

# Rural Tourism and Agri-Tourism

A practical approach to niche tourism.

Funded by the Ontario Ministry of  
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In cooperation with Southern Ontario Tourism Organization (SOTO)

## Rural/Agri-Tourism Work Book

### WORK BOOK 1

**Module #1** Introduction to the tourism industry

**Module # 2** Rural / Agri-Tourism - products & services

**Module # 3** Partnering for success, working with organizations,  
associations and governments

### WORK BOOK 2

**Module # 4** Developing a practical plan and formula for success

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pricing and packaging

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# Work Book # 1

## Rural and Agri-Tourism, A practical approach to niche tourism.

*“In order to effectively establish a tourism enterprise, individuals, groups or businesses must learn about tourism and understand certain basic principles. Tourists have many expectations before, during and after a tourism experience. Tourism business operators are doomed to failure if they enter the industry without understanding the principles of tourism and the reasons for the existence of the tourism industry.”*

Work Book # 1 assists you in identifying what you do and do not know about the tourism industry and in particular, what you need to know about the rural and agri-tourism niche sectors of the tourism market. Terminology and acronyms will also be identified and explained so that participants will be able to “talk the talk” and understand the tourism lingo. This is not a difficult task, but it is essential that one understands what is being requested, what other people working in the tourism industry expect of you, what the tourists expect of you.

The goal of the Rural and Agri-Tourism Work Book is to insure that when finished the participant will know and understand what tourism is and how agricultural and rural based services and products can become tourism services and products.

The following topics will be covered in Section One of the Work Book.

<b><u>Introduction</u></b>	A practical approach to niche tourism
<b><u>Module #1</u></b>	Introduction to the tourism industry
<b><u>Module # 2</u></b>	Rural / Agri-Tourism - products & services
<b><u>Module # 3</u></b>	Partnering for success, working with organizations, associations and governments

## **Introduction    A practical approach to niche tourism**

A practical approach to rural and agri-tourism development, requires a certain amount of study before implementation. It is important that one understands the definition of rural tourism and agri-tourism, and understands the potential and the limitations of each. Rural and agri-tourism are niche tourism services. Those who are interested in providing such services need to make a careful evaluation before any projects or businesses are entered into. Many rural regions have potential for successful rural tourism activities and others do not. The decision to provide tourism services of any kind requires careful thought, planning, analysis and evaluation. If at the end of such a study, the plan or plans indicate a positive potential for success, then enterprise development begins and a potential new employer and tourism business is the result.

This workshop will outline important elements of tourism, agri-tourism and rural tourism. The evaluation of whether your business or your region has the potential to develop rural tourism or agri-tourism is an important first step towards making a decision one way or the other. Once all the facts and figures have been accumulated, and other elements brought into the picture, a decision then can be made to go for it...or not? Once the decision has been made, enthusiasm and commitment are a must.

Many political, academic and community leaders believe that increased tourism will have a positive effect, and result in new jobs and renewed economic development for their communities. Reality suggests that new jobs created through increased tourism can have community benefits, but it can also have some detrimental effects as well. The impact of tourism on communities needs to be seriously assessed prior to the implementation of any tourism plan. In addition to the economic impact tourism has on communities, it also effects service providers in the community, and it has social and environmental effects, which must seriously taken into consideration.

When planning for new initiatives in tourism, it is important to look at real life examples of past and present programs in traditional types of tourism products and services. The introduction of incoming tourists to a region or community will have many effects, which may or may not have the expected or desired results. Community issues may arise as a direct consequence of increased traffic, strangers in the community, shortage of space in parking lots, overly busy restaurants and so on, which might cause local residents to resent the influx of tourists. These are some of the negative effects which the community or the business must be aware of, prepared for and which they need to address as issues that can affect not just their business, but their community as well. When elements of the community are not involved in the planning process and the tourists start arriving, resistance to change and resentment are very possible side effects. Such side effects may cause problems for the tourists as well as those in the community who provide the tourism experiences.

Consideration of tourism's positive and negative effects on the social and environmental elements of a community should be studied, as well as the positive effects if and when such a plan is successful. A successful tourism program will very definitely have a positive effect on the community if it is planned wisely and efficiently. If you are working for a destination management organization, the impact of agri and rural tourism development should be of major concern. For a new agri or rural tourism

operator, the impact of their new business will affect the community less dramatically, but never the less, it will impact on the community. Both public and private agri-tourism and rural tourism initiatives should be carefully thought out before implementation and both the potentially positive and negative effects should be considered.

Community involvement and awareness of any widespread tourism development plan, is essential for any plan to succeed. When the community is involved, benefits result including the expected economic benefits. In addition there is increased employment for various segments of the population, extra financial support of local services such as roads, sewage, water etc., industrial development, improved amenities year round and contributions to the conservation of environmental and cultural resources of the community. (Butler e. al., 1998).

Leaders and managers from organizations in the tourism industry are always searching for new products that will bring tourists to their regions. Examples of such organizations include, Visitor and Convention Bureaus, Chambers of Commerce, Tourism Committees, Community Economic Development Departments as well as provincial, state or national departments of tourism and economic development. The development of the tourism industry in the rural regions of a country requires thoughtful planning and sensitive involvement of the inhabitants of the region that is to be developed. What could be disastrous is if this development took place with little or no communication between or among the organizations that have the responsibility of tourism development. When this occurs, any success in tourism development is more by luck or chance than as a result of the planning process.

Effective, long-lasting tourism development requires effective and well-planned co-ordination, consultation and cooperation between agencies and communities. Once a plan is in place and operational, regular evaluations, modifications and adaptations need to be made to maintain the integrity of the program and its effectiveness. Community members need to be regularly consulted and involved in any changes before they are made. The benefits to the community should be continually evaluated to insure that the program is meeting its objectives. Long term planning and enthusiasm is essential for success.

Tourism is fun, it is interesting, it is experiential in nature and it is a growing industry. Each person involved in tourism has become involved in the industry for a variety of interesting reasons, no two the same. For those interested in getting involved in tourism, each must find his or her reasons, ideals and style. Tourism can be personalized for both the tourism experience provider as well as the tourist. The ultimate goal is to see the smiles and signs of enjoyment on the faces of the tourists one has served. The challenge is to keep them coming back. It is a necessity to keep the product fresh and the quality high. When a good foundation has been laid, working in tourism can be an enjoyable and fulfilling career that has a future and personal satisfaction. However, one can never rest on one's laurels because there are always others out there competing with you trying to do a better job. Competition is what makes the job interesting, rewarding, and ever-changing and always challenging.

## **Module # 1 Introduction to the tourism industry**

***“What is necessary in order to provide a quality rural and/or agri-tourism product or service to the marketplace?”***

The tourism industry is the largest and fastest growing industry in the world. It is not made up of large corporations, but rather is comprised of thousands of smaller privately owned and operated businesses. The tourist industry relies on its customers, the tourists, to actively search out products and services that give them pleasure and enjoyment. A tourist is somebody who travels for pleasure. Tourism as an industry impacts on consumers through its three principal components. These components are the providers of; products and services (suppliers), the methods of travel (transporters) and those who provide structure through planning and policy development (regulators).

The supply side consists of those businesses and organizations that provide the myriad of products and services consumed or used by travelers. These include such things as commercial accommodations, restaurants, attractions, festivals and events, museums, recreational facilities, sight seeing tours, specialty and souvenir shops, equipment and apparatus and so on. The basic goals and objectives of the suppliers are aimed at pleasing the tourists and keep them coming back for more.

The travel side of the industry includes various modes of transportation, which are used to get to and from destinations. These include ships, motor coaches, planes, trains and automobiles – but they are now also including such means of travel as bicycle, motorcycle, mobile home, and snowmobile and even dog sledding. In addition it includes companies that provide travel packages including travel agencies, tour operators, destination management organizations (DMO's) and tour consultants. The objectives, get the tourist where he or she needs to go!

The policy and planning side of the industry deals mainly with issues of development, land use issues, research, human resource development, traffic flow, infrastructure, regulations and so on. Government agencies and ministries or organizations that are involved in tourism, are service providers to the industry, administrators of the industry, and they are also servants of the industry – although sometimes this point is forgotten in some institutions. The objectives include making tourism experiences safe, reliable and pleasurable for the tourist.

The tourist, whether they travel as individuals, families, or in groups, all require assistance in some way for some or all of their tourism requirements. When the tourists desire to “recreate” occurs, the tourism industry responds to the challenge by providing the services and products. Providing tourism products and services requires teamwork, organization, quality, consistency and innovation. Tourism is the business of selling experiences, which translate into memories. This is one of the keys to success in tourism, quality experiences that become long-lasting positive memories!

Tourists are seeking pleasure and enjoyable experiences. The challenge is to find which experiences will provide that pleasure, and how to be the successful provider of the experience.

Think back to your youth or to recent tourism experiences, and list some of the memories you have of those experiences, both positive and negative. ***Do not rank or “filter” them, just recall them, and immediately right them down in the order that they come into your head in the space provided below this paragraph. Your responses will be used later on in the modules.***

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

Community involvement from the beginning is a must if success and long term viability is to be the result of any tourism development program. In the past, there has been widespread misunderstanding of the positive and negative effects and value of tourism, and this can occur at higher political levels in governments or at the regional, state or local levels. Because tourism, in whatever form it may take, is intrinsic and experiential in nature, it is difficult to effectively monitor the economic or social benefits to communities. However, in recent years economic measurement methods have been developed to accurately evaluate the economics of tourism. It is a fact that tourism is the fastest growing industry in the world.

As a result of such economic findings, a race against time is underway by untold numbers of “new” tourism supporters locally, regionally and nationally, who are jumping on the tourism bandwagon. Everybody is after the enormous tourism market and all the benefits it can reap for businesses and communities. If such new supporters start providing new tourism products and services without being properly educated regulated or monitored, the image and “culture” of entire communities can be damaged.

With the economics in mind, regional economic development and tourism planners should recommend that new and existing tourism related industries develop a business plan outlining both products and services. Regular reviews of the tourism providers should be carried out to insure that there is compliance with any long-term plans that are developed and in place in the community.

This is not to say that tourism development should be controlled with draconian measures, but rather new tourism product and services providers should be nurtured, guided and included in the economic development plans of the community. If done correctly, such community involvement in tourism growth and development will insure the success of the tourism efforts and also their longevity. Flash in the pan tourism

development that is here today and gone tomorrow, will cause irreparable damage to the community and create barriers for future tourism development.

Tourism industry people are aware of the dangers of not properly planning, preparing or routing their tour programs and eliminating the chances of injury to their customers. Customer satisfaction is key to the survival of tour operators who produce “package” tours for visiting tourists. Quality of product is a must to get that repeat business which insures the life of the tour company’s business. Communication to the customer and with the suppliers of the package components is crucial to the ongoing success of the tour industry. Teamwork, joint product development and marketing insure that new products can be introduced into new tour packages and the customer has new choices for future tourism plans.

***List 3 positive and 3 negative affects tourism might have on a community.***

**Positive affects:**

- 1.
- 2.
- 3.

**Negative affects:**

- 1.
- 2.
- 3.

In the final analysis, successful tourism is a cooperative effort, with no individual, company, and organization or government agency being responsible for the final product. Tourism is recreational, experiential and personal to the tourist. Anybody involved in tourism must understand that they do not act alone when they serve the tourists. Tourism is and industry with a great future, plan on it!

**Proceed to Module #1 Work Sheet**

## **Module # 1 Work Sheet    What is Tourism?**

The following questions can be answered both from personal experience as well as from some of the information given in this tourism information package. Use the booklet to find some of the answers, and your personal knowledge and logic to figure out the rest. Answering the questions will help the participant to think about what tourism is, identify who the providers are, who the customers are and how the various components contribute to the tourism experience. Module one will also explain some of the most commonly used tourism terminology

1. Define what it takes to become a tourist? \_\_\_\_\_

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2. What are the three main components of tourism, which provide the necessary inputs to make it work as an industry? \_\_\_\_\_

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3. List three objectives, which tour operators and tourism service providers hope to achieve when serving their customers, the tourists? \_\_\_\_\_

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4. What factors keep tourists coming back for more? \_\_\_\_\_

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5. What is your concept of a niche tourism market? \_\_\_\_\_

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## Tourism Terminology

The following terms, acronyms, and expressions are commonly used in the tourism industry. Test your knowledge of these terms. The definitions for the following terms are available in another location of this Work Book, which will be told to you after you have completed this exercise. This exercise is designed to test your existing knowledge and your perceptions.

**DMO** \_\_\_\_\_

**TIAC** \_\_\_\_\_

**CTC** \_\_\_\_\_

**SOTO** \_\_\_\_\_

**VCB** \_\_\_\_\_

**ABA** \_\_\_\_\_

**OMCA** \_\_\_\_\_

**NTA** \_\_\_\_\_

**OFCA** \_\_\_\_\_

**FAM** \_\_\_\_\_

**FIT** \_\_\_\_\_

**FOC** \_\_\_\_\_

**HALF-BOARD** \_\_\_\_\_

**FULL BOARD** \_\_\_\_\_

**FAB** \_\_\_\_\_

**PAX** \_\_\_\_\_

**SHOULDER SEASON** \_\_\_\_\_

(Answers found on the next page)

## **Tourism Terminology Defined**

(Answers to tourism terminology definitions)

The following terms, acronyms, and expressions are commonly used in the tourism industry. The explanations for the following terms and expressions will assist you in understanding the jargon that tour operators, destination management organizations and travel specialists use daily.

- DMO** Destination Management Organization – professional tourism specialists, hired to cooperatively promote tourism regions, goods and services.
- TIAC** Travel Industry Association of Canada – National Tourism Association
- SOTO** Southern Ontario Tourism Organization – the tour and travel organization that brings together the former DMO's of Niagara Region and Festival Country, South-Western Ontario Tourism Association and Lake Huron Region.
- VCB** Visitor and Convention Bureau – an organization that assists in cooperative marketing, advertising and promotional programs for its membership, and provides visitor information services for tourists, tour operators and other travel related organizations.
- ABA** American Bus Association – Motor coach operators' professional association, dedicated to maintaining quality standards in the bus and motor coach charter industry.
- OMCA** Ontario Motor Coach Association – Provincial organization of motor coach company owners and tour operators.
- NTA** National Tour Association – Professional organization for tour operators, and those who provide tourism supplies and products. The NTA provides training and education programs as well as marketing and promotional assistance for members.
- OFCA** Ontario Farm and Country Accommodations – in the home, bed and breakfast and separate accommodations are offered in rural settings by the OFCA.
- FAM** Familiarization Tours provided by tourism regions or destinations to tour operators, travel agents and customers to introduce them to tourism goods and services in a region.

- FIT** Foreign Independent Traveler or Fully Independent Travelers are visitors, foreign or domestic, who travel by alone, or in small groups, and who do the tour and travel planning and arranging themselves or with the assistance of tourism suppliers.
- FOC** Free of Charge – Usually motor coach drivers and tour directors accompanying a group are given complimentary meals, or in the case of hotels, 1 FOC room for every 15 or 20 rooms sold. Drivers sometimes receive half price rooms.
- HALF-BOARD** Breakfasts and one other meal per day are included in the package.
- FULL BOARD** All meals are included in the package price.
- FAB** Full American Breakfast – standard of breakfast, which traditionally includes, eggs, bacon, sausage or ham, toast, juice and coffee or tea, occasionally includes hash brown potatoes.
- PAX** Passengers - the number of people on a train, plane or bus.
- SHOULDER SEASON** The shoulder season is the period of time that is traditionally NOT the season when travelers take vacations – periods between November and mid-December, January until March-break, post March-break until mid-June. This seasonal delineation may vary depending on the destination. Winter sports obviously take place between January and March break, and in this case they could be considered to be in high season.

One of the difficulties in modern times is to try and keep up with the acronyms, short forms, buzz-words and terminology. One of the advantages of the English language over other languages, is that is categorized as a “living language”. This means it is evolving, can adapt to change and new words can be created and added to the list. This can be witnessed by the new computer terminology being used such as bits, bytes, RAM, microprocessor, software, hardware, gigabytes, Pentium III, and of course MAC and Microsoft.

In the industry, one should never be afraid to ask for clarification of a definition should one appear that you are unfamiliar with. This is not something one should be embarrassed about, but rather an opportunity to find a potential new “bit” of information that you can “byte” into, and possibly “RAM” some new business into your “Pentium III microprocessor” so your bottom line on your “spread-sheet” reflects an increase in the number of “PAX” you have added to your “packages” AND your “BA” (bank account - gottcha)!

## **Module # 2 Rural / Agri-Tourism - products & services**

***“What is the difference between rural and agri-tourism? Is the difference significant? In what ways?”***

Rural tourism development is in its infancy in many regions, and fully developed in others. Lessons can and have been learned from rural tourism development experiences, both positive and negative, and should be looked at closely by any region contemplating new or expanded rural tourism initiatives. It is important to have an understanding of what rural tourism is, what agri-tourism is, and how they differ or are similar to “regular tourism”. Once this understanding has been achieved, the goals and objectives for developing rural tourism based products and services will be more readily achievable.

In the case of individual or small business providers that are involved in rural tourism or agri-tourism effective planning is essential to insure successful growth and longevity. Those involved in tourism have a common factor, which drives them, that being financial reward. Although this is often the main purpose, there are many other less obvious intrinsic rewards, which tourism providers receive from their efforts. Some of these benefits include; community pride, exposure to other cultures, rural beautification or the opportunity to educate and learn from visiting tourists. When these benefits are taken into consideration in the planning process and the community is the recipient of both the economic and the intrinsic returns, the entire community as a whole benefits from tourism.

In many instances, rural tourism products and services “happen” without thought or planning, often because of natural wonders or features, or historical significance, or “faddism” such as occurs at events like Woodstock – the happening! In Michigan a study was done to try and identify how to take advantage of the many agricultural and natural resource products they have. They chose to define it as agri-tourism including natural resources in the mix. According to Dr. Edward Mahoney at Michigan State University, “Agriculture and Natural Resource Products tourism is a deliberate attempt to develop, package, merchandise and market Ag & NRP products, attractions, activities and events that enhance the diversity and quality of experiences available to tourists, to generate additional revenues for farm and natural resource producers and to contribute to sustainable economic development.”

This definition focuses on suppliers of agri-tourism and natural resources with the resulting benefits to the community, rather than on the tourists who participate in the activity. Although a philosophical difference from what has been classified, as “pure agri-tourism is farmer visiting farmer,” mentioned earlier in this Work Book, it demonstrates that agriculture and natural resource products are becoming tourism products. In the broader sense, rural tourism encompasses all of the following niche markets, including: agri-tourism, natural resource tourism, historical tourism, eco-tourism, cultural tourism, farm tourism, green tourism and alternative tourism.

Each of the niche tourism products which have been mentioned, fulfill the broader definition that is rural tourism as defined in this Work Book:

***“Rural tourism is the act of leaving the urban environment and traveling into the rural regions, for the purpose of experiencing and enjoying the natural beauty, the agricultural diversity, the quaintness of small towns, the cultural richness; and to escape the pressures of urban lifestyles in order to have pleasurable experiences and improve the quality of life.”***

Depending on which region or area one goes to, an area may be dominated by or have a predominance of natural beauty (or rural beauty), while a short distance away in a another county, agri-tourism (or agricultural activity) is more prevalent. This must be taken into consideration and evaluated by tourism and economic development specialists who are trying to develop or enhance tourism activities. An inventory of what activities and features exist in a region is essential.

There are many new niche tourism markets being developed, some successfully and some not. Farmers and ranchers too are looking for new sources of income and other ways to market their agricultural products, services and information. Agri-tourism and rural tourism products and services, each have their own unique set of characteristics.

Service and product providers of traditional tourism products and services must learn more about the rural and agricultural communities and what they have to offer to the tourism industry. Representatives from the agricultural sector will also need to learn about the tourism industry. They need to learn what tourists look for and expect and how to effectively produce and market their services to the tourism industry. Agri-tourism will change the farm into something that is more than just a place for food production – it can also become a place for education and recreation. If this is to occur, farmers, ranchers, agricultural organizations and political leaders will need to work together and understand the pros and cons if they are to develop agri and/or rural tourism successfully.

Niche tourism markets are the fastest growing segment of the tourism industry. Baby boomers, junior seniors, members of the X-generation and international travelers are all looking for and paying for new forms of niche tourism products. Agri-tourism and rural tourism products have unique and sought after elements that take the tourist into areas of natural beauty, educational situations, tranquility, a family atmosphere and many other features not found in big city tourism. Learning how to capture and develop this market of rural tourists is the greatest challenge facing tourism suppliers in many regions.

***“What are agri, agro or agra tourism products and services, and how are they different from rural tourism?”***

Agri-tourism by any of its many names is actually a well-established form of tourism. However, to be properly understood it should be sub-divided into two distinct tourism client groups, those interested in “agri-tourism” and those interested in “rural

tourism”. Are they the same thing just worded differently, or are they made of two distinctly different sets of criteria?

At first glance they appear to be the same subject, however, on further examination one sees that there are several important differences and also some similarities. Before getting involved in rural or agri-tourism, both types need to be looked at and studied so that the product or service provider can then best provide “tourists” with their tourism experience. One must compare and understand the similarities and differences between each, to then best be able to introduce clients to the right products or services in the agricultural industry! If the tourism and agricultural industries can work in concert with each other, rather than independently, the resulting “niche market” can be very productive and effective. They will then be able market their particular type of ag-related tourism to the right customers successfully!

Agricultural tour operators are specialized agri-tourism companies, and in order to satisfy their customers, they define **“Agri-tourism”** in its purest form. Agri-tourism customers are **“agriculturally oriented tourists who are from the farm, from agri-businesses or who have retired from agricultural enterprises of some form and who want to see how the other guy does it”**. This is the group of tourists who have been involved in farming or some form of agricultural enterprises as a part of their life-style - either born and raised on the farm, or employed in some agricultural work. When they travel, they want to meet with and visit others in the same, similar or totally different forms of agriculture and food production activities.

Agri-tourists might also be farmers and agri-business people, domestic or international, who are visiting other counties, provinces, states, and countries to buy or sell products, and who at the same time might visit both agricultural and non-agricultural sites and attractions. Alternately, they might be traveling to far off places to attend or participate in agricultural trade shows, fairs, plowing competitions, conferences and the like!

**“Pure agri-tourists make up a very small percentage of the world’s population, only the 3-5% who are involved in agriculture and food production as a way of life.”**

Examples of agri-tourists include farm people who go to the state fair, the Farm Progress Show, Madison World Dairy Expo, on a Farm Bureau tour, a Twilight meeting at a neighbors farm, an agricultural convention outside their county, region, state or province, a visit to see a new barn at an “open house”, an international agri-tour to Europe, and so on. All the people who participate in these activities are participating in various forms of agri-tourism, and the majority of them are from an agricultural or rural background.

**“Rural-tourism”** on the other hand defined earlier, as **“those who travel to the country-side to experience the rural life-style, beauty and uniqueness that only the country-side can provide”**. This group of tourists consists of anyone interested in traveling to the rural environment for the purpose of learning about, experiencing, participating in, or purchasing goods and services from people who are living in the rural or small town settings.

The service providers for this form of rural tourism can be people involved in agricultural and/or activities but they can also be providers of non-agricultural products or services such as bed & breakfasts, conservation areas, bike trails, festivals, craft fairs, historic sites, etc.

***“People who become rural tourists, potentially include 100% of the population, and includes anyone who visits or plans to visit the rural environment for a pleasurable, relaxing and memorable experience“***

Examples of these “rural tourists” include anyone who; takes a country-side tour, buy honey from a local farm, visit orchards, cheese factories, greenhouses, pumpkin patches, road-side fruit and vegetable stands, or nurseries, etc. But don’t forget about the autumn leaves colour tours, fishing in the local stream, river or lake, visiting a maple sugar bush in the spring, taking photographs of the beautiful scenery, painting the landscape, hiking along country trails, biking on abandoned rail lines, visiting conservation areas, provincial/state or national parks. All the people who participate in these activities are participating in various forms of rural tourism.

**List 3 examples of rural and 3 of agri-tourism in you region.**

**Rural Tourism:**

- 1.
- 2.
- 3.

**Agri-Tourism:**

- 1.
- 2.
- 3.

Whether you are a DMO (destination marketing organization), in the business of agriculture or a rural service or product provider, you will need to look at these two forms of tourism differently. Both the tourism and agricultural industries need to work together for the successful implementation of rural and/or agri-tourism programs. When tourism specialists try to force agri or rural tourism projects onto the agricultural or rural communities without consultation or cooperation, the results can be disastrous.

Agri-Tourism and rural tourism are both forms of education and entertainment tourism. Regardless of which group of tourists you decide to target as your market, one thing should always be remembered; tourism is people oriented and you have to like working with people to be successful. People are demanding. People want to feel like they get their money's worth! People have long memories! People are tourists!

Rural Tourism is by far the larger segment when compared with agri-tourism. Tourists who visit the rural environment come from all walks of life, all nationalities and all cultural backgrounds. Whether one is offering an agricultural experience or a non-agricultural experience to these people, they are being offered a rural experience when they leave their urban environment and become a tourist.

***“Always remember the basic marketing principle that people can be your best OR your worst form of advertising, and that word-of-mouth marketing can either make you, or break you!”***

When developing either rural or agri-tourism in a region, there are several extremely important details which must be looked at, in addition to the actual business plan for the service or product. An inventory should always be taken, of the other services in the region, which can either complement or compete with the new enterprise. By taking such an inventory, the new service or the existing tourism product, must look outside the bounds of their own enterprise, in order to identify what other products and services they can work with, promote or offer to their customers, partner with in marketing efforts, compete with for customers or learn from if they are successful or not so successful. This inventory is essential for the tourism provider, so that he or she can objectively evaluate their potential for success or failure. It is also important to proceed with full knowledge of “who else is out there” and who may be working towards the same or similar goals and objectives as you in agri or rural tourism or in other forms of tourism. Know the competition, know those who can complement what you do, and know what other goods and services your customers may need when they are in the region.

**List 2 examples each of enterprises that may complement or compete with rural or agri-tourism products:**

<b>Complement:</b>	<b>Compete:</b>
1.	1.
2.	2.
3.	3.

There will be two charts in this workbook, which will outline some of the differences and similarities between agri-tourists and rural tourists, as well as rural tourism experiences compared to agri-tourism experiences. They will also outline the differences between international versus domestic tourists in each category. These charts are not 100% complete, but they do indicate the majority of those who fall into each particular category. Feel free to add to the lists where you see fit.

**Agri-Tourism vs. Rural Tourism Activities**  
**Categories of Participants – CHART # 1**

<b>“Rural Tourism” Categories</b>		<b>“Agri Tourism” Categories</b>	
<b>Rural Tourists Who they are?</b>	<b>Rural Tourism Attractions and sites</b>	<b>Agri-Tourists Who they are?</b>	<b>Agri-Tourism Attractions and sites</b>
1. F.I.T. travelers	1. country roads	1. farmers-domestic and international	1. farms and greenhouses
2. bus tour groups	2. road-side fruit stands	2. incentive programs - business specific	2. agricultural colleges and universities
3. school children.	3. garden centres	agricultural visits	3. research centres
4. Senior citizens	4. forests and woodlots	3. trade association	4. garden centers
5. hunters	5. small towns	4. buying missions, genetics, food, equipment, technology, etc.	5. A. I. Units
6. hikers	6. historic sites	5. agricultural education and training study tours	6. agricultural conferences
7. bird-watchers	7. walking trails	6. convention and agricultural exhibition travel groups	7. agricultural expositions
8. gardeners	8. swimming areas	7. Students on ag. study tours	8. pick-your own farms
9. botanists	9. trailer resort parks	8. student on-farm trainees	9. agri-businesses (grain elevators, feed companies, ag. supply companies)
10. snowmobilers	10. conservation areas	9. flying farmers	10. agricultural museums
11. cyclists	11. winery	10.4-H, Young farmers	11. farm equipment companies
12. farm stay visitors	12. scenic attractions		12. food processing companies
13. Sunday drivers	13. cultural centers (Mennonites, First nations, Amish)		13. maple syrup producers
14. wine-enthusiasts	14. country homes, barns, mills, etc.		
15. photographers	15. pick-your own farms		
16. rally car drivers			
17. cross-country skiers			
18. Cottagers			

This list is by no means complete. Feel free to add more examples to the list that you may know or which potentially could be added to any of the 4 columns listed above.

## **Which category of tourist do you want to attract?**

Rural communities and/or suppliers need to know which categories of tourism they might be best suited to working with, or who they would “prefer” to work with. This is a very important distinction for a number of reasons. *Some* of these reasons in summary are as follows:

1. Domestic visitors usually don't have a language problem - international groups work through interpreter/translators and it takes 20-40% more time to conduct a tour. Technical terminology is more difficult to interpret. Cultural differences require culture specific services.
2. Tourists from agricultural backgrounds compared with non-agricultural visitors, are more aware of farm dangers, odors, and other farm related differences from regular tourism sites and attractions.
3. Agri-business and agricultural background visitors are also potential buyers of such things as breeding stock, seed materials, farm equipment, technology, etc. These people would be treated totally differently than non-agricultural groups and should visit different farm types.
4. Non-farm background visitors are somewhat more difficult to work with in regards to the “expectations” of the group members. This means that the farmers or rural suppliers have to do more educating before the group can fully understand and enjoy the tour. These people are more likely to enjoy a farm visit, which is geared to entertainment farming concepts rather than hard-core farm visits or visits to specialty farms with such things as bison, emus, trout, deer, apples, etc.
5. Seniors tours are likely the group that most farm families can accommodate quite readily, so long as the farm is accessible and is not too filled with barriers to slower moving, sometimes mildly disabled individuals. These groups have some “historical” background that may relate to farming. The interest level of such groups is generally high when it comes to learning about the changes since they were younger. Farmers must be “entertainers” for groups such as this.
6. Agri-business groups are more intensive related visitors. These groups are going to want to see technologically advanced farms and agri-businesses that can offer them some new ideas and some new methodologies for possible applications back home on their own farm or in their own business.

## **Proceed to Module # 2 Work Sheet**

The purpose of module 2 is to identify agri and rural tourism products and services in your region, province or state, and to identify the differences and similarities between them.

**Module # 2 Work Sheet Rural / Agri-Tourism - products & services.**

1. What is agri-tourism in its purest form? \_\_\_\_\_

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2. What is the more common definition or understanding of the term “agri-tourism”? \_\_\_\_\_

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3. What is your understanding of the term “rural tourism”? \_\_\_\_\_

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4. List at least five examples of agri-tourism? \_\_\_\_\_

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5. List at least five examples of rural tourism? \_\_\_\_\_

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6. What are some of the benefits to the rural community by developing agri-tourism and rural tourism in a region? \_\_\_\_\_

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7. What are some possible detriments to a region if rural tourism is not developed correctly? \_\_\_\_\_

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## **Module # 3 Partnering for success, working with tourism organizations, associations and government agencies**

***“Which groups and organizations are either the traditional and non-traditional tourism partners for rural and agri-tourism service providers?”***

Tourism industry professionals are always searching for new products that will bring tourists to their regions. Visitor and Convention Bureaus, Chambers of Commerce, local tourism committees, provincial and national departments of tourism, all have the responsibility to provide services that promote the tourism industry. Most regional or urban tourism agencies are member driven, meaning the membership pays them to promote their goods and services. They provide a multitude of services directly to the membership including such things as co-operative marketing, advertising, referral services, trade show representation, educational programs and liaison with other tourism agencies.

Destination marketing organizations also have as their role, taking new and existing products and assisting in their development. There are many new niche tourism markets being developed, some successfully and some not. Farmers too are looking for other sources of income and other ways to market their agricultural products, services and information. The problem is, most farmers and agricultural specialists are not trained or educated as tourism specialists. They are professionals too, but in agriculture, not agri-tourism. Many people who live in the rural community also have opportunities for providing tourism services. They too may or may not have experience or knowledge about this very tough, service orientated industry. Rural tourism is a growing, very attractive alternative to many traditional tourism attractions and services. Professionals in the tourism industry can be of assistance in both rural and agri-tourism development. The professional tourism specialists and the rural or agricultural tourism providers need to work together for mutually beneficial results.

“Agri” and “Rural” tourism products and services, are being considered as new additions to the tourism repertoire in the competition for the tourist dollar. Destination management organizations must decide what they can do to assist such “new” tourism service providers as each type of product has its own unique set of characteristics. Both the tourism and agricultural industries will need to know the differences and similarities between each product and service type, in order to develop it successfully and sell it to the right tourism client market.

A tourism agency’s role is to encourage tourists to come to their region. The Suppliers should also be aware of who they can best service and handle as well. The job of identifying these target markets and the appropriate suppliers, is the job of the tourism experts who are hired to do the job of planning and marketing. Once the target group has been identified, it is the responsibility of the tourism group in the region to develop, implement and support any marketing efforts put in place and delivered by their representatives.

The goal of any tourism agency is to bring tourists to the region in order to benefit the community financially and socially. The residents of any region should learn about the benefits of tourism to their region and they should open their arms to such an influx of visitors and dollars. The regional government should do everything in its power to make it a pleasant experience by providing such things as proper road signs, which clearly tell non-residents where they are and where they are going. Any time somebody gets lost or gets frustrated by bad signage or poor quality roads or other such problems, the entire region's reputation is at stake. In short, it is everybody's responsibility to be sure that visitors to the region are treated as potential business to the region or to particular businesses in the area.

According to the findings of Professor Ed Mahoney of Michigan State University, a noted specialist on rural tourism, there are many key benefits to rural tourism development projects. Southwestern Michigan undertook an exhaustive study of the their region, identifying all aspects of rural and agri-tourism and developing not only an inventory of the services and products available, but also they developed a marketing strategy to utilize their resources. Professor Mahoney has developed a number of models that explain the interaction between the community, the tourist and the organizations both private and governmental, which need to interact cooperatively in order to affect positive outcomes. In the end, his research shows that a few innovative altruistic leaders and risk takers lead the way, and others both mimic and follow along or they fall behind.

An important aspect of tourism development is the concept of stakeholders. Successful tourism development regardless of whether or not it is tourism in general or niche tourism services is that those who are involved have a "stake" in the outcome of any tourism development plan. Their success or failure will determine their destiny, but in most, if not all cases they are linked with others in the community. These stakeholders must work cooperatively and develop bonds or relationships in order to grow the market, rather than trying to divide up what already exists. The practice of cooperative marketing does not come easily, but with the help of tourism agencies whose role it is to do just that, the individual tourism enterprises can not only utilize their own marketing and advertising programs, but expand that beyond their traditional boundaries or budget restrictions, by jointly funding larger, more aggressive marketing and promotional initiatives.

The realistic tourism business owners, realize that the more they compete with each other, the more widespread the "word gets out" about not just their products and services, but all the others in their region. When there is more for tourists to see, do and experience, the more such "customers" seek out those experiences, and of course business improves and the community experiences economic growth and development.

### **PROCEED TO MODULE # 3 WORK SHEET**

Tourism organizations, government agencies and business organizations can all be partnered with in the development of rural and agri-tourism. Proceed to module 3 in the Work Book and identify ways and means of partnering and the benefits to such partnerships.

**Module # 3 Work Sheet Partnering for success, working with tourism organizations, associations and government agencies.**

**A. Why is it important to partner with tourism related organizations and associations?**

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_
- 4. \_\_\_\_\_
- 5. \_\_\_\_\_

**B. What advantages can the rural tourism or agri-tourism product or service provider receive from partnering with the appropriate tourism organizations?**

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_
- 4. \_\_\_\_\_
- 5. \_\_\_\_\_

**C. What kind of marketing and advertising opportunities can partnering provide that would otherwise be cost prohibitive?**

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_
- 4. \_\_\_\_\_

# **Work Book # 2**

## **Rural and Agri-Tourism, A practical approach to niche tourism.**

Once a person, company or community has decided to enter into a tourism venture, the analysis of how to go about it must follow. In Work Book One, identification of what tourism is, what types of tourism exist and what impacts tourism has on communities was discussed. The foundation of any good tourism enterprise is sound planning and implementation of such plans.

Knowing how to begin is often the most difficult challenge for any potential tourism service provider, identifying ones own strengths and weaknesses helps to identify which areas might be potential problems. Your plan will act as guideline for positive change, preparation and improvement before beginning. Without careful, thoughtful planning AND quality control, tourism related services fail. Service is often times one of the major complaints when a business is not successful. Service is the key to customer satisfaction and repeat business.

This Work Book will guide you through the planning and analysis process. When completed, market identification is the next step. Before implementing a plan, you must understand clearly who the product or service will appeal to and then go after that “target” market. Through advertising, promotion and co-operative efforts, such a plan can be taken from the planning process to the implementation stage.

The following topics will be covered in Section One of the workbook.

<b><u>Module # 4</u></b>	<b>Developing a practical plan and formula for success</b>
<b><u>Module # 5</u></b>	<b>Market development - advertising, promotion, pricing and packaging</b>
<b><u>Module # 6</u></b>	<b>Rural and Agri-Tourism – is it in your future?</b>
<b><u>References</u></b>	<b>Research material and information</b>

## **Module # 4    Developing a practical agri or rural tourism business plan and a formula for success.**

***“How does one successfully develop and market agri and rural tourism products and services?”***

To answer this question, the service or product provider must study what they have to offer, then identify whom best to offer it to. But what if you don't even know or believe you have a product to sell? In fact many tourism services start off exactly this way. Some bed and breakfast operators started out with extra rooms in their home when their children grew up and left home – “What do we do with the extra rooms in the house?” they ask themselves, not thinking about using the space for income earning, but instead thinking of new “office space”, a guest room, or a work-out room, sewing room, etc. But if they are in an empty nest situation, in a location that has natural beauty, or they have something that might just be of interest to others – it can become a profitable and enjoyable way to “make use of the space” for the mutual benefit of themselves and any B & B visitors they take in.

Of course somebody doesn't just become a B & B operator, or an agri-tourism provider without investigating the potential and seeking out help and advice on how to get started. This is where organizations, associations, government agencies, or local business advisors can come in handy. Why reinvent the wheel when others out there can come to your assistance to help guide you through the developmental stages of the business. It does pay to have a business plan on paper, and to “pencil the numbers” before beginning. In preparation for this, there is a very simple formula, which identifies several aspects of business development, and in particular tourism business development, that brings to ones attention, key factors and important components that needed to be considered and planned for.

***What kind of formula should one use to create and develop a marketable tourism experience?***

Have you ever been told to mind your “p's and q's”? In the old days, this was an English teacher's way of teaching the difference between the small letter p and the small letter q. Simple, but effective. If one is to learn to read and right, the basic principles of the alphabet need to be studied and learned before successful reading and writing skills can be developed and the end result is “communication”. It is a basic, step by step formula for learning successfully and just like in school, one can be successful in tourism by learning your tourism “**P's and Q's + C's = \$'s**”

When one knows who the potential clients are, they must then select and then evaluate the best methods of reaching either the agri or rural tourists or both. Once the tourism experience has been developed, the product or service must be of such a high quality, as to be popular and enjoyable in order to reach its maximum income and repeat business potential. When someone has decided which form or style of tourism they are best suited to providing, they can then choose their marketing plan, partners and strategies - and then go after that market segment. The bottom line is “How many dollars can be earned?”, as in any other business. Whether the bottom line is in the

black or in the red depends on knowing one's products or services, knowing the potential buyers, attracting that group of tourists, and then satisfy those buyers' real or perceived needs and desires one they arrive.

***“The customers - who are they and which market do you target?”***

Tourism can be a conscious act or an unintended or unplanned experience. In either case, touristic experiences must be identifiable as being a pleasant or worthwhile experience, and it must be of high enough quality to create the desired effect of bringing in repeat business. People are constantly looking for new, unique, enjoyable and memorable experiences. There are expectations and perceptions of what recreational experience the tourist thinks they are going to have before, during and after such an experience. How does this impact on you - as the farmer, the market gardener, orchard owner, greenhouse owner or other rural or agri-tourism provider?

If you go to Iowa you will see “the field of dreams” from the movie by the same name. It actually exists just east of Waterloo, and indeed people do come! Why do they come? How did the “Field of Dreams” owners successfully take a Hollywood creation and turn it into a real life rural tourism destination? Because of the movie for sure, but tourists come because somebody actually planned and built it, then people heard about it, then they became curious and actually started to come to that imaginary - now turned real ball field, in the middle of an Iowa corn field. It has now outlived the movie and it is a must see on any tourists holiday planning list in that region of Iowa.

This is NOT an example of agri-tourism, even though it takes place in the country and surrounded by acres of corn, but it is a rural tourism experience because it is in the rural environment. It is just a small baseball field in the middle of nowhere but somebody took the theme of the movie - “build it and they will come” and they “grew” the idea until it became more than just story from a movie. Relating to tourism, that “build it and they will come” line, could actually be expanded to ***“Build it, market it, advertise and promote it, make it accessible, provide a quality experience - and then they will come!”*** Of course, the movie was talking about ghosts, but the actual field has maintained that eerie quality and sense of the unknown which the movie portrayed - and people still come! This is an example of rural-tourism and it was created because somebody saw the potential and capitalized on it.

***What is the tourism development formula that can help you successfully plan for agri-tourism and rural tourism business development?***

The formula is simple, but effective and can be used by anybody as a starting point to get idea(s) off the ground, and to help clearly organize a strategy for getting into tourism. My particular tourism development formula is as follows:

$$(P \times Q) + C = \$'s \quad (\text{Tourism } \$'s)$$

The key to understanding this formula, is understanding the meaning of each of the letters, multiplying the all important “p’s and q’s” together, then adding a well measured and implemented amount of “c” to the mix – and tourism \$’s will be the result! If you mind your “p’s” and “q’s”, you should succeed!

***What does the ‘p’ stand for? Simple? “People pleasing plans, preparations and promotion, providing pleasurable tourism programs and packages!”***

I. **“P” is for preparedness** and includes the following key components that when combined together, create the required plan that can lead to success. Planning, people, preparation, presentation, pricing, product, place, patience, packaging, personnel, promotion, pride and pleasure are all included in the “P” part of this formula. With a region or attraction, if the price, the product and presentation of that product are not outstanding, why should a tourist bother when so many other options are being presented to them daily?

**Planning** is one of the most important components of the development of tourism programs of any kind. Without a financial plan, a marketing plan, a product development plan and an implementation plan, even a superior product will not guarantee a successful tourism program. All players who will be involved in the long-term goal need to be involved from the start so that analysis can lead to identification of all the various components needed to package the product. The right people for the “job” must be selected, and the right products identified to promote. Otherwise, don’t waste your time!

**People** are your customers and your employees and your suppliers. Selecting the best people to serve your customers - including yourself or your family members, will determine how well people receive you and your tourism product.

**Preparation** of your product must be well thought out and researched before it ever reaches your tourists hands. They must experience a product, which has qualities that will satisfy and bring return visits.

**Presentation** of tourism product makes the difference between success and failure. If it is “hokey” or “unrealistic” or “cheap” and your customers do not feel they have received fair value for their money, you will never see them again, or their friends and family.

**Pricing** must be realistic because there are lots of ways people can spend their money. They must perceive and believe they have received fair value for their

expenditure. Pricing must be in tune with competitor's products and services but should not undersell them by a large margin as this actually does you a disservice by undervaluing the product. Selective loss-leader promotions or seasonal pricing is effective in increasing business at slow times, but is not effective in profitable enterprise management if the pricing is so low that costs and reasonable returns on investment are not realized. There is not much sense in beating your competitor's prices if you go bankrupt in the process!

**Place** or location is crucial to successful tourism products. Your location doesn't have to be ideal, but it must be accessible and one must be aware of the appearance of your "place" as well as the quality of the product you offer there. Learn to take advantage of other attractions of potential attractions that are near you so you can offer "packages" of tourism products, not just your own product(s). Make sure that you identify the most effective routes to direct traffic so that they get to your location safely. Motor coaches cannot drive over 5 ton bridges or less than 10 foot overpasses and city people are not as familiar with country roads as rural residents who know all the short-cuts and back-roads in their region. Such "place" related items **MUST** be carefully inventoried and identified, then properly communicated to potential customers if you want them to safely arrive at your location.

**Patience** is a virtue and a necessity. Developing a tourism product takes time and patience, in addition to all the other planning, preparation and financial investments. Build a time-line with targets and with realistic goals so that your expectations can be realistically met and you can achieve goals that measure your true performance and success. When the tourists arrive, one must also have patience with them, with their kids, their pets, their "sometimes strange" questions, their lack of knowledge or awareness of certain rules, etiquette or safety related measures that are commonly known to you, but which are all new to the first timers on farms, or in pick-your-own strawberry fields or never before horse back riders, etc. One of the most important "P's" is patience. Tourists want to be treated special because they "are on holiday" and they want to be catered to. Small things are sometimes more noticeable to a tourist, but if the supplier can "wow" them with hospitality, friendliness and show patience, the buyer can readily forgive small problems or imperfections.

**Packaging** of your product does not mean wrap it in pretty paper, it means assemble a number of features which comprise your total "package" of goods and services so that it looks and feels like a package or group of experiences not just a single item. Package with your neighbours, or others in the region. Effective pricing of such a package will offer guests value added services that make it worth their while to come out for a visit. Don't just offer them maple sugar or taffy on the snow, provide them with a ride on a horse drawn wagon, have your apple cider producing neighbour there to sell hot apple cider, have your local quilt and blanket making craftsman there to sell unique rural products, and have maps and brochures handy which direct visitors to local restaurants, gas stations, corner stores and accommodations to try and keep them and their dollars (or marks, or francs) in the community a day or two longer!

**Promotion** of your product can make the difference between success and failure. If you expect to promote your product alone, expect it to not be successful as quickly as if

you promoted with others assistance. Tourism associations, neighbors, tour operators, local businesses and Chambers of Commerce are all sources of promotional assistance. Even your local grocery store, corner store, hardware or the like, are often suppliers of products you use in your business - and if you do it right and let them know what you are doing and how you expect to achieve it, they will help you promote your business - because if you succeed, they will succeed in their businesses too. You will be bringing them more customers too!

**Pride** is important in developing a business. You should be presenting a product or providing a service which you are proud of and that shows your pride in your work and your community. Pride in what you do contributes to quality, and quality is important in satisfying your customers and in guaranteeing repeat business that will keep the enterprise going in the future. Without pride, there is poor quality, poor presentation and poor returns!

**Pleasure** is the name of the tourism game. People are tourists because they want a holiday and they want an experience, which will bring them pleasure. Remember, in the tourism business, you are selling memories. Pleasure filled memories determine how effective the “word-of-mouth” advertising will be after they leave you and return to their homes. That “telling two people” multiplier effect, contributes greatly to future success and it determines on how well your future business will grow and contribute to successful business development.

Nobody can run a business in the year 2000 or beyond, if they cannot successfully compete head to head with their competitors. One of the important measures of success and viability is judged by the quality of the product or the quality of the experience and the measurable result is profit and repeat business.

**II. “Q” is for Quality.** Without a quality product, repeat business will never happen. Tourists want memories and they pay good dollars for a quality memory. In most instances, repeat business occurs after a satisfied customer goes home and tells others about their “neat experience” or what a wonderful time they had. Quality not only refers to the product but the supplier. Not everyone can be involved in tourism whether he or she thinks they should or not. The harsh reality is that some people do not have what it takes to be involved in tourism.

**III. “C” is for Communication, community, consistency and customers** are crucial elements of the tourism marketing formula. There are two important sub-sections included in communication. Communication with the buyers and communication with the suppliers. The only way that a tourist is going to find out about the tourism product or the region is if an *effective* marketing and advertising campaign is implemented through effective communication!

**Communication** relates to communicating with the people who will be or who are supplying the product. The farm or rural community is the supplier! They need to know their role long before they need to know what was advertised, to whom it was advertised, and what their role is as the supplier. Communicating means staying in touch with suppliers of products and being aware of changes or new products, which become available. If a region is not dynamic and doesn't have a marketing strategy with

long term goals and objectives, the entire product is offered in that region may get out of the blocks fast then fade over the distance. Staff changes should not affect a good campaign or marketing strategy. If it is done correctly, the tourism group or product supplier must hire or work with new individuals who can continue the process uninterrupted.

**Communication with the business and political community** is also a necessity so that the community not only realizes what the objectives are, but also how they too might become a part of the process, rather than an obstacle. With tourism and agriculture being two of the most important industries in the world, nobody should ignore the potential for tourism in a region, which is for the most part rural and/or agricultural in nature. Once a tourism association, committee or sub-committee has been established, a big part of the job is then to go recruiting from within the community and informing the community of the efforts of the tourism association's efforts. To have support, you must have informed supporters. If they don't know who you are? What you are doing? Or why you are doing it? - Why should they help?

**Communication with the buyer is absolutely essential.** To get the buyer - the tourists or tour operators (bus companies as well) - to come to your area, they of course need to know you are there. Marketing can take many forms - road signage, flyers, tourism association information guides, marketing to tour operators, attending travel and tourism trade shows, contacting motor coach companies and your own regional tourism association - such as Festival Country or South Western Ontario Tourism Association. Awareness is so important that if this awareness is not generated, the whole project of promotion will fall down gasping for breath. A planned and balanced marketing strategy is necessary once the product is in place, so that tourists will stop and visit - build it, market it and they will come!

**Community** relations are essential. Not only do the business and political leaders need to be aware of and involved in tourism building programs, but also in the case of agri-tourism, the agricultural community must be included in the planning process. What has happened in the past to destroy the best laid plans of tourism associations is the inexcusable act of not actively recruiting the leaders in the agricultural community from the very beginning.

Farmers are cautious gamblers. They gamble every day of their life with weather, with animal breeding programs, when they try a new product or machine, or when they select a new crop to grow. However, they gamble in an attempt to improve the way they do things and to make more money. They have mouths to feed and families to raise. If a tourism association assumes that farmers will open their homes, their barns and their farms to the invasion of thousands of strangers without being consulted, it is like having your town council decide that everybody's home in town is now a tourist destination and open to the public. Not exactly possible or realistic is it? And yet tourism proponents expect just that - bring the tourists to the farm, open the barn door, drive the bus up the lane way, stir up the dust from the air conditioning equipment, scare the animals with the noise of the bus and allow 40 or more strangers to come in and "pet" the farm animals. These agri-tourism product suppliers need to be treated with respect and with care in order if a DMO is to effectively work with them. If you are one of the

agri-tourism suppliers, then there is a certain responsibility that goes along with the “fun” or “entertainment” side of the tourism service that is being provided and that is the educational side. It need not be blatant, but can be more sublime or passive, but agricultural producers need to gain support from the general public for what they do, how they do it and how important farming is. This is the best chance to do it, while they are on the farm and in the element where they can be best shown agriculture.

In an ideal situation, the agricultural community will be consulted, the most willing farm families would agree to open their farms to the public on certain designated dates, farms would rotate the responsibilities, and the community would benefit because they earn some money, they educate the urbanites to the complexity and risks of farming, and they gain allies in their battle to continue to have the “right to farm”. Education of the tourist is education of the consumer. Farmers need to gain allies in order to help them produce food using the legitimate tools of their trade without fear from animal rights activists, from uneducated consumers alleging allergies because of food products they have eaten, and so on! The farming community wants to gain support from the urban community and agri-tourism is one vehicle by which they can do this.

**Consistency** is one of the biggest problems of agri-tourism and in fact all types of tourism. If a product varies in quality from one time to the next, it is likely to continue to sell? **Not!** A tourist or a tour operator looks for consistency, for repeatability and for successful product acceptance by the consumer. This means repeat business for the farmer and the tour operator and thereby, for the tourism association, DMO or Chamber of Commerce who is marketing the tourism product.

**Customers** are the single most important component of the “C” in the tourism marketing formula. Without customers, there is no point to the enterprise. Customers come from all walks of life, in all shapes and sizes and with all kinds of different expectations and needs. To attempt to market to all customers, is not realistic. Target marketing requires careful analysis of the product or service, and whom it most appeals to or will be accepted by. This is not as easy as it sounds, but with careful planning and following the step by step formula, before the customer ever walks in the door, the tourism enterprise will stack the odds in their favour and it can expect success with more confidence. There are many kinds of customers, and in Chart # 2, which follows the Revenue section of this Work Book, the many varied types of customers and their diverse interests, will be outlined in order to demonstrate the variety and complexity of identifying your customers.

Remember the golden rule, “The customer is always right”? It’s not true! However, they think they are and it is not the service provider’s job to point out their errors and that they are not right, this would be counter-productive. However, the customer(s) can be wrong, but the service provider subtly “educates” the customer, and gently guides him or her in the right direction. Confrontation does not benefit anybody, and rarely makes you a new friend. If done correctly, a tourist (customer) can have the correct information given to them in a subtle and non-vindictive way, so that the customer comes away with a new and correct version of the story, saves face by not being challenged, and it becomes a proponent of the facts, as they now know them to be true!

**IV. Revenue \$** - Of course the final result of the formula is money - \$ - and without communication the region will not be able to capitalize on the tourism trends of the 90's and beyond. Dollars must however be invested because nothing comes free these days. Whoever the participants are in the tourism marketing effort, they must commit themselves financially to the long-term effort. Politicians must realize that funding is crucial and that although not as visible as manufactured goods, the impact on a region has a very wide ripple effect in terms of "new" dollars being brought into the region. Dollars earned from tourism must be reinvested. Any tourism association must have a membership list with participants including the local suppliers and the local government. Through communication with each other, the results and the benefits can be relayed back and forth and the effort can be maintained.

At this time it must stressed that dollars, which are invested, must come from within. Self-reliant and self-sustaining groups are most likely to succeed because they have invested their own time and money in the project, which can ill afford to be lost. Grants and government hand-outs are easy to shrug off as bad investments or as having "to many strings attached" but when ones own money goes into the venture, there is a different perception and mind-set which drives the business owner forward. Government money that might be included in any marketing or tourism related project should contribute to the whole, rather than being the entire source of funding. Being self-sufficient also means having more self-rule when it comes to any project. Self-rule also carries with it the responsibility of making sure that individual's self-interests aren't being served, and that the group's self-sustaining ability is done selflessly by the individuals involved.

Target groups that must be attended to, include a multitude of potential customers. Is the marketing effort going to multi-pronged and attempt to reach everybody or will it be very selective and targeted? At what expense? The best and most realistic strategy is to identify potential buyers of your product by picking those easiest to reach or communicate with. Following this, the types of tourists you will be able to cater to must be identified. It's no good to advertise to, or try to encourage motor coach operators or tour operators - if your region cannot handle or supply services to one bus group, let alone several.

***Module # 5 will deal more extensively with marketing and promotion.***

**QUESTIONS?** In the mean time, make a list of questions or comments you might have or like answered regarding developing a plan for developing rural and agri-tourism products. At the end of the workshop, these questions will be reviewed.

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

**PROCEED TO MODULE # 4 WORK SHEET**

There are many essential elements, which are necessary to successfully develop and market agri and rural tourism products and services? Proceed to WORK SHEET # 4, after CHART 2, and from what you have learned in this module and from your own experience, develop your own plan.

**Agri-Tourists and Rural Tourists**  
**North American and International Tourists**  
**CHART # 2**

<b>North American “Agri-tourism” and “Rural tourist” Categories</b>		<b>International “Agri-tourism” and “Rural tourism” Categories (non North American + foreign language)</b>	
<b>Agri-Tourists (those involved in agriculture)</b>	<b>Rural Tourists (non-agricultural visitors)</b>	<b>Agri-Tourists (those involved in agriculture)</b>	<b>Rural Tourists (non-agricultural visitors)</b>
<ol style="list-style-type: none"> <li>1. incentive programs - business specific agricultural visits</li> <li>2. farmer and agri-trade association tour groups</li> <li>3. buying missions, genetics, food, equipment, technology, etc.</li> <li>4. agricultural education and training study tours</li> <li>5. convention and agricultural exhibition travel groups</li> <li>6. 4-H, young farmers, junior farmers, etc.</li> </ol>	<ol style="list-style-type: none"> <li>1. seniors wanting to visit “traditional” farms</li> <li>2. “regular” group tourists interested in visiting farms &amp; road-side markets</li> <li>3. school age educational tours</li> <li>4. farm stay tourists</li> <li>5. individual travelers by car, motor home, van rentals with pre-planned routing</li> <li>6. tourism associations</li> <li>7. local residents</li> </ol>	<ol style="list-style-type: none"> <li>1. foreign agricultural tour groups - general or specific interest farm &amp; horticulture groups</li> <li>2. product specific - trade missions, government or corporate</li> <li>3. buying missions such as SEMEX Canada, CPI, Jersey Canada</li> <li>4. agricultural exchange groups, students</li> <li>5. agricultural educational and training study tours - general agriculture or topic specific</li> <li>6. government VIP agricultural groups</li> <li>7. individual agricultural travelers</li> </ol>	<ol style="list-style-type: none"> <li>1. general interest group tourists - an interest in visiting farms and road-side markets</li> <li>2. school age or university educational tour groups</li> <li>3. FIT - foreign individual travelers by car, motor home, van rentals with pre-planned routing</li> <li>4. farm stay and B &amp; B tourists</li> <li>5. artists, photographers, hikers, sports enthusiasts, etc.</li> <li>6. government VIP non-agricultural groups</li> <li>7. government VIP agricultural groups</li> </ol>

**Module # 4 Work Sheet    Developing a practical agri or rural tourism business plan and a formula for success.**

**A. Make a list of the important physical or geographic elements, which are necessary to develop a successful tourism, rural tourism or agri-tourism product.**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

**B. What important service qualities are necessary in order to be successful in rural or agri-tourism? List at least 4 points, which are essential.**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

**C. Who should be involved in the planning stage of any rural or agri-tourism product, service or developmental plan? Local, regional, provincial or state, national?**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

**D. What financial considerations must be looked and planned for in the development of a service related business such as agri-tourism and rural tourism?**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

**E. What government or other regulatory bodies need to be consulted with before beginning a business that involves the public, in this case the tourist?**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

**F. Who should one consult with or get advice from in the tourism AND agricultural industries before and after you begin?**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_

**G. Agri and rural tourism cross the boundaries of two industries – agriculture and tourism. Which organizations should one belong to or be involved in, which best suit the particular product or service type be developed?**

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_
- 4. \_\_\_\_\_

- 5. \_\_\_\_\_
- 6. \_\_\_\_\_
- 7. \_\_\_\_\_
- 8. \_\_\_\_\_

**H. Using the tourism development formula  $(P \times Q) + C = \$$ , outline in the space below, key elements which are important to consider in developing a rural or agri-tourism service in your particular situation.**

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**I. Now that you have and understanding of what you need to do to get started, where do you go from here? Outline your thoughts below.**

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## **Module # 5    Market development - advertising, promotion, pricing and packaging.**

**“So you want to get into the business of rural or agri-tourism? How do you let people know you have such a service or product? How do you attract their attention and entice them to come to participate and purchase such services and products?”**

These are not simple questions to answer and in fact there is no right or wrong answer when it comes to marketing strategy and methods of promoting or advertising such goods and services. However, there are some tried and proven methods to promoting agri-tourism and rural tourism services. This section of the Work Book will identify some of the more commonly used methods of market development, as well as some of the more unique or innovative methods. The key to success in promoting rural tourism products is first and foremost having a quality product or service. If this has been achieved, the second most important key to success is letting people know who you are, where you are and what you have to offer. If nobody knows these key elements of your business, why bother opening the doors in the morning?

So far in this Work Book the modules have dealt with the elements of tourism that are necessary in order to successfully start and build a niche tourism product in the rural or agri-tourism segments of the industry. In a baseball movie several years ago, the expression, “build it and they will come” culminated in an amazing “ghostly experience” whereby famous ball players including the heroes own father, return to a baseball park he had built in a corn field in the middle of Iowa. Not only did the ball players come out of the past from the depths of the cornfield in the outfield, but also thousands of people from across the USA, drove for miles to come and see this historic spot. How did this happen? Leaving the famous ball players aside how did the “fans” learn about this “event”? How is it that people from across the USA became aware of the “corn field become baseball diamond”?

Word-of-mouth played a big part in the event becoming famous, the media let the story out, and the rest as they say was history. That of course was just a movie, not real at all, right? No, that’s not right. The location for that movie is in Iowa, just east of Waterloo, Iowa, and low and behold, there is a baseball field to this day surrounded by a field of corn. The house is there, the diamond is there, there are washrooms (rest rooms if you are American), a couple souvenir stands and bleachers! Even though this was only a movie, when people are anywhere near Waterloo, they make the trip to the “Field of Dreams” as if the story were real and as if they expected to see the ball players emerge from the corn field. It is real, it is there and it is a rural tourism destination!

What is your “field of dreams”? How are you going to get the word out about your rural or agri-tourism services? Your answer to these question will determine the success or failure of your venture, if you have done your homework right to that point. Let’s discuss methods of marketing through various methods of promotion and advertising available today. Let’s see how to “get the word out”!

**Advertising** is one of the most popular method of letting people know about goods, services, events, and other “things” which people are trying to promote and attract

attention to. For a product, it is fairly well accepted practice that when you want to sell something, you price it, you advertise it and hopefully you sell it. The question is where do you advertise it? Who do you advertise it to? When do you advertise it? Before you even consider advertising, you should also determine what you expect to achieve through advertising besides just selling your product or service. Advertising is sometimes used for a one-time-only promotion. More often however, the purpose of advertising should be to promote a particular product or service, with the goal of attracting present AND future business. In other words, not just for the moment, but for the future moments as well. This is not rocket science, nor is it simple. Determining where and when to advertise, and to whom – will make a difference in one's success.

### **What is the definition of advertising?**

*To make public announcement of, especially to proclaim the qualities or advantages of (a product or business) so as to increase sales.*<sup>1</sup>

*The activity of attracting public attention to a product or business, as by paid announcements in print or on the air.*<sup>2</sup>

Where should you advertise? If you have an event you are promoting such as a pumpkin festival, or a fall fair, or an agricultural event of some variety, your choice of advertising media or method will differ from that of somebody promoting a product or service. One is usually a community event often for fund-raising and charity; while the other is an individual or business owned and oriented activity - part or full time, which is a business venture – profit oriented and a source of employment. If the business is a pick-your-own farm, or a road-side market or an on-farm gift shop/petting zoo – these forms of agri and rural tourism are of the profit oriented type business activity and if people don't come the business goes out of business.

- 1. Where would you advertise a community type agri or rural tourism event?**
- 2. Where would you advertise a business oriented agri-tourism or rural tourism product or service?**

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Advertising is usually done in newspapers, magazines, radio, television, flyers, posters, or any other print, audio or visual media. More recently, the internet has become a strong contender in the advertising field as more and more people jump on board and surf the net. Regardless of the medium, the buying public is told you have something to sell. The art of selling advertising is sometimes more effective than the actual advertising which is sold. Be sure that you evaluate the need to use each type of advertising medium that comes to mind, in relation to the product or service you have – and to whom it is being directed. Be sure to carefully look at the target market you are trying to attract, and evaluate the cost benefits of using the different forms of advertising. Don't be overly optimistic of the potential results just because a salesman quotes various effectiveness statistics. Each product or service should be looked at separately and comparisons should be made apples to apples and oranges to oranges.

For example, an open house for a new farm opening can be either in the classified ads or in the public announcement section of a farm newspaper. Likewise, a rural community barbecue might be advertised in the classifieds or announced in the public interest section of that same paper. One advertisement might cost and the other might be free in the name of public service. Press releases if done correctly can give "free advertising" to a new venture, activity or company – and it gives credibility to the venture if it is picked up by the papers, through the wire-service or other press release vehicles. This form of advertising has limitations as one can only go "to the well" so often before it no longer becomes newsworthy.

The point here is that advertising can be very effective if the right medium is selected. Timing is very important. If you announce an event, a sale, or a grand opening – for example – and it is too far in advance of that event, people will forget about it before it occurs – UNLESS it is repeated several times consecutively. If it is too close to the event, like the day before or day of, people do not have time to plan to be there as somebody or something else will have already captured their attention. Advertising is expensive for the most part, so before any advertising campaign is launched, the cost-benefits analysis must be made and the risk factor taken into account. If after closely examining all of the aforementioned items and others, which relate to each service or product, one finds that advertising can be a useful tool to attract customers and attention effectively, then go ahead and advertise.

**Promotion** is NOT necessarily the same as advertising. Promotion may include paid advertising, but more often than not, promotion of a product or service includes many different types of marketing efforts, all with the purpose of making people "aware" of who you are, where you are and what you produce, sell or what service you provide. Look at the various definitions of promotion and look at the different meanings it can have in relation to agri and rural tourism.

## Promotion defined:

1. The act of promoting or the fact of being promoted.
2. Advancement in rank or responsibility.
3. Encouragement of the progress, growth, or acceptance of something; furtherance.
4. Advertising; publicity.<sup>3</sup>

As can be seen by this definition, promotion is not just advertising, it is the act of doing something to gain attention, to promote the importance of something or somebody, to achieve acceptance and growth by the selling or development of the product or service. Promotion can be done by word-of-mouth, by visible success, by attractive signage or physical attributes. Promotion can be achieved or accomplished through several mediums including those used by advertising.

Through certain activities or events such as weddings, birthday parties, corporate gatherings, etc. an agri-tourism or rural tourism product or service becomes known by many people at one time. This experiential method of promotion is worth many times more dollars than an advertisement in a newspaper. What is different is that a target market has been reached directly, involved or included in the activity and the old story about somebody telling two friends, and they each tell two friends, and so on, and so on – is a form of promotion that has very high value and long reaching effects. Just be sure that a positive outcome is achieved or the opposite will also be true if people tell the negative side and they tell two people and so on, and so on!

The examples of advertising and promotion that have been listed are by no means the only methods. However, the point has been illustrated that for every product or service, there are many choices as to how the marketing can or should be done. Sometimes there are combinations of methods, which are used, other times one method is enough. The distribution or coverage that is achieved is directly proportional to the value of the methods used. However, a million dollar advertising campaign can be a failure if not directed at the right market, or it can be an overwhelming success. Likewise, a very simple promotion can be worth its weight in gold in terms of effectiveness, or be totally useless if it misses the mark.

**Pricing** is a topic, which many people want to know about immediately, up front, before careful examination of the market or the customers who will be targeted. This can be a fatal mistake! Agri-tourism and rural tourism products are sometimes very nebulous in terms of valuation. Since either forms of tourism are recreational experiences or educational in nature, the value is inherent in the experience. Each person experiencing or participating in agri-tourism or rural tourism achieves or receives a different level of satisfaction and enjoyment. How does one price that?

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**Pricing** (continued) can be done logically based on the cost of providing the service or by adding the base cost plus mark-up of the product to achieve a total. When looking to pricing an **experience**, certain factors should be looked at and they are not necessarily the same as pricing a **product**. Pricing needs to be logical and organized into categories. Tours should be broken down into various categories base on whether it is a group, FIT's, school age groups, international groups or seniors. Products are more readily priced since there is a known cost of production and labour costs, and then supply and demand determines the highs and lows of the pricing depending on the season and the volume of business.

**Time** is definitely an element, but content must also be considered. For example, an international group will take more time because of translation, and technical interest, but as a group they get a discount. If you have products to sell in addition to the tour, then you may use the tour as a loss leader to get potential customers in the door to buy other more valuable products, which are the real profit makers in the business. The international groups tend to spend more on such "commodities" to take back as gifts or reminders of their visit. This is how wineries have traditionally managed to promote themselves, and to achieve economic success through marketing high value wines that customers learn about on their inexpensive or free tasting tours.

Seniors groups are not traditionally buyers of large quantities of wine, but gifts or souvenirs seem to attract their attention as does such things as jams, baked goods, crafts, etc. School kids should be encouraged to attend agri-tourism and rural tourism services because they are future customers and supporters of agriculture and the rural environment. Besides, if their experience is memorable and proper literature and promotional materials have been sent home with the kids, the next weekend will see family trips take place whereby your school-age customers have now brought you their adult family members as new customers.

### **Pricing strategies:**

**1. Time is money** and your time to provide a recreational service should be taken into consideration. A fair return for your time should be assessed, but within reason and within fair market pricing. How this can be achieved is by looking at similar goods or services already in the marketplace. If it is a new venture, a slightly reduced cost is generally accepted as the "promotional" price and in fact necessary in order to attract business away from established businesses or to promote new customers to come and experience your particular brand of service.

So how does one price one's time? If you are providing a service such as a tour, then you need to have two or three prices in an organized price structure. Group tours versus smaller units such as families or friends in groups of 2 – 10. Any group of 10 or more should be given group considerations, while families with kids should also be priced accordingly. International groups take more time as mentioned earlier, but are potential buyers of other products so look at all aspects of the time vs. product purchase side of the business.

**2. Experiential value** must also be assessed. If an experience is new or unique, if it gives pleasure or encourages recreation experiences to take place. The value that is placed on a recreational experience must be directly related to the demand that occurs when people either participate or don't. When snowboarding first hit the ski hills it was an X-treme sport, now it is the fastest growing winter recreational activity in North America, possibly the world. Prices for boards have gone up as demand increases. Sophistication of clothing and equipment has made this a multi-million dollar industry. From an idea for fun and adventure, came a big business recreational enterprise.

Agri-tourism and rural tourism is NOT likely to reach the same levels of success as the snow-boarding sport, however, there are examples of agri-tourism events or activities that achieve extremely high returns on investment such as the Pumpkin Festival in Kincardine, the Maple Sugar Festival in Elmira, the Royal Agricultural Winter Fair in Toronto and the International Plowing Match and Farm Machinery Show annually held each September in different regions of Ontario. Pricing for all of these events is determined by their quality and their location – and weather also plays a factor if it is an outdoor event. But the experience, the promotion and the timing are all factors that determine the pricing of the events.

**3. Service value** is also a very important factor. If the service provider has many staff members contributing to the success of the experience, this added value must be factored into the pricing. Not just the time for staff and/or owners to provide the services, but also the value the service adds to the experience should be factored in. What fun is a haunted house on a pumpkin farm, if nobody is there to haunt it? What good are wagons to carry apples if they are so heavy that people can't pull them? So you hire "ghosts and goblins" to entertain, and wagon boys and girls to assist parents, seniors and other visitors to the orchard, to take the apples to the car and load them in the trunk. Service sells and is a most important aspect of a tourism experience that is sometimes neglected or its value overlooked.

**4. Value added elements** to a rural or agri-tourism experience are often the gravy or profit in any such business. One may break even on the time side of the equation. One might make enough net profit to re-invest in the business to maintain it or upgrade it. But selling added value or higher value items that go along with the experience or which add enjoyment to the experience, are the gravy and the profit, which makes it worthwhile. If you have customers taking part in a rural experience, they may like to purchase a soft drink, juice or coffee. When kids are along with parents, they may be interested in buying a stuffed animal that looks like Daisy the cow, resting over there in the barn, or a T-shirt that says, "***I rode Daisy the cow at Farmer Brown's Farm***" etc. These and many other such value added items are often overlooked in a tourism business that is just beginning.

**5. Packaging** is a much neglected or overlooked component in pricing an experience. When a family or group comes to your participate in your agri-tourism activity, you should have more than just the tour to offer them. Provide the option of having a coffee break with homemade cookies or muffins. Provide the opportunity to have a BBQ hot dog or cooked corn, or a sausage on a bun! Offer them the chance to ride a pony, or have their picture taken "milking" a cow, or driving a horse-drawn wagon. The package need not be sold before they arrive, but they should have the chance once they are there – on your

farm or in your facility – to add other products and services to their experience to make up their own tourism package based on their desires to do more while they are there. Disney theme parks are perfect examples of packaging success stories.

In conclusion, one can see that marketing a product or service needs to be well thought out. Not only should the short term planning be done to get the tourism event, attraction, activity or product to market, but it should also be looked at in the long term as well. Retrospective thinking needs to be done after a certain period of time when the rural or agri-tourism activity has reached a certain stage or point in time as laid out in the initial plan. Without this review of the events that have taken place, the future of the tourism experience is in jeopardy. There is always somebody else waiting just outside the door to take your place if you are not progressive, and on the ball.

Many tourism locations, activities or products disappear if the movers and shakers who got them started, either lose interest, or faith in what they are doing, and don't continue to upgrade, improve and maintain the quality of the experience. Witness Crystal Beach in southern Ontario or Boblo Island near Windsor or the Flyer Roller Coaster at the Canadian National Exhibition. Gone the way of the dinosaur, because they were neither maintained, nor looked upon by the tourists as being worthy of their time or money. Sad but true, many tourism products and services die when the quality of the experience is not maintained, or the uniqueness wears off and no attempt is made to update, upgrade or improve it.

**Module # 5 Work Sheet    Market development; advertising, promotion, pricing and packaging.**

**Make a list below of tourism experiences (urban and/or rural based) that you can think of, which have disappeared over the last 15 years:**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

**Make a list of new tourism experiences that have sprung up over the past 15 years and are successfully entertaining or providing recreational experiences to tourists:**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

## **Module # 6 Rural and Agri-Tourism – is it in your future?**

***“ The questions which have been asked in this Work Book, plus those you will have to ask yourself regarding personal finances, commitment and labour, must be answered to YOUR satisfaction before beginning an agri-tourism or rural tourism endeavour. Do you have the right tools to do the job? Do you have the right information to begin? Do you have the right ‘stuff’ to make it work? Do you have the patience to develop such an enterprise?”***

Questions, questions, questions? The development of agri and rural tourism in the world is increasing dramatically. There are millions of people who travel every year. Tourism in Canada is very difficult to measure quantitatively because so much depends on the methods used to measure, the data that was gathered, the source of such data and the way in which it was ‘manipulated’ or analyzed.

In a recent study done by graduate students at the University of Guelph who were studying rural and agri-tourism, their findings indicated that 8% of Canada’s jobs come from tourism. These jobs generate over 1 billion dollars in TAX revenue. In 1998 from the United States alone to Canada, it is estimated by the Canadian Tourism Commission (CTC) that American tourists coming to Canada, spent \$6.7 billion dollars on goods and services relating to tourism. The Europeans spent in excess of \$4.5 billion dollars and the Asian tourists in excess of \$1.2 billion dollars, all in the name of tourism.

These numbers tend to make one sit up and take notice. In the United States, tourism revenues are much higher than this but in similar proportions. Canadian tourism to the United States as declined because of the strong US dollar and this has affected Canadian tourism positively with Canadians traveling more inside Canada than ever before, looking for new and interesting tourism products and services to ‘experience’ and in the process, spend money.

When considering developing your farm, country home, woodlot, pasture, fields, or whatever other natural resource may be available to you, there other considerations that must be taken into account which are not so much financial, as personal or social. When looking at the bare facts and figures, it is readily evident when completing such a plan or “formula” whether or not the venture is feasible or not. Financial costs cannot however, take into account personal costs or investments, which must be made. In any business, such personal investment of time and effort must also be considered and valued in the equation.

When any new business is entered into, personal effort contributes in an invaluable way to the success or failure of the business. Over-time cannot be paid to oneself in the early beginnings of any business, whether tourism related or not. Personal sacrifices in terms of time away from loved ones, personal vacations, weekends off, evening functions missed, and social events not attended, and sporting activities not participated in, or even such basics as 8 hours of sleep per night, are all part of the mix. These considerations must also be seriously considered and included in the plan.

Research into the industry of agri and rural tourism is getting a little easier to do in recent years. It seems more and more people are interested in the phenomena, and as a result research money at federal, provincial and state levels are being spend to study the needs of the industry and in just defining what it is. This does not mean that there is a good definition anywhere of what the industry is, nor does it give a clear indication of where it is heading.

As in the case of any niche product or service, there are clearly ups and downs in the developmental period. Trendiness or “what’s hot and what’s not” affects agri and rural tourism in the same ways that other types of tourism are affected. Eco tourism was big for a while in the Amazon Jungle, but this has declined in recent years because of the problems with clearing of the rain forest for farming and the conflicts, which result. Political events affect all types of tourism and one plane crash, terrorist act, natural disaster, or weather related situation, can dramatically turn a once positive industry, into a negative mode.

These factors must also be considered when developing a tourism business. If one is working in the international tourism market, then financial considerations such as changing values in currency, is it an election year in a particular country, is their civil unrest, is there an airline strike, was there a bad cropping year the year before, has the spring been late for planting or the fall late in harvesting. Farmers who travel do so when the conditions are right for them, based on their farming experience 4-6 months out from proposed travel periods. Regular tourists are affected by economic factors including economic downturns where their jobs might be in jeopardy, or when airline costs are too high, or even when 1 tourist from their country was affected negatively in the country or region that is a traditional strong tourism destination – such as in the case of a foreign national being killed in Florida. These factors cannot be predicted accurately, but they can be planned for in general terms.

Agri and rural tourism can be developed into a full time business or used to supplement your income. Regardless of which it is, it should be entered into with the same professionalism and attention to detail for the sake of the tourist and to earn repeat business. As in past years when farmers raised a few chickens and sold the extra or surplus eggs, agri and rural tourism can be used as “egg money” to supplement the income of the household or business. Farmers have learned (or many have) to “not put all their eggs in one basket” or the egg money might disappear.

Diverse market development is the key to progress and continued success in both rural and agri-tourism. One should never rely on only one market for customers. In the beginning it is advisable to start with one market and get the business up and running. But this should NEVER be the only source of customers. If for example the business starts out with school groups, and the success of the business is assured because of a steady income, be sure that other customer bases are developed in case the school funding sources change, or there is a “new show in town” where the teachers decide to take their kids, etc. Always have included in your plan, the development of other markets.

Target marketing is an absolute must in the niche tourism market. Affinity groups or special interest groups are ideal for niche marketing efforts and time and effort should be expended on developing these “potential” customers. Just like in the case of the US Banking system where the banks have “travel clubs”, Canadians and Americans are notoriously the world’s biggest joiners of clubs and associations. There is likely a club, association or organization for just about every special interest that exists. Why is this important to a tourism person or company? Why, because they are a selected group, well organized, regularly in communication with each other and with the tendency to do things together. That after all is why they form such organizations, to do things together. Bingo, you have so many groups and target markets to go after; your biggest problem should be to select which one.

Some people cannot see the forest for the trees in this regard. There are too many potential customers out there, so what you have to do is pick out the trees closest to you or the ones you know the best, and begin there. Select a couple groups and organizations that might be interested in your product, meet with them, “sell them” on your tourism product or service, then work with them using their newsletter, their network and their members, to get a group together. Starting with affinity groups is the key to good marketing. General advertising is important, but direct or target marketing is also a key factor.

Why is this point being mentioned here, in the conclusion of this Work Book (yes it is almost over)? It is mentioned as a hint, as a reminder and as a clue to get you started. In tourism for years the senior market was the key to successful tourism development. If you were on the list of the seniors’ tour planners and motor coach companies, there was as steady flow of tourism dollars. When the seniors’ incomes were affected by the economic downturn, or the loss in funds in the stock market, companies went bankrupt because they had...you guessed it, all their eggs in one basket. Therefore, when one considers the question, “Do I want to be in or develop an agri or rural tourism product or service?” You must consider not just the business plan, not just the personal plan, but also the bigger picture, the world plan. If you are ambitious you can set out a “plan for world domination”. Yes seriously, to be the best in your field and to capture that market for your particular product or service!

I do not seriously think that by the time that I pass into the great beyond, that I will be the biggest agricultural tour specialists in the world. But I do want to be the best or one of the best! I market to at least one new country every year, and have done so for the past 15 plus years. To date I have had customers from over 45 countries in the world, so I can afford to have a bad year because I have averaged three new countries per year, not the one that I had planned for. Since there are a finite number of countries, I work from the macro level down to the micro level in each of those countries. Once I get my first customer from that country, I work to develop more, and then discover more about the personality of the customers from that country. Then I look at the spin-offs for that country. Starting with agricultural customers, I discovered that from one country, a large percentage of the farmers were volunteer firemen. The very next year I had a group of volunteer fireman, many of who were also farmers, who came to Canada for a “firemen’s tour”, and the beat goes on.

In conclusion, the world of tourism is a challenging and ever changing industry. Those who are in the industry know that no two days are alike and that the industry evolves regularly. There is no finite end in site to tourism, and in fact one could look at it as the one industry, which almost all human beings actively participate in as “users” or “buyers”. Your personal commitment to the tourism product or service being provided is the major determining factor in success or failure. Whether you start out in traditional tourism and swing over into the niche markets of rural and agri-tourism or the other way around, it doesn't matter.

The fact that rural and agri-tourism is a growing niche market in the tourism industry, means there is an “opportunity” for those interested. For those who have studied marketing, there are “opportunity costs” involved in new business development. This should not be something to be feared, but something that one should be aware of and prepared for. With opportunity costs and risks, comes the potential of new market development, of being on the leading edge with a unique product or service in a world where “baby boomers” are looking for new and interesting things to do.

Researching your markets in advance of marketing efforts is crucial. Know as much about your potential customers as possible. Research your competition. Learn not only who they are, but also what products and services they provide. Research your own region, province, state or country to find out who is doing the same thing as you. This is important for networking and for possible joint marketing in new or developing markets. Research who you can partner with in the tourism industry who can best be of assistance in developing your business. Research your industry using print, media, the internet and the library in order to see what has gone before, what is current and where the trends appear to be going. What good is it to develop a business and providing a service that is passed its prime and in fact is on the way out, or already out? Research is an important key to success in tourism.

Finally, we end with some words of advice. Never rest on your past accomplishments or your present success. Tourism in all forms is an industry that waits for nobody. All participants in the tourism industry are constantly striving for new products, new services, new ideas and new packages to offer their customers. In fact, this is likely one reason why so many people are interested in working in the tourism industry. Not only is it experiential in nature, but also it is always evolving, always changing and always heading in new directions. I can hardly wait until I have the chance to take a flight into space or deep-sea dive in a commercial submarine, two potentially new great tourism frontiers that have not yet been developed. Your plans and ideas may not be so grandiose or adventurous, but so what. What should be important is that you enjoy what you do. If you have done your homework well, your new venture will not only be something you enjoy doing, but it will also not jeopardize your personal health and that there is good, well researched support for your business plan.

Whether you are interested in rural or agri-tourism, the intent of this Work Book was to offer some advice and guidance to the industry as it is, and as it could be. We hope you have learned enough of the basics that you can go out there and not only contribute to your own goals, but to help the industry as well. Good luck in tourism!

**NOTES:**

**Resource material and information on tourism, agri-tourism and rural tourism.**