Agritourism activities are becoming an important component of many farm operations. These activities have the potential to increase farm revenues and maintain the sustainability of the industry. However, agritourism activities won’t suit every farm or farmer. Before starting an agritourism operation, it is recommended that farmers spend some time assessing the potential that these activities have for their operation, and carefully planning the business and marketing elements of their operation. This guide will help with all the planning that goes into running successful agritourism operations.

Assessing Your Farm for Agritourism

Is Agritourism for You?

Agritourism activities are dramatically different than most traditional farming responsibilities. Customers who visit your farm may want to participate in various activities, such as harvesting crops, hiking, hayrides, feeding animals, and many others. These customers often do not come from a farming background and will ask many questions that may seem trivial about daily farm activities.

A successful agritourism farmer must be willing to share information about the farm and spend the time to make customers feel welcome. The ideal agritourism host requires many of the same personality traits that make a good host at any tourist attraction or kind of service industry. It is important that farmers critically evaluate their personality type before developing an agritourism operation.

Some important questions that you should ask yourself:
Assessing Your Farm

Do you enjoy entertaining guests or having farm visitors?

Do you like crowds?

Can you create a warm, safe, and inviting atmosphere for people visiting your farm?

Can you manage the additional business responsibilities associated with an agritourism operation (including marketing, employee management, and customer relations)?

Are you willing to create the ideal “experience” for your customers?

Are you willing to work and “entertain” visitors on weekends, evenings, and holidays, when they are most often available to come to your farm?

Have you thought about what “success” will look like for your agritourism offerings?

Do you have a friend, family member, or business advisor with whom you can talk about goals and how a new venture might affect your operations?

Can you take the time to look at your farm from an outsider’s perspective and make changes so that it is more accommodating of farm guests?

Are you willing to keep detailed income and expense records for each type of event offered?

Are you interested in exploring new marketing techniques and resources to help you communicate your agritourism offerings?

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“Decide if you really do like to engage with people on your farm—on your home land! Make sure your personality is actually the right one for hosting people.”

— Corie Pierce, Bread & Butter Farm, Shelburne, VT

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DIRECT MARKET
- Farm stands
- Pick-your-own
- Community-supported agriculture (CSA)

RECREATION
- Horseback riding
- X-country skiing
- Mountain biking
- Walking trails
- Camping
- Picnicking
- Yoga classes
- Farm stays

EDUCATION
- Farm tours
- Classes or workshops
- Tastings (wine, tomatoes, berries)
- Farm stays
- Field trips
- Historical exhibits, reenactments
- Garden tours

EVENTS
- Concerts
- Theatre
- Pizza nights
- Festivals (harvest, pumpkin, strawberry, goat kids, sheep)
- Dinners
- Weddings

Agritourism
Here are a small sample of agritourism activities that you might integrate into your farm. Many are interrelated.
Assessing Your Farm

Assess Your Goals

It is critical to set realistic goals for your operation. Depending on your situation, these goals can vary greatly. Some examples:

- Earning additional farm revenue
- Starting a new career
- Expanding opportunities for family members to work on the farm
- Educating the community

Regardless of the motivation for starting an agritourism operation, it is important to develop both long-term goals and short-term objectives. Setting realistic goals will assist you in making important decisions regarding your operation. As in any business, these goals may take a variety of forms. For example, one may have a goal to retire, requiring a 50% increase in farm sales. This long-term goal should help to establish short-term objectives, or plan small steps that may help to reach this goal. Setting attainable objectives will help to establish a strategic direction for your operation. In the above example, you may have a long-term goal to increase on-farm sales by 50%, but a short-term objective may be to incorporate a farm stand in order to enhance sales. The farm stand by itself, however, may not meet the 50% goal but may enhance sales by only 20%. Thus having multiple short-term objectives will increase the likelihood of reaching your long-term goal and can serve as targets to track your progress.

YOUR WELL-BEING

When you assess your farm for agritourism potential, it is important to ask how this adjustment in your business will affect your quality of life. A project at

Where to Start?

Here are 10 steps that will guide the growth of your agritourism business. Consider moving from 1 to 10 over a period of 1 to 2 years.

1. Take stock of your resources.
2. Get informed. Attend conferences and workshops, talk with farmers nearby, and peruse websites such as the VT Agritourism Collaborative website.
3. Find out what other entrepreneurs are doing. Talk to neighbors and other entrepreneurs about their businesses. Visit businesses in your own and neighboring areas.
4. Consult potential customers. Ask relatives, friends, and neighbors about the products or services you are thinking of providing through your new enterprise. Are they interested?
5. Research the market, your competitors and your collaborators. Set up a system for tracking customer responses to your new offering, and performance indicators that will tell you if you’re meeting your goals. Watch agritourism hashtags on Instagram and Twitter to keep a pulse on what others are doing.
7. Connect with cooperative extension agents and other state resources, tourism professionals, and small business development centers.
8. Talk with your insurance provider to determine what type of coverage you have already when it comes to having guests on the farm, what additional coverage you need, and what it will cost.
9. Develop a business and marketing plan. Get tips on agritourism business planning from the “Business and Financial Planning” chapter in this series, and from the VT Agritourism Collaborative website.
10. Start small, and stay thrifty at first! Learn from your experiences, adapt, and expand only when you know your new agritourism enterprise is meeting your goals and your measures of success that you determined from the outset.”
University of Vermont Extension has been looking at the well-being of farmers through a lens of “social sustainability.” According to this framework, aspects of personal well-being include work-family balance, personal time, satisfaction, managing health and stress, and social and professional relationships. It may be hard to predict how agritourism will impact you and your family, but keep in mind the following qualities that several farmers said contributed to their social sustainability during interviews with University of Vermont Extension:

- Values-based goal setting
- Communication and mutual respect
- Reliable access to information and services that support the business
- The value of community to the farm and the farm to the community
- Good relationships with employees and neighbors
- A view with the next generation in mind
- Taking time to enjoy oneself, family, and friends — have fun!

“When making the decision to add agritourism to your farm, you need to consider what you get out of it. For me, it is energizing to see people connecting with our animals and sharing food cooked using our traditions. Plus, it is profitable. These opportunities compensate for the fact that I don’t really love people and crowds.”

— Alessandra Rellini, Agricola Farm, Panton, VT

Assess Your Resources

You will also need to assess both your current resources and the those you will need for your proposed enterprise, including the nature of existing farming activities, land resources, labor, capital requirements, and off-farm factors.
We see widespread hunger for hands-on farm experiences as well as food. We are inviting Vermonters and guests to participate in the working landscape. By doing so, Vermont’s pastoral beauty moves from the background of tourists’ pictures to the foreground, not only of our photos but of our lives—for Vermonters and visitors alike.”

— Mari Omland, Green Mountain Girls Farm, Northfield, VT

Do you have safe facilities, including bathrooms, parking, and shelter in case of bad weather?

Are there complementary attractions nearby?

**LABOR**

For many farms, agritourism will represent a new business model that will require hiring, training, and managing additional labor, or supporting existing employees in acquiring new skill sets. For example, success in agritourism will require all farm employees to be friendly, courteous, and knowledgeable about the farm, its products, and its production practices.
Employees at a retail market will need to possess basic customer-service skills and be able to make proper change at the cash register. All employees will play an important role in ensuring a safe, enjoyable, and memorable visit to your farm.

When hiring labor, make sure you understand the legal implications of hiring employees.

**FINANCIAL RESOURCES**

As with any business, it is important to determine how much money you are able and willing to risk on a new agritourism enterprise. Determining the appropriate amount of financial resources to commit requires careful assessment of the potential costs and benefits of the proposed venture. Although every operation will be different, some financial needs to consider include:

- Additional labor costs
- Infrastructure costs
- Additional liability insurance coverage
- Amenities (e.g., additional bathroom facilities, handicap access, parking, etc.)
- Marketing costs

It will also be important to consider new regulations as you grow your agritourism business, including:

- Zoning regulations
- Fire and health regulations
- Building codes
- Insurance requirements
- Labor laws
- Road signs
- Traffic management
- Environmental regulations
- Farmland preservation or deed of easement restrictions

Resources to assist you as you learn about regulations may include your municipal zoning officer, local fire marshall, municipal building inspector, farm insurance agent, state department of agriculture, state department of labor, and state department of environmental protection.
Keys to Agritourism Success

As you move along the agritourism planning continuum, from step 1 of taking stock, to step 2 of getting informed, keep in mind these keys to success. They will help you plan, evaluate, and adapt your business.

Choose something you like (love) to do
Most people start value-added activities to make more money. Your sincere enthusiasm and belief in your product are part of what make you unique. Without doing something you love to do, it is difficult to find the energy and motivation to stick with it.

Provide quality
Offer a high-quality product or service. Direct marketers often combine high quality with some unique trait to differentiate their products. Many factors contribute to a product’s quality (freshness, taste, healthfulness, consistency, cleanliness, presentation and packaging/labeling, etc.). It may be tempting to use substandard inputs or service, but most direct marketers today find that a great experience or quality product is more important for attracting consumers than a low price. The consumer knows value, and if you’re shooting for low quality and price, direct marketers can seldom compete with large wholesale and retail outlets.

Start small and grow naturally
Starting small usually means investing and borrowing less money so that mistakes are less costly. Remember, it is easier to manage a small operation.

Keep good records (production, financial, regulatory, marketing)
Trying to manage without good information is like trying to find an address without a map. Good information and records are necessary for knowing whether or not you are meeting your goals and for understanding reasons why your goals are or are not being met.

Provide what the customer wants
There are two approaches to agricultural marketing: “push” and “pull.” The push approach implies producing a product and then pushing it onto consumers for the going market price—the traditional way of marketing many commodity crops. The pull strategy, however, is increasingly becoming the norm in today’s environment. In this approach, specific products and desired product attributes are targeted using consumer preferences so that the seller is not entirely a price taker at the marketplace.

Maintain a loyal customer base
An important way to capitalize on your uniqueness is through relationship marketing. You are unique and no one can do exactly what you can do. The personal relationships you build and the trust they engender over time are effective marketing strategies. Local customers can be the easiest to develop into a solid, loyal customer base.

Don’t expect to earn a lot of money, at least at the beginning. And do what you can to understand the needs, interests and what people are looking for. Do not offer something hard to promote or explain. Ask people and see what resonates and what does not, so you will be sure that you are creating added value offers to that specific target market.”

— Amy Todisco, Hartshorn Organic Farm, and Vermont Food and Farm Tours, Waitsfield, VT

Provide more than just a product
Most successful value-added businesses offer more than just a product or service. They provide an experience: pleasant social interactions, a chance to participate in a rural way of life, education, services, tours, etc.

Involve others
Partnerships can help you reach new audiences, and give you an exciting angle for marketing. Partnering with businesses that offer overnight accommodations will broaden the audiences you’re able to reach.

Stay informed
You must keep informed on every aspect of your business, consumer wants, competition, finances, etc.
Assessing Your Farm

Plan for the future
Planning is essential to success. In planning be realistic in terms of goals, pricing, costs, time commitments, etc. Be flexible and realize that the best-laid plans can go wrong and that things change.

Continually evaluate
Things are always changing. You need to constantly monitor and evaluate what is going on in your business. It is impossible to know if you are reaching your goals without taking the time to evaluate.

Persevere
You need a lot of perseverance just to figure out how to produce the products, much less how to market them. Identifying your niche and building a customer base takes time, so stick with it! Ideas take a long time to become reality.

Secure adequate capitalization
Agritourism may not always be profitable from the beginning, or you may decide that your goal for offering agritourism is to build customer relationships more than to secure additional income directly. When you’re setting goals early on, make sure you think about start-up costs and cash-flow requirements. Track everything, and evaluate how you’re doing often!

Although agritourism may provide additional income, it is not suited to every farm or farmer. Carefully assessing your farming operation as well as your personality traits and goals can help to determine if an agritourism enterprise is the best option for you. Before deciding to pursue the development of an agritourism enterprise, it is critical to develop sound business and marketing plans. There are many online resources available to help develop a business and marketing plan for your farm.
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Assessing Your Farm for Agritourism

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Business & Financial Planning


Offering High-Quality On-Farm Experiences


Safety & Risk Management

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Marketing

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