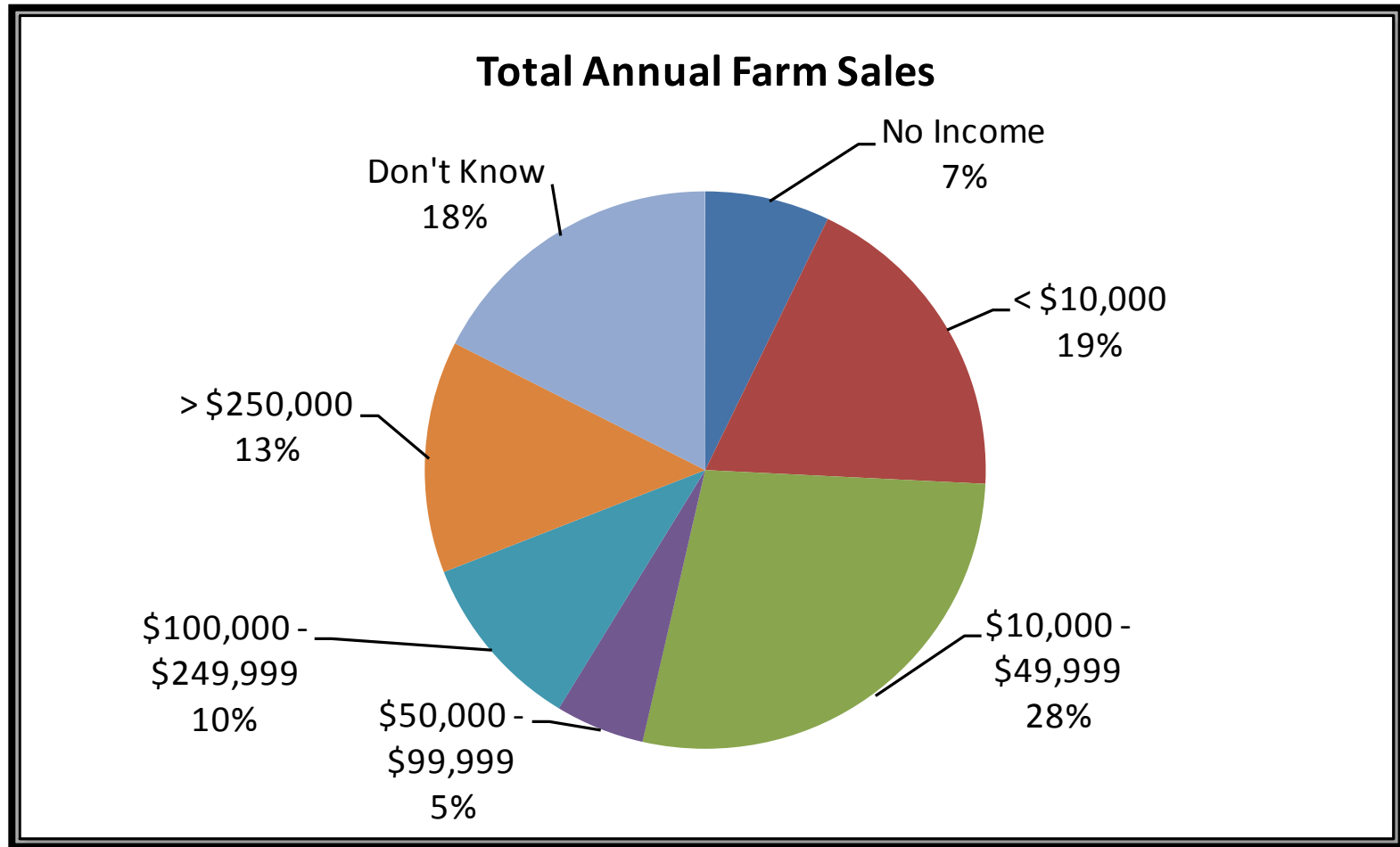
Reasons for Engaging in Agritourism

(2009 U of A Division of Agriculture Public Policy Center Study)



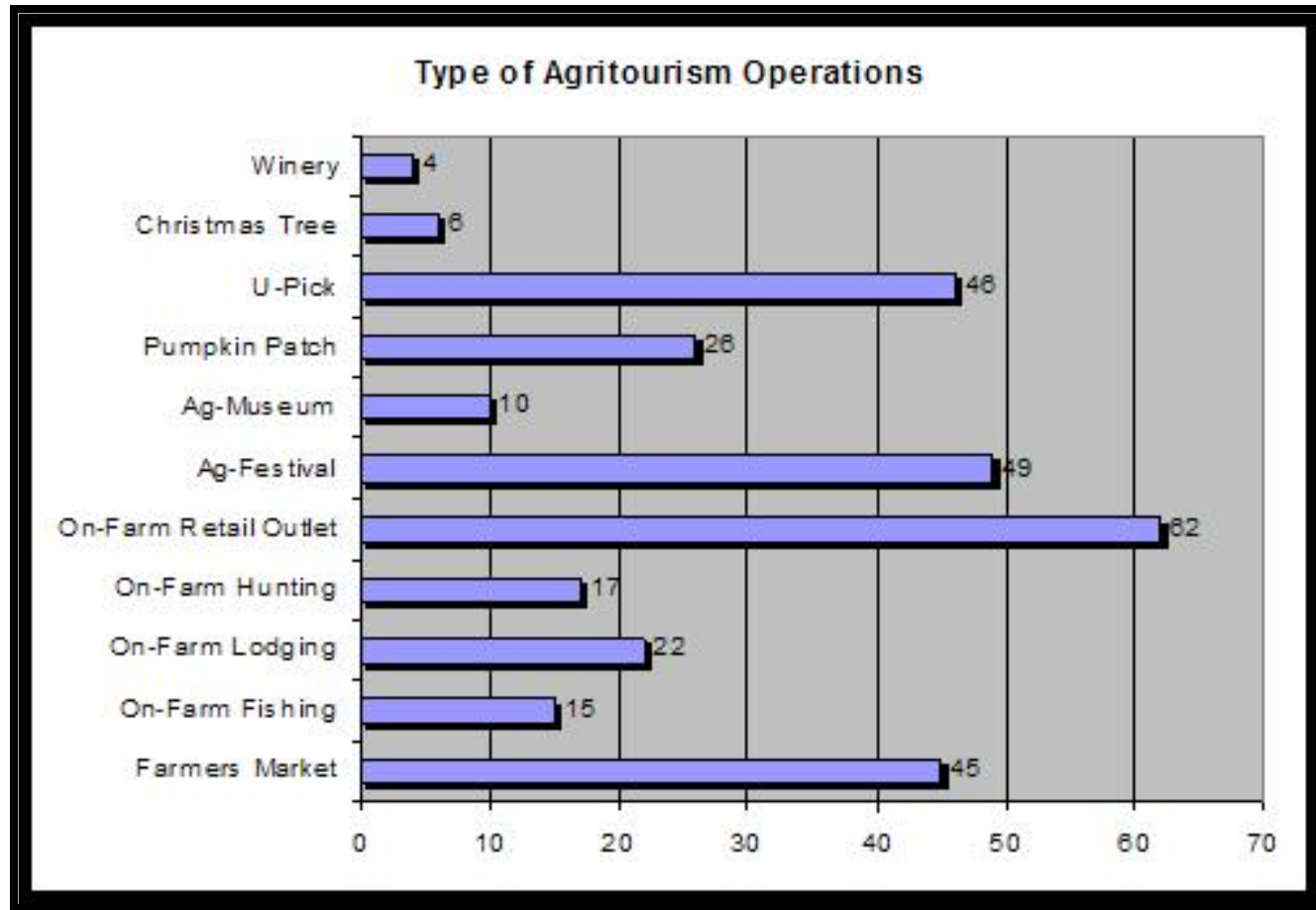
Distribution Based on Receipts

(2009 U of A Division of Agriculture Public Policy Center Study)



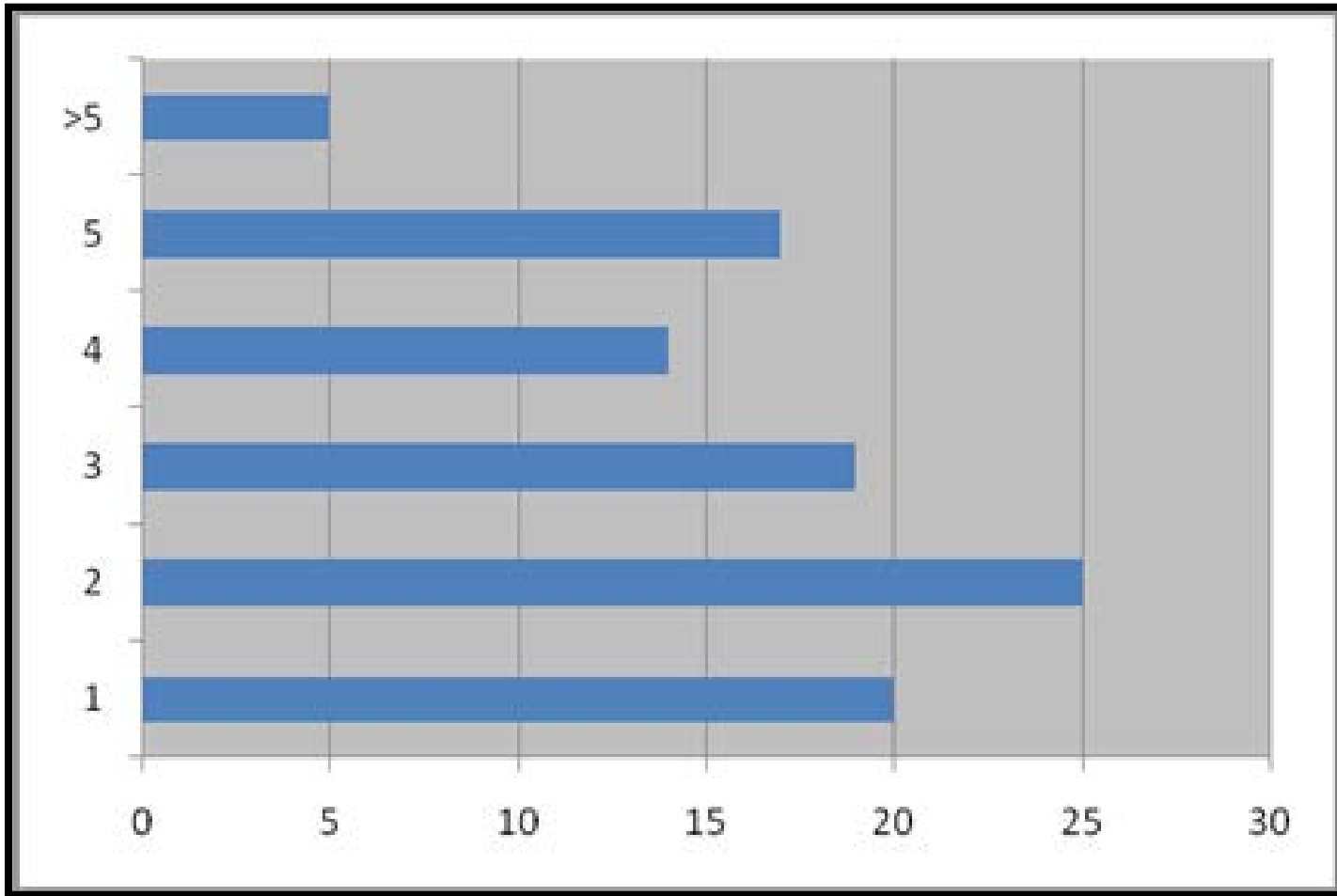
Types of Agritourism

(2009 U of A Division of Agriculture Public Policy Center Study)



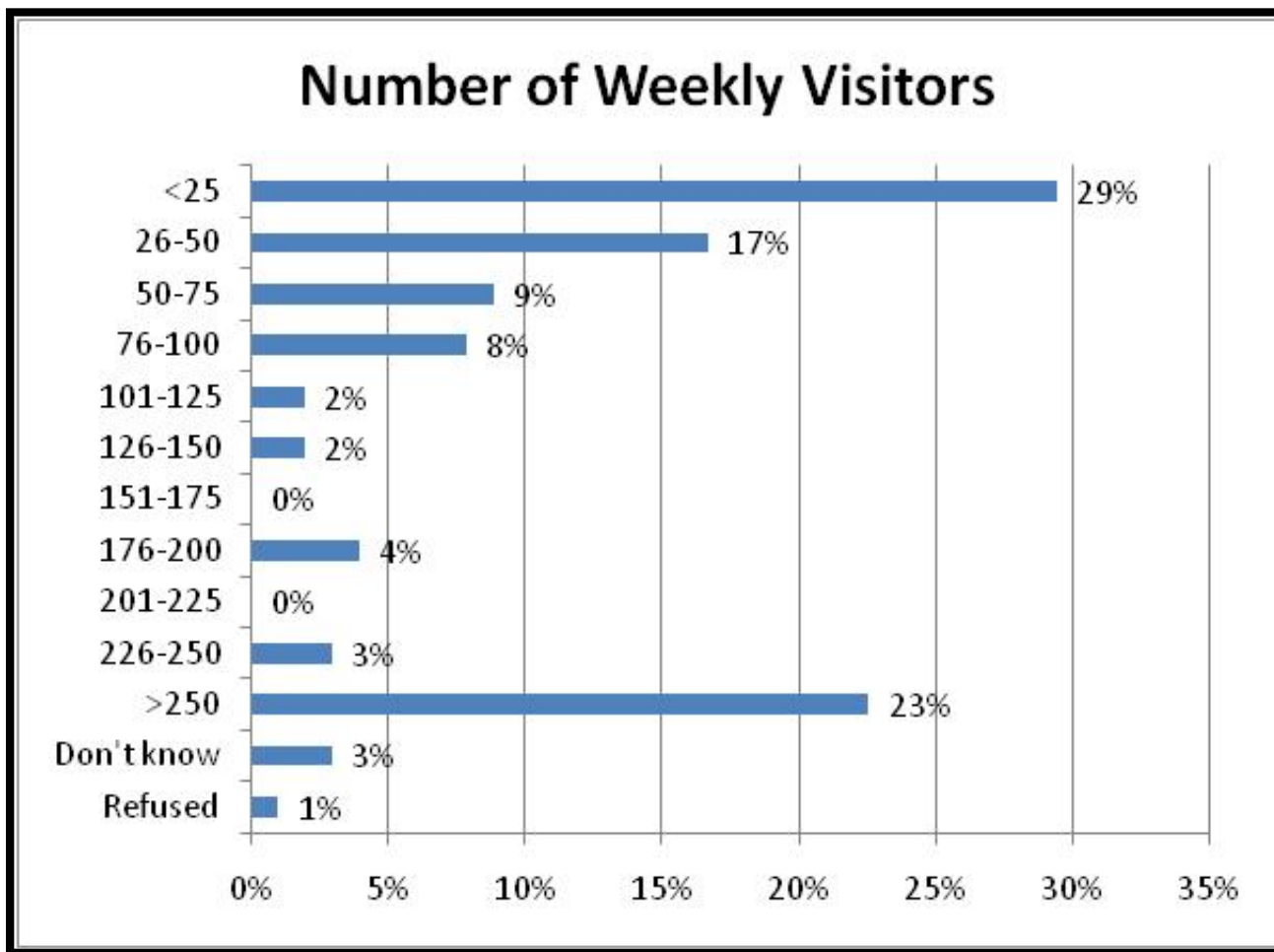
Number of Activities

(2009 U of A Division of Agriculture Public Policy Center Study)



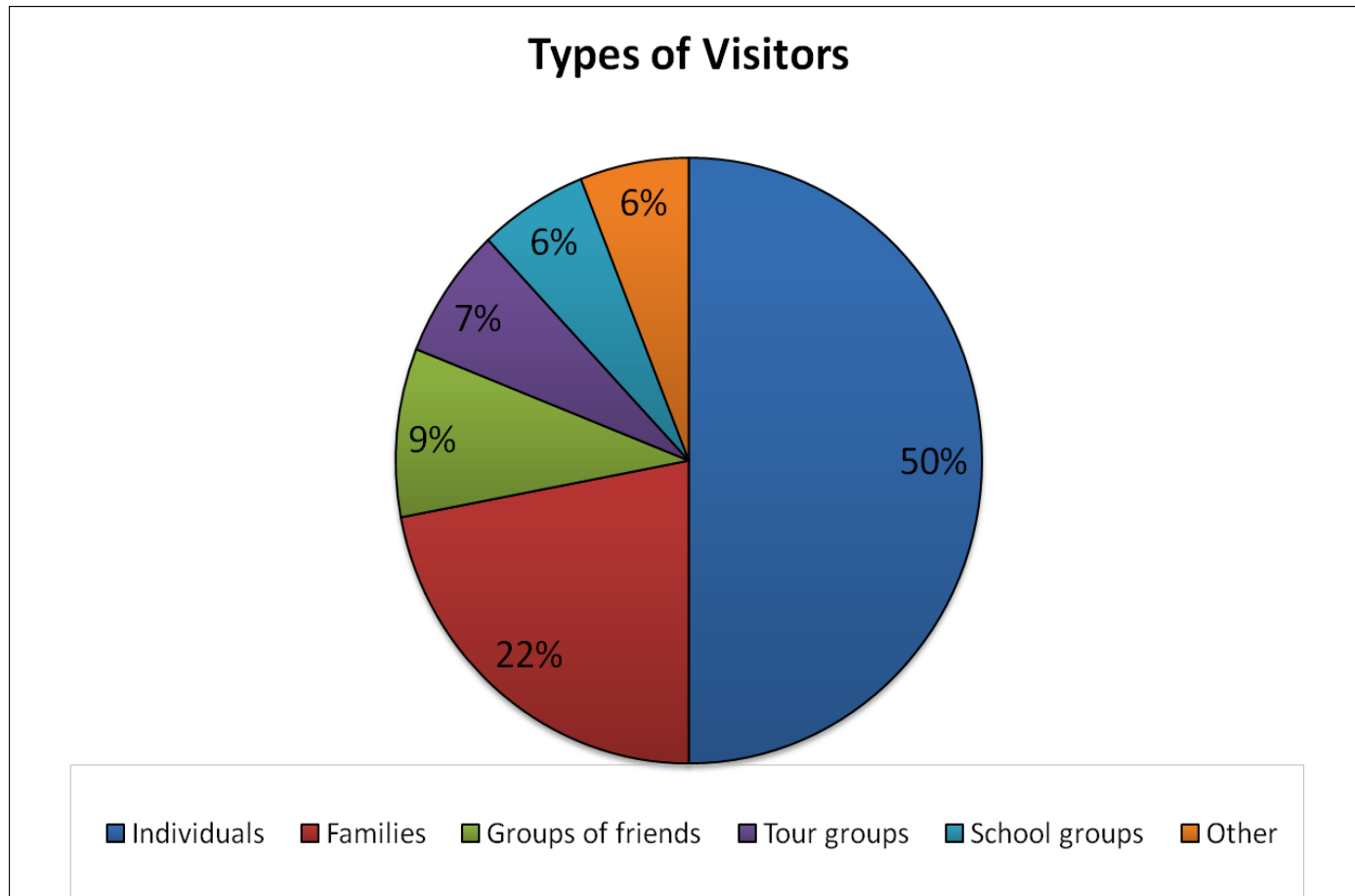
Visitors

(2009 U of A Division of Agriculture Public Policy Center Study)



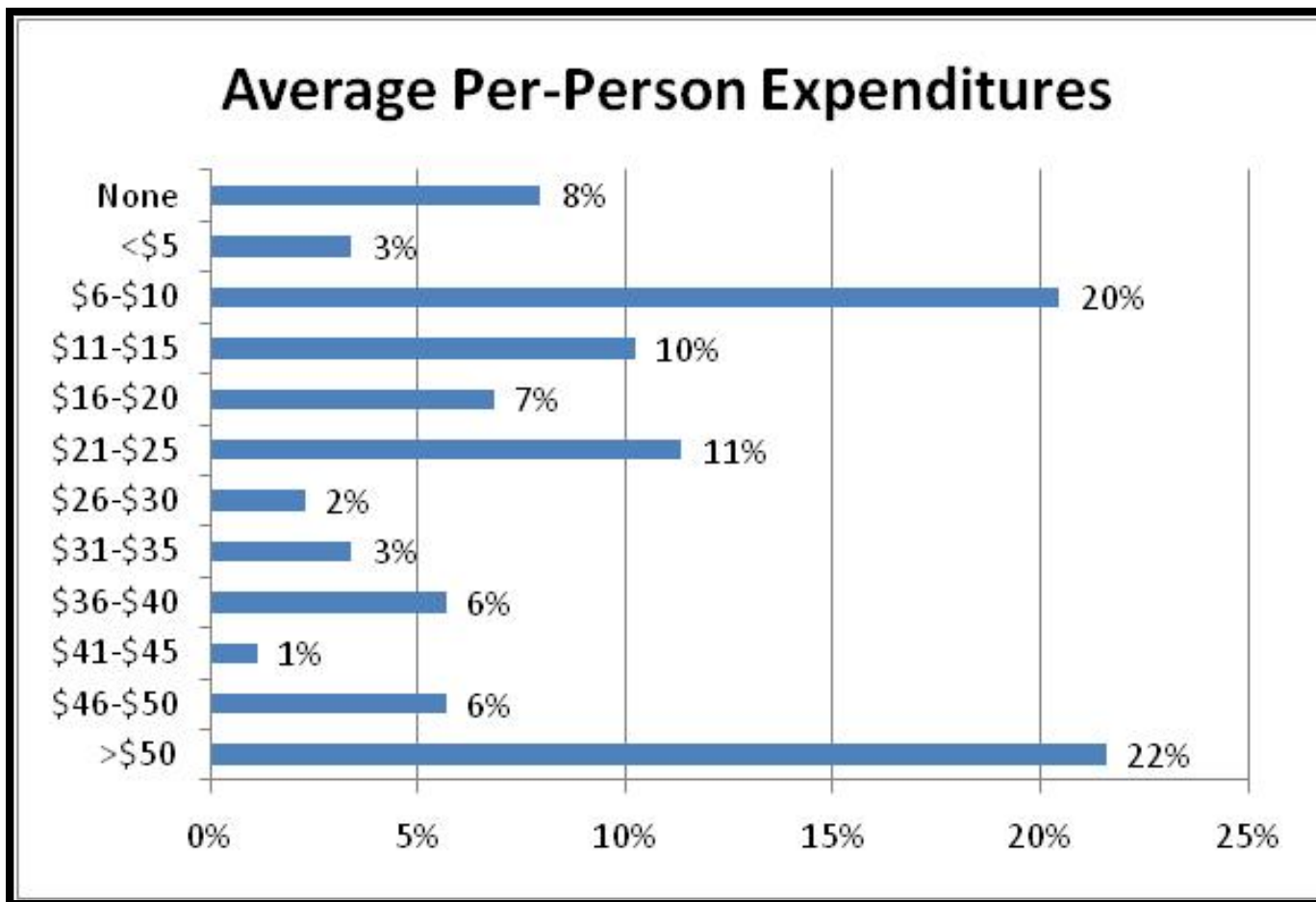
Types of Visitors

(2009 U of A Division of Agriculture Public Policy Center Study)



Expenditures

(2009 U of A Division of Agriculture Public Policy Center Study)



Hunting v. Non-Hunting Operations

(2009 U of A Division of Agriculture Public Policy Center Study)

Non-Hunting

• Average visitor expenditure	\$42.54	76
• Average per-farm revenue	\$43,641	78
• Average number of weekly visitors	3,343	79
• Average weeks of operation	24	82

Hunting

• Average visitor expenditure	\$423.00	17
• Average per-farm revenue	\$213,936	17
• Average number of weekly visitors	747	16
• Average weeks of operation	19	17

Planning Considerations

- Personal assessment
 - What are your goals for the farm?
 - Are you willing to give up privacy?
 - Do you enjoy people?
- Tourism potential
 - What features of land and operation might appeal to the public?
 - What other attractions are nearby?



Planning Considerations

- Business planning
 - Business description
 - Management and staffing
 - Market analysis
 - Advertising and marketing
 - Financial plan



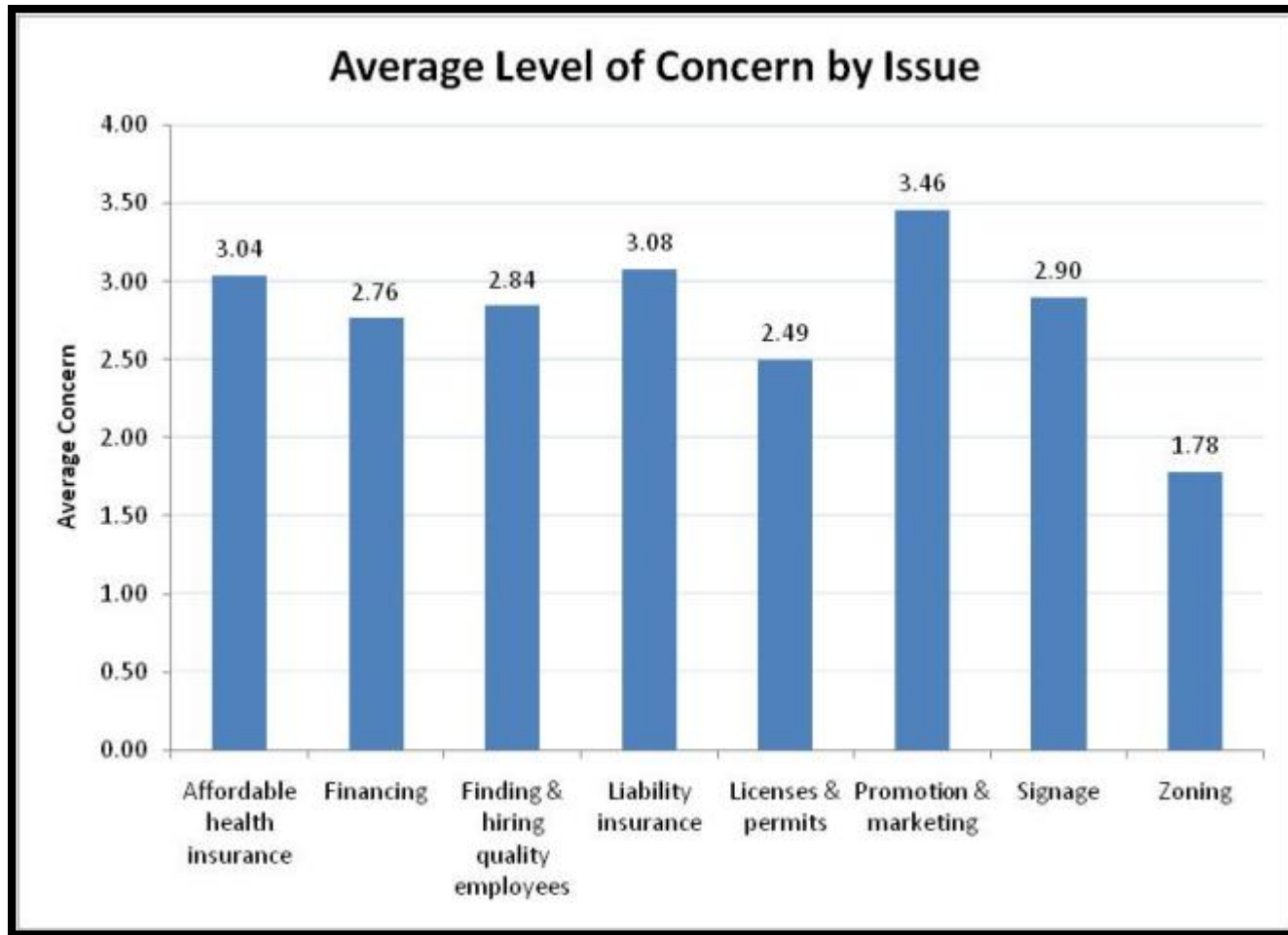
Planning Considerations

- Risk management
 - Laws and regulations
 - Insurance and liability
 - Safety plans
- Customer service
 - Professionalism
 - Appearance
 - Making visitors comfortable
 - Assessing satisfaction



Issues of Concern

(2009 U of A Division of Agriculture Public Policy Center Study)



Arkansas Agritourism Initiative

<http://www.facebook.com/arkagitourism>

- Training events
- Resource publications
- Web and social media
- On-farm consultations
- www.uaex.edu





Questions, Comments & Discussion