Influences Affecting Agritourism Success in the Western US

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Project Overview

1. Multi-institutional interdisciplinary research group is surveying western agritourism operators as part of 3 year USDA grant: “Place-Based Innovation: An Integrated Look at Agritourism in the Western US”

2. Agritourism Producer Surveys conducted in both Colorado and California – completed June 2015

3. Also using data from project’s agri-tourist survey (all US), spatial data collection, and some producer case studies (2015 – 2016)
For this study, agritourism is:

- Any income-generating activity conducted on a working farm or ranch for the enjoyment and education of visitors
Agritourism activities include...

- **On-farm Direct Sales** (U-pick, farm stands, dairy, wine, beer, farm products, etc.).
- **Accommodations/Lodging** (farm stays, guest ranch, B&Bs, camping, cabins, etc.).
- **Entertainment/Special Events** (harvest festivals, corn mazes, farm dinners, weddings, parties, etc.).
- **Outdoor Recreation** (picnicking, swimming, hunting, fishing, photography, horseback riding, snowmobiling, biking, etc.)
- **Educational Activities** (farm or ranch work experience, camps, classes, tours, tastings, demonstrations, egg gathering, etc).
Survey of Likely Agritourism Operators

- Conducted online and through US mail: February 2 – May 19, 2015

- 150 Colorado Producer Survey respondents total
  - 141 non-duplicated complete surveys
    - 71.6% (101) said Yes, they did offer agritourism products/services
    - 28.4% (40) said No, they did not offer agritourism products/services

- 243 California Producer Survey respondents total
  - 231 non-duplicated complete surveys from producers
    - 81.3% (187) said Yes, they did offer agritourism products/services
    - 18.7% (44) said No, they did not offer agritourism products/services
Agritourism in California

Agricultural tourism is a commercial enterprise at a working farm, ranch or agricultural plant conducted for the enjoyment or education of visitors, and that generates supplemental income for the owner.

Agritourism examples:
- farm stands or shops
- U-pick
  - farm stays
  - tours
- on-farm classes
- festivals
- pumpkin patches
- Christmas tree farms
- on-site weddings
- youth camps
- wine tasting
- hunting or fishing

Data collected and map produced May, 2015 by the UC Small Farm Program
Agritourism in California

Census vs. Surveyed California Agritourism (2012/15)

Count of AgTrsm Farms/Ranches

- Surveyed Agritourism Farms (2015)

Census Agritourism Farms (2012)

- 1-10
- 11-25
- 26-50
- 51-100
- 101-135
- Undefined / Withheld
Agritourism in Colorado

Census vs Surveyed Colorado Agritourism (2012/2015)

Number farms, 2012 Census of Ag
- 0 - 10 (33)
- 11 - 20 (16)
- 21 - 30 (5)
- 31 - 40 (6)
- 41 + (4)

Agritourism sites, 2015 producer survey (674)
Agritourism Gross Revenue - 2014

**Colorado**

- **Less than $1000**:
  - 6%
- **$1000 - $4,999**:
  - 10%
  - 15%
- **$5000 - $24,999**:
  - 24%
  - 21%
- **$25,000 - $99,999**:
  - 15%
  - 17%
- **$100,000 - $249,000**:
  - 17%
  - 15%
- **$250,000 - $499,999**:
  - 9%
  - 9%
- **$500,000 - $999,999**:
  - 8%
  - 7%
- **$1M - $4,999,999**:
  - 8%
  - 4%
- **Greater than $5M**:
  - 0%
  - 1%

**California**
Main Sources of Agritourism Revenue

California:

- Direct Sales: 61%
- Educational Activities: 11%
- Outdoor Recreation: 4%
- Entertain., Special Events: 8%
- Accomodations: 6%
- Diversified: 10%

Colorado:

- Direct Sales: 33%
- Educational Activities: 14%
- Outdoor Recreation: 14%
- Entertain./Special Events: 16%
- Accomodations: 16%
- Diversified: 13%

Primary Activity - California

Primary Activity - Colorado
Days Agritourism Operations Open

Number of days open in 2014

- 3% for 10 days or less
- 12% for 11 to 35 days
- 9% for 36 to 100 days
- 11% for 101 to 250 days
- 19% for 251 to 365 days
- 45% for 10 days or less
- 21% for 11 to 35 days
- 23% for 36 to 100 days
- 36% for 101 to 250 days
- 45% for 251 to 365 days

States compared: Colorado and California
Number of Annual Visitors

Number of Visitors in 2014 (CO & CA combined)
Estimated Profit by Primary Activity
(CA & CO combined)

<table>
<thead>
<tr>
<th>Activity</th>
<th>California</th>
<th>Colorado</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Sales (N=117)</td>
<td>21%</td>
<td>18%</td>
</tr>
<tr>
<td>Accomodations/Outdoor recreation (N=28)</td>
<td>38%</td>
<td>22%</td>
</tr>
<tr>
<td>Entertainment, Special Events, Educational Activities (N=44)</td>
<td>43%</td>
<td>43%</td>
</tr>
<tr>
<td>Diversified (N=20)</td>
<td>20%</td>
<td>18%</td>
</tr>
</tbody>
</table>

- **loss, no profit**
- **less than $2500**
- **$2500 to $25,000**
- **more than $25,000**

California: N=141  Colorado: N=71
Agritourism Challenges:
Percent of Respondents Rating Each Issue "Challenging" or "Very Challenging"

- Management time and expertise *
- Marketing (promotion & advertising *)
- Availability of operating or investment capital *
- Family or business labor
- Cost and/or availability of insurance
- Other state or local regulations*
- City/County permitting & zoning *
- Local & state taxes
- Ensuring visitor safety and accessibility
- Competition from other local recreational options*
- Developing and implementing a business plan

* Difference significant at 90% confidence level
Perception of Marketing Strategy Effectiveness:

Percent of respondents rating each strategy "effective" or "very effective"

- Word of mouth, recommendations from customers
- Website
- Feature story (TV, radio, newspaper, magazine)
- Referrals from other businesses
- Direct mail or email to customers
- Facebook, Twitter, Instagram, Pinterest, boosted posts
- Highway sign listing business *
- Sign outside business
- Print brochures, fliers, posters
- Farm or wine trail or agritourism association
- Regional or state tourism guide or website
- TripAdvisor, Yelp reviews
- Paid advertising in print, online or radio
- Chamber of commerce or visitors bureau referrals

* Difference significant at 90% confidence level
Information Sources Used by Agritourists
(from National Survey of Agritourism Visitors)

- Word of mouth and recommendations from family/friends: 20%
- Website: 17%
- Social Media: 10%
- Trip Advisor or Yelp reviews: 8%
- Print, online or radio ads: 5%
- Referrals from other businesses: 3%
- Feature story in media: 5%
- Tourism guide: 6%
- Chamber of Commerce or Visitor's Bureau: 4%
- Direct mail/email: 4%
- Print materials: 7%
- Highway signage listing the business: 5%
- Sign outside businesses: 5%
Helpfulness of Community Resources

Percent of respondents rating each "helpful" or "very helpful"

- Farm or wine trail, agritourism association *
- Tourism bureau, Chamber of Commerce *
- Neighboring farms, adjacent landowners
- Other local tourism, recreation & retail businesses
- Local eating & dining places
- Local motels, hotels, B&Bs, campgrounds
- Small Business Development Center, University Extension, other educators *
- County/municipal planning & zoning dept.

* Difference significant at 90% confidence level
Age of Agritourism Businesses

- **Less than 5 years**
  - Colorado: 27%
  - California: 24%

- **5 - 19 years**
  - Colorado: 40%
  - California: 42%

- **20 or more years**
  - Colorado: 33%
  - California: 34%
Education Level of Agritourism Operators

Education Level of Primary Agritourism Decision Maker

- **DID NOT COMPLETE HS**: 1% (Colorado), 0% (California)
- **COMPLETED HS/GED**: 3% (Colorado), 6% (California)
- **SOME COLLEGE**: 18% (Colorado), 21% (California)
- **COMPLETED OR BA**: 39% (Colorado), 44% (California)
- **ADVANCED OR GRADUATE DEGREE**: 39% (Colorado), 28% (California)
Future Plans (CA & CO combined)

- expand or diversify agritourism operation
- invest in buildings or equipment for agritourism
- hire more employees
- make no changes/maintain current level of operations
- other plans
- reduce type of experiences/products offered
- close agritourism operation
Questions or Comments?

- Contact Us!:
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- Thank you for your time and attention 😊