

The Agritourism Market: Drivers and Demand in a Growing “Industry”



During the past four seasons, hunters at the Crab Orchard Hunting Club have harvested more Canada geese than at any other facility in Illinois!



Thought Provoking Information

- Butterflies taste with their feet.
- Star Fish have no brains.
- Right-handed people live on average, 9 years longer than left-handed people.

Topics of Discussion

- Overview and Trends
- Producer Networking & Education
- Agritourism Leadership
- Liability & Risk Management
- Producer Viewpoint/ Business development
- The Big Picture – USDA & Regional

What is Agritourism?

- Any business activity that brings the public to a farm/rural setting in an effort to market farm raised or produced products or the enjoyment of related outdoor activities.
- Many more
 - Basically, a marketing tool used to bring direct marketing to the farm rather than taking the product to the customer

Agritourism: A “New” Direction in Agriculture?



Agritourism Basics

- Most producers recognize agritourism as **MARKETING TOOL** more than an Industry.
- Agritourism is not a “Big farm, Small farm” issue.
- Competitors can be your “friend”
 - Complimentary Competition?

Agritourism In Action

- Wineries
- Bed & Breakfasts
- Hunting Clubs
- Farm Markets
- Corn Mazes
- Pumpkin farms
 - School tours
- Festivals
 - Shrimp, wine & horseradish
 - Heritage tours
 - Nature based



What is the Motivation Behind Agritourism Development

- Inadequate farm profits
- Farm diversification (**need more than cows and sows**)
- Efforts to improve utilization of all farm resources
- Develop hobbies into profitable businesses
- Retirement
- Many more

Knowing The Customer

- Who are they?
- What do they like?
- What don't they like?
- What are their expectations?
- What are they willing to pay?
- How far are they willing to travel?



Be Smart; Be Strategic

- Know your market
- Know what makes you unique
- Know your competition
- Let the trends in the market place set the course for marketing the farm marketing operation

Current Trends Impacting Agritourism

- The “Locavore” Trend
- Concerns about Health and Obesity
- An Economic Crisis that Brings Us back to Basics
- The Green Movement
- Demographic Shifts are Changing the Face of the Consumer
 - Especially where diet is concerned



Understand the
Demographics... We are What
We Eat!

Today's Consumers are.....

- Wealthier
- Older
- More educated
- More ethnically diverse

Wealthy Consumers

- More dining away from home
- Price often a secondary consideration
- Higher demand for fruits vegetables, yogurt and cheese
- Increased demand for quality and convenience

Older consumers

- A greater emphasis on healthy foods
- More likely to eat fruits vegetables and pork
- Eat less
- “Taste buds” looking for diversity

Educated consumers

- Demand for greater accountability by manufacturers and producers
- Higher demand for organic products
- Greater concerns about food safety
- More likely to want healthier food alternatives

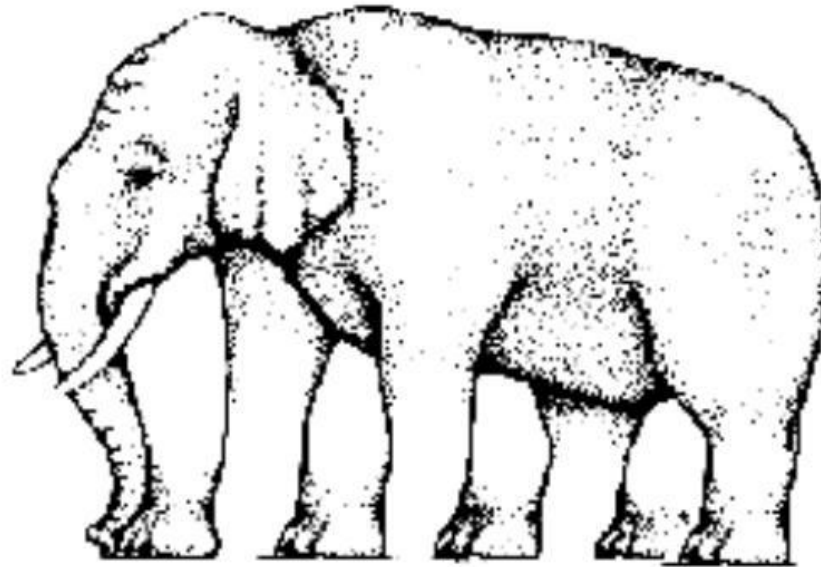
Ethnic Consumers

- Immigration now accounts for one third or more of annual population growth
- Producers must respond to the needs of populations that neither look nor think like they do.
- Ethnic populations will destroy attempts to define the typical consumer
- Expanding ethnic cuisines

Considerations for Development

- Identify available resources and limitations
 - Physical
 - Human
 - Financial
 - Educational
 - Regulatory
- Zoning
- FSA Regulations
- Liability
- Business Structure

Differing Opinions on Opportunity



How many legs does this elephant have?

What is a “normal” farming activity?



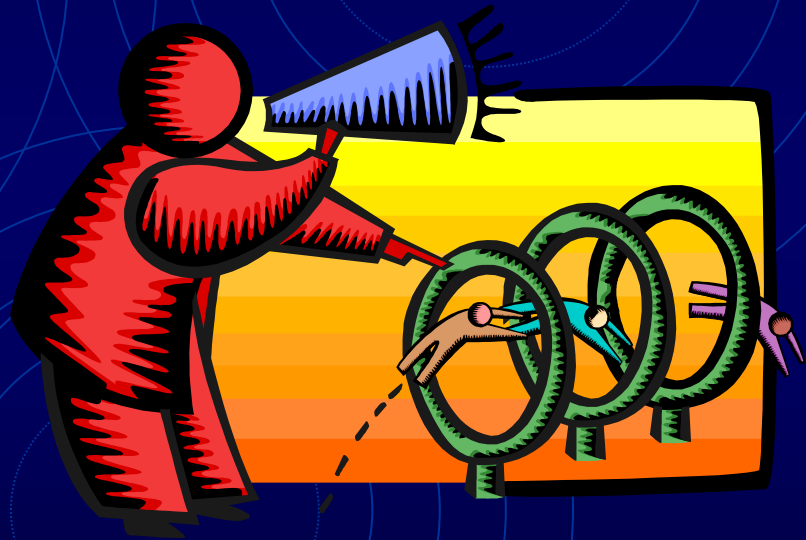
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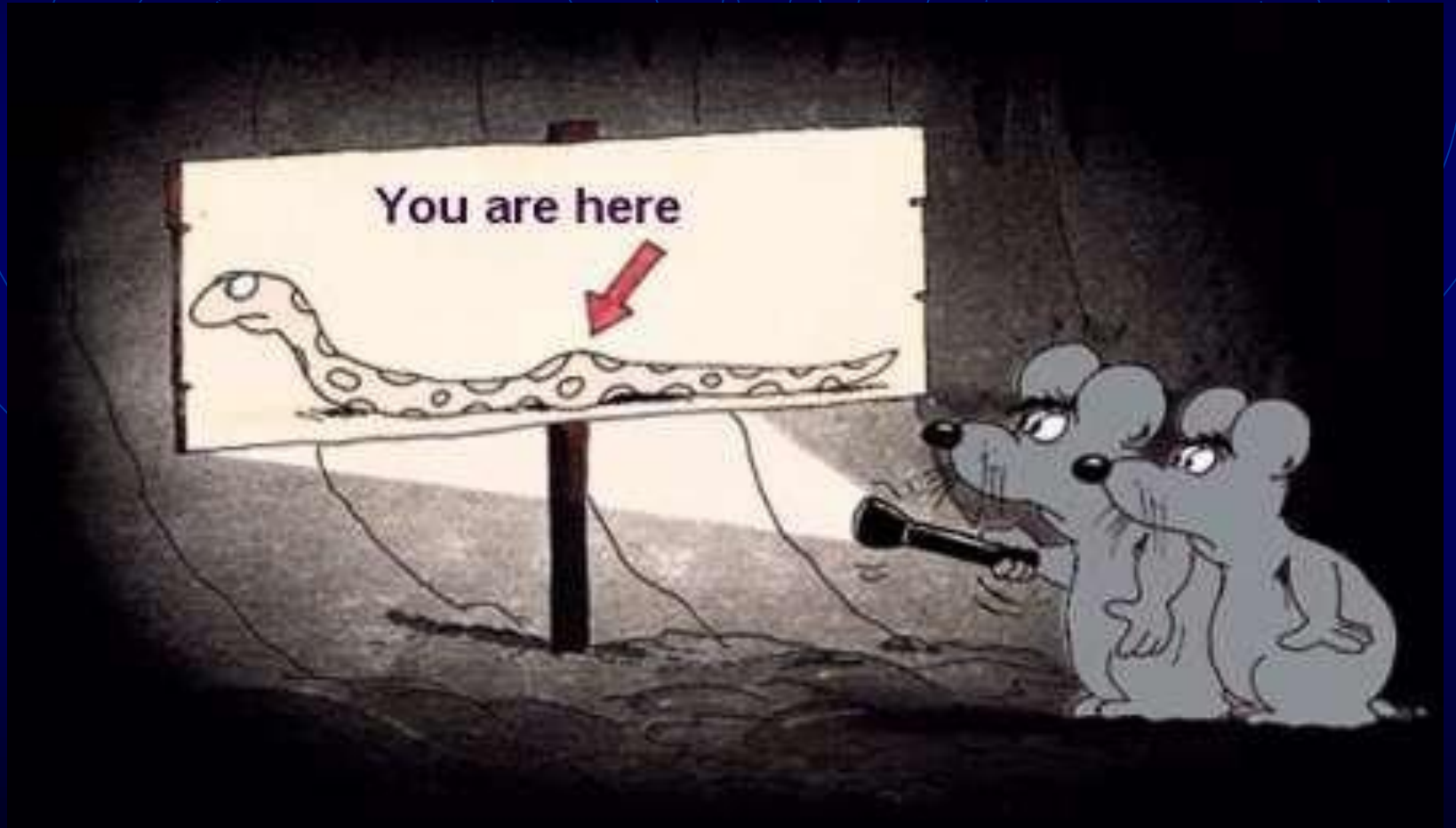
Licensing/Regulations

- Fee Hunting (DNR)
 - Waterfowl license
 - Game Farm License
 - Deer and turkey outfitters license
- Health Department
- DOA
- Sales Tax Collection
- BATF



Do your research
ahead of time!!

Agritourism



Most Overlooked Resources

- Chambers of Commerce
 - Local CVB's
 - RTDO's
-
- Many farmers and rural residents view these as “city” resources

Now.....On with the Show!

