Review of Literature

The studies on tourism in general and agri tourism in particular are picked up for this study from various sources such as research thesis, books on the subject, research papers published in the national and international journals of research in management and other related journals. Valuable material and literature published by Maharashtra Krishi Paryatan Vistar Yojana 2010 has also been retrieved for the purpose of Review of literature. Published literature has also been obtained from Agri Tourism Center In Maharashtra for the purpose of literature review. The following information throws some light on the involvement of government agencies and their efforts in promoting and developing agri tourism in the Maharashtra.

The agricultural context in the United States has gone through several structural changes in the last three decades, including the development of different enterprises using farm resources (Barbieri, Mahoney & Butler, 2008; Nickerson et al., 2001). Diversifying a farm to include recreation and leisure activities into agritourism is increasingly being adopted in the United States and is suggested to bring a myriad of economic and intrinsic benefits to farmers, visitors and communities. Agritourism promises the benefits of keeping family farms in business and preserving American agricultural heritage, maximizing the productivity of farmland resources through their recreational use, and even improving the economic situation of local communities (Ollenburg & Buckley, 2007; Veeck et al., 2006; Wilson, Thilmay & Watson, 2006; Nickerson et al., 2001; Ilbery, 1991).

2.1 Overview of Agritourism

Agritourism is among the fastest growing industries in the eco-tourism sector. It is a growing division of the tourism industry that has been driven by the restructuring of the agricultural industry (Che, 2007). For example, rural policies and structural adjustment funding have enabled and assisted farmers to capitalise on historic structures that can be converted into tourism accommodation. According to Hatch (2006), the history of agritourism dates back to the late 1800s when people left cities and went to farms to visit their relatives for short periods of time. It became easier for people to travel to rural
areas after the invention of motor vehicles in the 1920s. Hatch (2006) further explains that the Great Depression and World War II also gave rise to the first significant interest in rural development in the 1960s. For example, from the 1970s, horseback riding and farm petting zoos became popular. In the 1980s and 1990s, farm vacations, overnight stays at bed and breakfast facilities as well as commercial farm tours became popular. Today, the demand for agritourism continues to grow.

Definitions of ‘agritourism’ differ from author to author. There are many interchangeable terms used to define the industry, which also leads to confusion in the agritourism industry. Havlicek, Lohr and Benda (2011:45) define agritourism “as a specific form of local tourism that involves tourists staying on a farm and engaging in daily agricultural activities and learning of the traditional rural activities that take place on the farm which include: horseback riding, winery tours, agricultural exhibits, exotic farm animals, farmers markets, fishing, garden tours, free hunting and on-farm sales”. According to Porcaro (2009:2), agritourism refers to “activities of hospitality performed by agricultural entrepreneurs and their family members that must remain connected and complementary to farm activities”. For Porcaro (2009), agritourism can also be categorised as a business or activity that allows tourists to come on-farm or into a rural community to enjoy agriculture, its produce and the natural environment in which it exists.

‘Rural tourism’ and ‘agritourism’ are terms that are used interchangeably, but they are said to be interdependent as agritourism is seen as part of the overall concept of rural tourism (Hegarty & Przeborska, 2005). In this study, the researcher agrees that agritourism also forms a part of rural tourism. However, for the purpose of consistency, ‘agritourism’ is used.

Many European countries have a long tradition of linking tourism and agriculture together (Oppermann, 1996). Unfortunately, this approach is not matched by an equally long and intensive research tradition (Oppermann, 1996; Lutoff et al., 1995; Demoi, 1983). In fact, the research Literature on agri-tourism can at best be described as ‘sporadic’. Prior to 1990, very little was published on agri-tourism. However, in 1991 researchers became interested in the topic. This resulted in two journals, Journal of Sustainable and Recreation Research,
dedicating entire editions to discussions of rural development and agri-tourism issues. Since then only a few academic articles have been published.

This lack of information is further compounded by the absence of a commonly accepted definition (Oppermann, 1996; Oppermann, 1995; Cox & Fox, 1990). Agri-tourism is a term which covers a multitude of farm enterprises and wide range of visitor experiences. The number and type of agri-tourism projects and opportunities available to farm operators is enormous. They encompass a spectrum from the development and operation of capital intense tourist accommodations to the rental of informal picnic sites (Gasson, 1988; Ilbery, 1989). Much of the literature, particularly in Europe, equates agritourism with farm tourism (Oppermann, 1996) and deals with types of accommodation.

Definitions of agritourism or farm tourism tend to vary from country to country, and researcher to researcher. Frater (1983: 169) defines farm tourism as a tourism enterprise on a working farm, which is "largely supplementary to existing farm activities." Dernoi (1983: 156) defines farm tourism as accommodation in farm premises where the host family lives, or in another structure that has "been converted from agricultural use into living quarters." Evan and Ibery (1992) suggest that farm tourism is made up of farm based accommodations and farm based recreation. Agro tourism (synonymous to agritourism) is defined by Turner and Davis (1993:6) as an experience which "involves a special interest visit or holiday in a rural area to gain experience about a place, its people and their activities within a rural economy." Farm tourism in New Zealand involves visiting and touring sheep ranches and most often caters to an international audience (Eisman, 1994; Pearce, 1990). In Hawaii, the definition broadens (Bowen et al., 1991) and incorporates "enterprises that produce and/or process plants or animals and which also strive to attract visitors to enjoy the agriculture attributes of the operation and its sites, and/or to purchase products produced or obtained by the enterprise (Cox & Fox, 1990: 18). Regardless of the country or researcher, the common denominator of all the above definitions is the linkage between a working farm and a tourism activity.

Agri-tourism appears to be a growth industry in many parts of the world. It has been estimated that 33 percent of all farms in England are engaged in non-
traditional agriculture enterprises (Davis & Turner, 1992), and that 15 percent of those farms had some type of tourism project, which most often involves providing tourist accommodation (Paynter, 1991). In the UK's West Country about 23 percent of the farms are involved in farm tourism. Agri-tourism in Australia has grown in only 10 years from less than 50 properties to include almost 300 farms and sheep stations (Palmer, 1995). The bed and breakfast (B&B) accommodation sector in the United States has become one of the fastest growing tourism industries (Emerick & Emerick, 1994). In France, or rented accommodations that were established to utilize redundant or under-used farm houses, has grown from 146 gites in 1955 to over 28,000 in 1979 (Wrathall, 1980). In 1996, Williams and Shaw (1996) estimated that Austrian farmers offered 109,000 guest rooms to the travelling public. This number translates into about one sixth of the supply of Austria's tourist beds. In Germany, about 20,000fams in former West Germany offer varying forms of farm holiday experiences (Reid et al., 1993). Even in northern Europe, over 10 percent of the Danish farm holdings have undertaken farm tourism (Hjalager, 1996).

2.2 International Agritourism

Agritourism varies from one country to the other and is pursued for different reasons (Viljoen & Tlabela, 2007). According to these authors, the reasons include promotion of tourism as a growth activity such as regeneration or diversifying of a remote agricultural area into adventure or cultural tourism. In support of Page and Gertz (1997), Van Niekerk (2013) agrees that agritourism is not a new concept and has been around for many years in parts of Europe. van Niekerk (2013) further explains that agritourism in Europe is one of the fastest growing sectors in the tourism industry. Fogarty (2014) concur that European agritourism is very popular on an international level. According to Dettori, Paba and Pulina (2004) the growing interest towards agritourism in Europe has led to an increase in the demand and supply of infrastructure and services.

Porcaro (2009) mentions that a country such as Italy has well-crafted agritourism and its agritourism products and services are well known throughout Europe. The author declares that the term 'agritourism' in Italy is understood by
agritourists and they have a clear picture of the type of holiday available to them. Furthermore, the author adds that the most significant feature of the Italian system that strengthens the successful development of agritourism is the funding available from government to farmers for commercial agricultural ventures. Agritourism operators in Italy also undergo training before a permit is issued to start an agritourism venture and their training consist of topics such as theory and attitude of agritourism, hygiene and safety, communication skills (which include internet technology) as well as marketing (Porcaro, 2009).

Dettori et al. (2004) state that agritourism is also well-developed in France and dates back to 1951. This supports the fact that agritourism is a not a new concept and has been around for decades even though it was called by different names such as adventure tourism, rural tourism, social tourism, ecotourism, cultural and farm tourism. According to Viljoen and Tlabela (2007), the most popular forms of agritourism accommodation in France are camping and caravans. Farmers in France develop camping sites on their farms and prefer to invest in short-term rental houses. Dettori et al. (2004) state that agritourism in France also plays a major role within the agricultural sector and is mainly practised by women farmers, who are encouraged to enrol in a commercial register in order to guarantee a fair competition and consumers’ right.

From the farm unit perspective, agritourism is suggested to increase farm revenues and serve other farmer goals (Ollenburg & Buckley, 2007; McGehee & Kim, 2004; Nickerson et al., 2001). Farms that diversify into agritourism are likely to utilize existing resources or other low-input options (Fisher, 2006). Additional economic support for the farm business is especially important in the current time due to increased land values and agricultural input costs (Salamon, 2003; Busby & Rendle, 1999; Ilbery, 1991).

While the practices and benefits associated with agritourism development are a common topic in Europe, blending aspects of tourism and agricultural production has perspective, agritourism is suggested to increase farm revenues and serve other farmer goals (Ollenburg & Buckley, 2007; McGehee & Kim, 2004; Nickerson et al., 2001). Farms that diversify into agritourism are likely to utilize existing resources or other low-input options (Fisher, 2006). Additional
economic support for the farm business is especially important in the current time due to increased land values and agricultural input costs (Salamon, 2003; Busby & Rendle, 1999; Ilbery, 1991).

While the practices and benefits associated with agritourism development are a common topic in Europe, blending aspects of tourism and agricultural production has been explored in a relatively limited scope in North America (Barbieri, Mahoney & Butler, 2008) and it has covered only a small number of regions in the United States (Barbieri & Mahoney, 2009; Veeck, Che & Veeck, 2006; Nickerson, Black & McCool, 2001). Specifically, although Bird (1963) and Miller (1972) report that the concept of visiting Missouri farms for recreation and leisure was studied and promoted as early as the 1960s, no recent studies were found related to agritourism in Baramati.

Despite the growing body of agritourism research, the literature remains somewhat inconclusive regarding the potential benefits of the industry, especially concerning the agritourism provider. That lack of consistency may be due to the broad range of activities, operational scale and level of involvement found in agritourism. However, one of the primary reasons appears to be the complex set of economic and non-economic goals associated with agritourism development (Barbieri, 2009; Ollenburg & Buckley, 2007; McGehee & Kim, 2004; Nickerson et al., 2001).

This study examines the importance of agritourism for entrepreneurial goal accomplishment as perceived by farmers. Taking into account the entrepreneurial nature of agritourism (Nickerson et al., 2001), this study deems it important to assess the importance of agritourism the accomplishment of several economic and intrinsic goals suggested to drive agritourism development in an effort to accurately portray the potential benefits for providers within the industry. Given the broad set of goals driving agritourism development, this study assesses goals associated with four dimensions as were found to be relevant among North American agripreneurs (i.e., agriculture-based entrepreneurs): farm profits, market opportunities, family links to farming and personal pursuits (Barbieri, 2009).

Structural changes in agriculture have drawn attention to diversification of farm activities and new opportunities to utilize farm resources (Barbieri et al., 2008;
Nickerson et al., 2001). Among those diversification opportunities is the concept of agritourism, which has gained popularity in Europe and attracted attention in the United States for the many positive impacts suggested in the literature (Barbieri & Mahoney, 2009; Barbieri et al., 2008; Veeck et al., 2006). This chapter reviews the concept of agritourism and the several economic and non-economic benefits associated with this activity. The entrepreneurial goals driving agritourism development are also examined as a framework for assessing the importance of agritourism activities on goal accomplishment.

**Defining Agritourism**

The practice of allowing visitors to engage in recreational activities while on the farm has decades of history in Missouri, but not under the label of agritourism (Miller, 1972; Bird, 1963). Research in the United States, as well as in Europe, has explored a variety of explanations during the subsequent decades, expanding and shaping the definition of agritourism to encompass nearly any activity in which a visitor to the farm observes or participates in an agricultural process (Barbieri & Mahoney, 2009; Fleischer & Tchetchik, 2005; Veeck et al., 2006; Ilbery, 1998). While some confusion exists in the literature regarding terminology, especially between agritourism and rural tourism (Ilbery, 1998; Ilbery, 1991), agritourism is understood to take place on a working farm, generate income for or add value to the farm, and involve visitor participation in or observation of farm activities (Barbieri & Mahoney, 2009).

A farm diversified into agritourism is somewhat more complex than those operations focused solely on agricultural production or tourism. This complexity is created by the many different activities and functions that are incorporated into agritourism, including both agricultural production and managing daily visits and special events, as well as marketing and customer service (McGehee, 2007; Fleischer & Tchetchik, 2005). Further, diversification into lodging and other forms of accommodation for visitors has also been recognized among some researchers as both an aspect and unique form of agritourism (McGehee, 2007; Ilbery, 1991). Researchers have further honed the understanding of agritourism to include activities not typically associated with production agriculture, such as hunting, fishing, wildlife observation and other outdoor activities (Barbieri et al., 2008; Wilson et al., 2006; Ilbery, 1991). Agricultural
activities developed outside the farm such as farmers markets and forests are excluded by the definition adopted in this study, but are included in the work of some researchers (Martin, 2008; Saxena et al., 2007; Fleischer & Tchetchik, 2005).

While many activities associated with agritourism are recognized in the literature, researchers have struggled to develop a classification system within the definition. A study of agritourism in Virginia identified the six most common activities, which included self-harvest crops, Christmas trees, hayrides, programs for children, petting zoos or farm animal displays and festivals (McGehee & Kim, 2004). Expanding upon the list of most popular activities, Veeck et al. (2006) described a 10-category classification of agritourism activities and seasonal offerings: 1) Berries, 2) Orchards, 3) Farm market, 4) Fall harvest, 5) Christmas, 6) Animal products and attractions, 7) Farm experience, 8) Honey/maple or other food products, 9) Nursery, and 10) Vineyard. Veeck et al. (2006) classified agritourism operations using the single most financially lucrative activity or service. However, utilizing such classifications to organize agritourism involvement may further definitional challenges to operations identifying with multiple categories or blending categories to best fit farm resources (McGehee, 2007; Veeck et al., 2006).

2.3 Agripreneur Goals

Goals are internal representations of desired outcomes, events or processes (Austin & Vancouver, 1996) that govern individual and entrepreneurial behavior (Hornsby & Kuratko, 2002). It is well-documented that a complex arrangement of many goals motivates diversification into and continued involvement in agritourism activities (Barbieri & Mahoney, 2009; Ollenburg & Buckley, 2007; Fleischer & Tchetchik, 2005), and that those motivating factors are challenging to measure under the broad definition of agritourism (Ollenburg & Buckley, 2007).

Not surprisingly, the goals most frequently associated with agritourism development are an area of continued discussion in the literature. For example, economic and intrinsic goals associated with agritourism development are linked to the agricultural context of a given region and may vary greatly among
producers in a given geographic area (Nickerson et al., 2001). While goals for a diversified farm are unique to the individuals and their positions in the household and business life cycle (Ollenburg & Buckley, 2007), a level of consensus among researchers has been reached that includes both the financial and intrinsic motivations in the ongoing discussion of agritourism (Barbieri & Mahoney, 2009; Ollenburg & Buckley, 2007; Veeck et al., 2006; McGehee & Kim, 2004; Nickerson et al., 2001).

Research has identified different goals associated with agritourism development, including:

1) fluctuations in agricultural income, 2) family employment, 3) additional income, 4) qualifying for government programs, 5) meeting needs in the tourism market, 6) tax incentives, 7) developing an interest or hobby, 8) better utilize farm resources, 9) observed agritourism successes of others, and 10) to educate the public (McGehee & Kim, 2004; Nickerson et al., 2001). Generating additional income and succession planning have been indicated as important economic considerations, while maintaining or improving the quality of life for the farm family has been documented as one of the most common non-economic goals associated with entrepreneurial development in the form of agritourism (Barbieri & Mahoney, 2009; Ollenburg & Buckley, 2007; Nickerson et al., 2001). The socialization aspect of agritourism involvement, from hosting visitors for recreational day use and farm activities to educational programs and lodging and accommodations, are also a benefit sought by some providers (Ollenburg & Buckley, 2007; Nickerson et al., 2001).

Examining farms with enterprise diversified operations in North America, Barbieri (2009) reduced twenty goals commonly suggested to drive entrepreneurial behavior, including agritourism, into four goal dimensions: Farm Profitability, Market Driven, Family Connections and Personal Pursuits. Within each of the categories, economic and non-economic objectives are considered as applied to both the farm and, in most cases, the farm household (Barbieri & Mahoney, 2009; Barbieri et al., 2008). The “farm profits” dimension includes goals related to stabilizing farm revenues, reducing farm debts and generating income year-round. The “market driven” category includes goals related to market needs and opportunities for the farm business and the ability of the farm
family to interact with customers. The “family connection” dimension is focused on providing for the farm family, keeping the farm within the family, and to continue farming. The fourth category, “personal pursuits” refers to the individual hobbies and interests of the farm operator (Barbieri, 2009).

Although important academic advances have been achieved regarding the goals driving farm enterprise diversification, and especially goals driving agritourism development, the assessment of accomplishment of these goals are still not yet understood. Given that a complex set of intrinsic and economic goals drive agritourism development, and given that agripreneurs may have different sets of goals, it is important to assess the importance of agritourism in accomplishing these goals.

### 2.4 The Benefits of Agritourism

Agritourism promises many benefits for the farm and farm operators and even surrounding local communities. Benefits associated with the adoption of agritourism have been linked to both economic and non-economic (i.e., intrinsic) aspects of the human dimension in the literature, and are readily tied to the accomplishment of the farm operator’s entrepreneurial goals in the sense that the attainment of a goal is considered a benefit (Barbieri & Mahoney, 2009; Ollenburg & Buckley, 2007; Nickerson et al., 2001). From the economic perspective, farm diversification is believed to create a more stable, and often higher, income for the producer (Brandth & Haugen, 2007). In times of economic distress, such as a poor harvest or depressed prices, receiving visitors for agritourism activities may provide an avenue for generating alternative or supplemental income for the farm family (Juixia & Jigang, 2007; Fisher, 2006; Nickerson et al., 2001) which is especially important as the agricultural context changes and costs associated with production increase (Salamon, 2003; Ilbery, 1991).

The positive influence of agritourism on the farm family income may also be compounded with the contribution the business makes to the local community, both via sales taxes and local employment (Veeck et al., 2006). Tourism has been suggested to stimulate the local economy and infrastructure as income from outside the local area is introduced to the micro system of local individuals,
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the community or hosting region (Saxena et al., 2007; Sharpley, 2007). The emphasis on agritourism as an economic engine for development in rural areas includes benefits resulting from that development. This includes, for example, employment opportunities with local businesses, especially shops and restaurants, which exist in response to market demand created by visitors (Juixia & Jigang, 2007; Saxena et al., 2007).

Intrinsic, or non-economic, benefits of agritourism have also been documented for both the participating farms and their local communities in terms of accomplishing individual goals and increasing opportunities within the local area. Other benefits have been identified for the farm family, as well, including maintaining rural lifestyles (Che, 2007; Ollenburg & Buckley, 2007) and encouraging youth to remain in rural areas by creating local employment opportunities (Barbieri, 2009). Local communities may also benefit from increased awareness and preservation of local customs, especially as related to food production and preparation aspects of tourism in agricultural settings (Everett & Aitchison, 2008).

2.4.1 The Economic Impacts of Agritourism for the Farm Household

Agritourism is suggested as a solution to the economic stress facing many agricultural producers in an era of rapidly increasing land values and food production restrictions (Salamon, 2003; Busby & Rendle, 1999). As the agricultural context changes, producers may adapt to the challenge with new strategies, including developing non-agriculture enterprises on the farm (i.e., farm enterprise diversification) or away from full-time agricultural production (McGehee, 2007; Ilbery, 1991). For operators not farming full-time, tourism may serve as a substitute for off-farm employment to meet the economic needs of the farm business and household until the agricultural production situation improves (Ollenburg & Buckley, 2007).

Agritourism appears as a strategy that can bring additional incomes without excessive investments in farm infrastructure, labor or equipment. Farms that diversify into tourism are likely to focus on those activities that utilize their existing resources, rather than requiring additional investment as many
producers view the diversification as a method to boost revenues or to cope with the rising cost of agricultural technologies and inputs (Fisher, 2006; Nickerson et al., 2001; Ilbery, 1991). For example, there exists a tendency among operators to offer activities similar to existing farm procedures, suggesting that agritourism activities may not dramatically alter farm production, especially among those with lower levels of investments in terms of land, equipment and labor resources (Ollenburg & Buckley, 2007). Closely related activities have the potential to increase farm revenues by taking advantage of the flexibility of individual schedules and experiences on small farms still highly involved in production agriculture (Fisher, 2006; Veeck et al., 2006; Fleischer & Tchetchik, 2005).

Several studies have measured the economic value of agritourism using farm revenues as an indicator of success (Veeck et al., 2006; Nickerson et al., 2001). Stable or increasing farm net income and a somewhat reduced dependence on revenue from production agriculture have also been associated with the economic impact of agritourism development (Veeck et al., 2006; Nickerson et al., 2001). Not surprisingly, many farm operators expect to generate additional revenues for the farm business after developing agritourism activities (Barbieri, 2009).

The majority of agritourism operations serve as supplemental sources of income while agricultural production remains the primary focus (Veeck et al., 2006; Nickerson et al., 2001). There is a documented perspective among producers to view agritourism activities as a substitute for income from crop sales during a poor harvest, or to show an interest in tourism during non-production seasons, only to abandon the practices when weather conditions were favorable to crop production (Fisher, 2006). It has also been suggested that diversifying from production agriculture to agritourism and other farm enterprises may serve as a lower-risk coping mechanism for farms that are no longer economically viable when faced with rising costs for agricultural inputs and new technology (Barbieri & Mahoney, 2009; McGehee, 2007; Fisher, 2006).

However, the benefits of revenue from agritourism activities as an alternative to revenue from other sources may be specific to individual farms and not all
benefits are universal (Veeck et al., 2006). Family farms are likely to look toward agritourism to provide employment for family members and as a plan for farm succession compared to non-corporate farms (Ollenburg & Buckley, 2007; Veeck et al., 2006; Fleischer & Tchetchik, 2005). In addition, farms with greater acreage are also likely to seek tax benefits and other financial management opportunities as an indirect economic benefit of agritourism development (Nickerson et al., 2001).

Although many seek the economic benefits of agritourism activities, it seems that the actual increase of revenues is not universal, rather specific to characteristics of the individual farms or the business development (Veeck et al., 2006). For example, the time during which an agritourism operation is most vulnerable because of economic considerations occurs during the early period of the development process, typically the first five years of operation (Busby & Rendle, 1999). With that vulnerability in mind, in the early stages of agritourism, providers are best able to facilitate activities directly related to their existing agricultural activity as they may draw from existing expertise and facilities, rather than facing high input costs typically associated with agricultural ventures (Fisher, 2006; Nickerson et al., 2001; Busby & Rendle, 1999). In addition, there is a regional effect influencing the generation of revenues derived from agritourism as the most economically successful agritourism operations generate revenues by offering multiple activities and are often located near other attractions (Saxena et al., 2007; Veeck et al., 2006; Fleischer & Tchetchik, 2005). The economic benefits of agritourism can also be perceived in different ways by farms with different characteristics. For example, farms with greater acreage can perceive agritourism as a convenient economic tool as these activities can alleviate the tax burden and other management costs (Nickerson et al., 2001).

2.4.2 The Intrinsic Impacts of Agritourism for the Farm Operator

Beyond the economic impacts of agritourism, intrinsic ramifications have been identified as motivating factors for agritourism involvement among farm operators. Much of the research on North American agritourism has been based in the economic impacts, with social opportunities for farm operators viewed on a secondary level (Sharpley & Vass, 2006; Veeck et al., 2006; Nickerson et al., 2001).
2001). However, in some cases, researchers have identified the economic outcomes associated with agritourism involvement as gateways to achieving in more intrinsic areas (Nickerson et al., 2001).

Research has identified an opportunity for agritourism activities in promoting the survival of the farm business, allowing the farm operator and their family to continue farming and enjoying their rural lifestyle (Ollenburg & Buckley, 2007; Sharpley & Vass, 2006; Ilbery et al., 1998). More than the economics of the farming profession, being able to continue farming is associated with the intrinsic value of “being a farmer” in terms of self-identity as well as enjoying the practice of farming (Gasson, 1973). Similarly, operators of diversified farms reported identifying themselves by their profession as agriculturalists and feeling great personal attachment to that role (Sharpley & Vass, 2006). Furthermore, increased preservation of unique cultural traits of an area, from family traditions and local customs to a stronger regional awareness, has also been attributed to the addition of tourism activities in rural areas (Turnock, 2002). However, there is a lack of research on the role of agritourism in accomplishing the broad scope of intrinsic goals associated the development of this entrepreneurial activity.

Understanding the importance of agritourism for entrepreneurial goal accomplishment as perceived by farmers is critical because as the agricultural context changes and costs associated with production increase attention may be directed to opportunities for diversification within the farm business (Salamon, 2003; Ilbery, 1991).

Agriculture remains an important component of the state economy in Missouri, as well as one of the state’s top industries (United States Department of Agriculture [USDA]: National Agricultural Statistics Service [NASS], 2007). Resources to assist in capitalizing on opportunities for the development of agritourism activities and programs have been made available through the state’s Department of Agriculture (Missouri Department of Agriculture [MDA], 2009). However, additional exploration is necessary.

others might stay on a farm for several days. Depending on the farm, they might have the opportunity to help with farm or ranch chores, contributing to tasks ranging from planting crops to building greenhouses."

There are many significant studies in developed countries related to agritourism and rural development. As per the study of Haghiri and Okech (2011) on "role of the agritourism management in developing the economy of rural areas in the province of Newfoundland and Labrador, Canada", in rural development, agritourism acts as a solution for the problem of poverty by giving economic opportunities for the farmers. They have mentioned that the promotion of tourism and agritourism activities is one way to help develop the economy of rural areas in the province that is facing a series of challenges, such as small internal markets; shifting socio-demographics; lack of sufficient investments; the high rate of out-migration; diseconomies of scale; and the underdeveloped economic infrastructure for the time being. Further, they have identified three alternatives as starting the production of new products; organic fruits and vegetables, specialized livestock products like sheep, goats, fur, emu, rabbits, etc., farm-based food products, such as bread, jams and jellies, and handmade crafts and enhancing the existing tourism products and also developing new markets in Newfoundland and Labrador, other provinces of Canada, and international countries.

In Bahamas, agritourism use forward linkages with agriculture and tourism by direct selling of agricultural products and services to the visitors and also backward linkages such as indirect approach using an intermediary to provide products to the tourism sector. These activities improve the income of farmers and finally helping for the rural development (Hepburn, 2008).

Schmitt (2010) has done a study on the farming women's agency, coping strategies, visions and wishes against the dynamic changes of the agricultural sector in the Franconian Jura in northern Bavaria, Germany. While agritourism has become an important permanent livelihood strategy for some farming families, it remains an additional income for others. Either way, it has turned out to be a source of women's growing self-confidence as well as a sustainable ingredient of regional development.
Agritourism in Italy has been able to conduct broad and innovative product range, sophisticated Marketing systems and most importantly, extensive government supports. The Italian system was developed with a clear objective in mind: "To halt rural out-migration by keeping farmers on the land" (Porcaro, 2009).

As per Choo, (2012) agritourism can give farmers an opportunity to generate additional income and to be an avenue for direct marketing of the farm products to consumers. It can also help counteract social and economic problems of the farms and local residents (loss of income, increased expenses, globalization, and others (associated with the decline of traditional agriculture industries). While the financial advantages with respect to employment and wages are clear, agritourism development can also enhance the local quality of life. It can serve as an important source of tax revenues, which may lead to higher public services and lower local tax rates. Agritourism can also support conservation of local culture and traditions, helping to maintain the viability of small-scale agriculture (Choo, 2012).

In Turkey it was declared that agritourism is strongly supported as one of the rural development strategies. A number of agritourism enterprises are developing at local level with volunteer initiatives using the desires of local people and local administrations that want to benefit from the facilities of agritourism in Turkey. For example in, Karaburun and Ankara Villages, agritourism services such as accommodation, tasting and buying local foods by the urban people and administration to find extra income for them (Topcu-2007). Also, the BuÄŸday Association's 'Ecological Farm Holidays' project (Ta-Tu-Ta Project) in Turkey is a cooperative project conducted by volunteer farmers and non-governmental organization targeting to encourage ecological lifestyle. This project stated that farmers benefit from agritourism by producing and selling of organic products to the visitors.

Agritourism aids rural economic development by providing alternative use of farmland, increasing revenue of on-farm activities, improving business sustainability, and bringing economic revenue to rural areas both on-site and near the operation. Agritourism also has the potential for informal agricultural
education between the owner/operator and the general population which has little to no direct contact with agriculture (Jolly and Reynolds, 2005).

A study of Nasers, (2009) in Iowa UAS found that the promotion of agritourism provides a beneficial relationship for local food systems as it helps to enhance the appeal of local foods. In order to challenge and rearrange the modern agri-food system, 'Local food' has become the social movement's unifying theme. In contrast, the "local food" paradigm highlights the importance of food quality and freshness, environmental protection, an individual connection to family and small scale farms, economic multiplier effects which occur when making local purchases and community self-reliance (Ostrom, 2006, p. 66). The demand for fresh produce continues to grow, offering producers the opportunity to increase their profits through direct marketing. Direct marketing provides a link between consumers seeking high-quality produce and producers who are seeking an opportunity to compete in the produce industry (Kuches et al.). In addition to linking the consumer to the producer, direct marketing allows the producer to bypass the traditional distribution network and earn a greater share of profits (Kuches et al.). As a form of direct marketing, agritourism creates opportunities for the producer to link with their consumer and directly market their products. Moreover, Agritourism is increasing rural vitality and stimulating new economic opportunities through the diversification of farm operations and increased revenue on-site and near the operations in Iowa (Norby and Retallick, 2012). Twe (2010) have reported that agritourism is increasingly being adopted in the United States as it gives a myriad of economic and intrinsic benefits to farmers, visitors and communities, keeps family farms in business and preserving American agricultural heritage, maximizing the productivity of farmland resources through their recreational use, and even improve the economic situation of local communities. Also agritourism is suggested to increase farm revenues and serve other farmer goals (Ollenburg and Buckley, 2007; McGehee and Kim, 2004; Nickerson et al., 2001). Farms that diversify into agritourism are likely to utilize existing resources or other low-input options (Fisher, 2006). Additional economic support for the farm business is especially important in the current time due to increased land values and agricultural input costs (Salamon, 2003; Busby and Rendle, 1999; Ilbery, 1991).
Agritourism generally activates as a small family enterprises, so it's both socially and economically profitable. Also Agritourism assists to mitigate emigration from remote areas and generate profit by diversifying economy. The cultural exchange of development with urban and rural areas adds quality to their life (Monica Iorio and Andrea Corsale, 2010). According to Gale, (2006) rural tourism enterprises provide novel sources of income for families living in remote areas. 2002, Sharpley (2002) has said that agritourism can offer job opportunities for rural people in local crafts and wine making sectors to provide additional income.

Agritourism helps repopulation of rural areas, improvement of the public services, revitalization of local crafts and to increase opportunities for social contacts and exchange. Developing and organizing agritourism requires a significant investment though potential investment is less. (Sharpley, 2002). Agritourism positive educational force stimulates a thirst for knowledge of the outside world, encouraging entrepreneurial activity, providing extra income, generating new forms of employment, creating new patterns of travel or setting up potentially negative demonstration effects, modifying culture and major economic leakages through transnational involvement (Hall, 1998).

A study of Beglaryan, (2011) on Development of Agrotourism in Armenia, agritourism provides the opportunity to increase the potential for higher margin on-farm sales and value added products and services. Because most Armenian farms are operated by small landowners, there is great opportunity for customization and uniqueness in agritourism attractions.

Theoretically there is a strong relationship between agritourism and rural development. It is believed that agritourism can contribute for the agriculture rural development in several ways (Wicks and Marret 2003; Bruch, 2008). However, to fulfill this condition, several other requirements and conditions are crucial. For example, Danish Food Industry Agency, has paid attention on barriers and structural shortcomings exist before focusing towards the potentials of development of farms which are in need of diversifying the business, and their economic support possibilities. Most importantly, the advice from the consultancy structures of the agricultural associations and from regional and national tourism development bodies and possible networks for green/farm/rural
tourism operators are needed in order to gain the full potential of Denmark's rural tourism. (Nielsen, Aae Nissen and Just, 2010).

With most agricultural producers in Miami-Dade County experiencing increased pressure by developers to sell their lands, rising operating costs, and stagnant or declining profit margins for most of the major agricultural commodities, agritourism is a possible way to assist with preserving agriculture and open space and contributing to the longer-term economic variability of farm operations. Moreover, while the benefits of agritourism are vital to the individual producers, the benefits go much further with multiplier effects can have major impacts on the local economy (Evans and Hodges, 2006).

The literature review indicates that agritourism can provide farm operators and rural communities with many benefits such as: Generating secondary income for farm operators Preserving the visual and cultural rural landscape (Williams and Shaw, 1996; Luloff et al., 1995; Turner and Davis, 1993); Reducing out migration by providing jobs (Friesen; 1995; Ryan, 1995; Turner and Davis, 1993; Demoi, 1983); Bringing a transfer of ideas from urban to rural areas (Oppermann, 1996); Providing urban people with an experience of rural living (Lowry, 1996; Reid et al., 1993); Diversifying the rural economy (Lowry, 1996; Ryan, 1995; Maude and van Rest, 1985); Creating eventual market contacts with urban centers (Agricultural Land Commission, 1997; Bowen et al., 1991; Demoi, 1983); Making provisions for certain infrastructure (Bowen et al., 1991); and Enhancing the rural identity of communities and emphasizing the importance of agriculture in local areas (Luloff et al., 1995; Ryan, 1995). Therefore, it is significant that most of the evidences are from developed countries and only a few are from developing countries.

Agritourism is accepted by various countries in the world as a rural policy to create rural viability. Agritourism is one of the most diversifying tourism types and the entrepreneurship is highly in need of its success since it plays a major role there. This diversification has converted the agritourism into a strong sector in its rights from being an auxiliary commercial activity (Busby and Rendle 2000; Clarke J. 1998).

In Malaysia, according to the study of Tiraeyari and Hamzah, (2011) on Agritourism: Potential opportunities for farmers and local communities,
agritourism has made a vital economic contribution to rural areas and communities though providing local residents with additional sources of income, diversifying the economy and lending prestige to rural life. It enables many to experience a novel form of travel and leisure, to gain new awareness and a positive attitude towards other worlds, towards the environment and towards local people and their culture. According to Said et al (2012) at Kampung Semarang village in Malaysia, agritourism is helped to enhance the agricultural value of the farms and livestock. It is also to promote the village as a new agri-based tourism destination, which would boost the standard of living amongst the farmers and villagers contributing for the local development. Also, Hamzah et.al., (2012) in their study on socio-economic impact potential of agritourism activities on Desa Wawasan Nelayan community living in Peninsular, Malaysia have concluded that agritourism has the potential of rising the consciousness of the community about sustainable development as agritourism is helping to enhance the social empowerment, strengthen the community, diversify and intensify economic activities, provide job opportunities and alleviate poverty in that community.

Agritourism has arisen as an important rural development strategy in Korea. The rural development program named "rural theme village" in is mainly based on agritourism activities. Seong-woo and Sou-yeon (2006) have studied on this program and found out that agritourism has enabled to rediscovering the values of rural resources that have been disregarded in the modernization procedure of the national economy. And also, it has given insights to both farmers and policymakers to adopt a broader perspective than hither to agricultural product oriented attitude of rural development.

In Thailand, Srisomyong (2010) found out that agritourism operators have revaluated and tried to utilize all their resources to be fully of benefit from the growth of tourism. Some activities were rejuvenated or even invented. A main opportunity for agritourism operators appears to be agritourism brings a market to their site of production. It could also suggest that the significance of agritourism is most agritourism operators are local people. Revenue generated from them tends to be in a community, thus there has a small leakage of income.
A study in the state of Haryana (India) has discovered that agritourism help to get employment opportunities, put hoarding on roadsides, sustainability for agriculture proper, various sources of income, help farmers to enhance their knowledge. As it is a new enterprise with less competition it is business activity as compared to traditional farming less land with low productivity can give more returns maintain natural resources as nutrient mining is less and soil conservation is good deforestations should be avoided no pollution problems to environment, improve health and it protects local heritage and culture (Shehrawat, 2009).

Furthermore, Joshi and Bhujbal, (2012) in Pune in India have discovered that agritourism as an innovative form of rural tourism, in the context of rural market as it can positively influence regional development through generating large scale employment and additional income sources to the skilled and unskilled. Developing tourism in rural areas increases participation of the poor and brings wider benefits for the whole community. Also, it is a sustainable revenue generating product for rural market via inflowing resources from urban to the rural economy.

It can prevent migration of rural people to urban by implementing this specialized form of rural tourism in rural market. According to Murangwa (2010) in India, agritourism is recognized as an essential part in the process of sustaining the economies. Agritourism is a key element of social and environmental responsibility of rural tourism which leads to rural diversification of economy in terms of development of infrastructure such as tourism facilities like restaurants and accommodation, water, electricity, roads, telecommunication and health centers as well as creating occupations in order to increase income of the local community.

As all these informations are taken into consideration, it can be concluded that agritourism is playing an important role in tourism sector and it has able to contribute for rural development in significant level in many contexts. "The developing countries should therefore consider agritourism as emerging form of tourism that would undoubtedly lead to rural development as well as complementing other forms of tourism existing in their countries" (Murangwa, 2010). Furthermore, in literature review, it was noted that agritourism is in a
position to give better results under the favorable conditions especially where appropriate policies and programs are available. Therefore, suitable strategic plans are essential to minimize the negative impacts and optimize the positive impacts and to reach sustainable development in future.

2.5 Tourism Area Life Cycle

According Mnguni (2010:21) the Tourism Area Life Cycle (TALC) is “a geographical tool that representing a series of stages in a normally long period of time for monitoring a number of areas of knowledge”. TALC is used in an attempt to describe and understand the process of the development of tourist destinations in a wide range of settings (Butler, 2011).

Andriotis (2001) mentions that researchers attempted to illustrate different stages of tourism destination evolution through the concept of the life cycle, but until now Butler’s 1980 hypothetical model is the generally accepted model. Hidalgo (2012) agrees that Butler’s 1980 TALC model has survived three periods of continuous scrutiny and verification studies and is still considered as a foundation in the analysis of tourism destination development and a milestone in tourism academic literature.

![Figure 1: Hypothetical evolution of a tourist area life cycle](image)

Figure 1: Hypothetical evolution of a tourist area life cycle
Agritourism destinations go through the same evolution to that of other products, but consumers are substituted for tangible product sales (Mnguni, 2010; George, 2004). George (2004) states that Butler categorised the stages of TALC in terms of tourism destination development: exploration, involvement, development, consolidation, stagnation, decline, rejuvenation. Figure 2.4 illustrates the different stages of tourism development. Casasnovas and Rosello (2009) state that each stage is characterised by a different time of growth, change of attitude and composition of the main actors which, include: tourists, local entrepreneurs, local communities and immigrants and the difference of the main attractions either original or human made. The various stages of tourism destination development are briefly described in the following section.

**Exploration Stage**

In the exploration stage, a small number of tourists visit the destination. According to Mnguni (2010), the agritourism sector should also expect a small number of tourists visiting their farms due to the fact that the farm is still new and not popular to tourists. Usually, a small number of adventurous tourists attracted to natural and cultural features will use agritourism facilities. All the agritourism offerings in this stage are assumed to be imperfect due to lack of knowledge as well as facilities.

**Involvement stage**

The transition from exploration to development stage is influenced by a number of factors which include: entrepreneurial activity, word of mouth recommendations and events (George, 2004) as the number of visitors increases and the agritourism sector starts to provide facilities and accommodation to tourists. Although the potential of agritourism is recognised at this stage, a lot of marketing is undertaken which further leads to increase in number of tourists. As a result of the growing number of tourists visiting the farms, there is also sufficient tourism revenue to justify improvements and the provision of infrastructure.
Development Stage

As the agritourism industry advances to the development stage of the tourism life cycle, its destinations transform from being relatively unknown, quiet or undiscovered into fully developed destinations. Their appearance changes as new facilities are built and developed. Farmers no longer have control over their products and services as external companies enter to finance agritourism-related projects. Example: Agricultural land is replaced by golf courses and theme parks. George (2004) indicates that there may be signs of previous overuse, hampering and vandalising of vegetation and other agritourism facilities.

Consolidation

According to George (2004), the number of tourist visiting farms drops during this stage. The agritourism industry loses its exclusiveness and uniqueness. However, during the peak season more tourists stay in these destinations and outnumber local people. Normally, locals blame tourists for all the environmental problems.

Stagnation

This is a stage in which saturation is reached and agritourism falls out of fashion as organised mass tourists are the primary customers and artificial facilities supplant authentic experiences (George, 2004). The author concludes that at this stage less attention is paid to upkeep of agritourism infrastructure and decline in growth results in a lack of investment. Mnguni (2010) concur that it is at this stage the agritourism business is no longer generating enough profit as in the development stage because there is a stable demand for tourism offerings.

Decline

After stagnation, a possible route indicated by dotted lines (6a-6e) is possible outcomes beyond stagnation stage. George (2004) states that characteristics of this stage are similar to those of the traditional Product Life Cycle (PLC) as the destination loses visitors to the more exciting competition. In terms of agritourism, repeat visits by tourists are no longer satisfied with the available products and services and new competitors emerge.
Rejuvenation

Tourism destinations differ from consumer products in that they have a chance of being rejuvenated (George, 2004). In this stage agritourism will require a proactive strategy with public and private operation. At the rejuvenation stage, agritourism marketers have two options for reviving tourism offerings, they either lead with the offering or with the market. Agritourism can update offering and make efforts to re-market based on improvements or introduce products to new markets and consumers.

2.6 Benefits of Agritourism Development

The literature review indicates that agri-tourism can provide farm operators and rural communities with many benefits such as:

- Generating secondary income for farm operators (McGill, 1996; Luloff et al., 1995; Ryan, 1995; Friesen, 1995; Demoi, 1991; Demoi, 1983). However, Hjalager (1986), Turner & Davis (1993), Maude & van Rest (1985) disagrees and claims that the high financial returns expected from agritourism are unlikely to make significant impacts on farmers’ incomes;
- Preserving the visual and cultural rural landscape (Williams & Shaw, 1996; Luloff et al., 1995; Turner & Davis, 1993);
- Bringing a transfer of ideas from urban to rural areas (Oppermann, 1996);
- Providing urban people with an experience of rural living (Lowry, 1996; Reid et al., 1993);
- Diversifying the rural economy (Lowry, 1996; Ryan, 1995; Maude & van Rest, 1985);
- Creating eventual market contacts with urban centers (Agricultural Land Commission, 1997; Bowen et al., 1991; Demoi, 1983);
- Making provisions for certain infrastructure (Bowen et al.; 1991); and Enhancing the rural identity of humanities and emphasizing the importance of agriculture in local areas (Luloff et al., 1995; Ryan, 1995).
2.7 Challenges to Agritourism Development

The transition from agricultural production to catering to tourists is not always an easy process. To reap the above benefits that agri-tourism enterprises can generate, farm operators must contend with numerous challenges that should not be underestimated.

Lack of training

The lack of business training for farm operators could spell disaster (Friesen, 1995; Greffe, 1994; Choy & Rounds, 1992). Often training is needed to enhance communication skills, provide a greater awareness of customer needs and expectations, as well as to develop management skills for such practical issues as serving guests and keeping financial records (Hilchey, 1993; Davis & Turner, 1992; Gill, 1991; Garcia-Olaya, 1991). As well, some farm operators may not be suited to deal with the general public (Strategic Partnerships, 1996a). In such cases, these farmers may be obligated to hire additional staff and provide appropriate training in hospitality and for agricultural knowledge (Thompson, 1990).

Lack of marketing knowledge

Many small businesses have failed because of poor or insufficient marketing strategies (Friesen, 1995; Palmer, 1995; Embacher, 1994; Reid et al., 1993; Evan & Ilbery, 1992; Ilbery, 1991). Since many agricultural products are controlled and marketed by provincial marketing boards, farm operators are often uncertain as to how to market their tourism products (Oregon Department of Agriculture, 1996; Ilbery, 1989). Therefore, if agritourism businesses are to be successful, it is imperative that firm operators take the time to learn marketing skills and develop effective marketing plans and tactics for their businesses.

Lack of Quality Control

The quality of the farmer's products and services offered plays a key role in determining the success or failure of agri-tourism enterprises (Hjalager, 1996; Dernoi, 1991). Since guests demand and expect appropriate standards of
cornforts and facilities, an agri-tourism enterprise should project a clean, well-organized image (Friesen, 1995; Palmer, 1995; Embacher, 1994; Reid et al., 1993). Image must over into both the tangible and intangible products offered. Since image can be easily finished, farmers must critically look at their farm operations and think about what their guests will see and expect to experience (Hilchey, 1993).

Lack of finance

With the recent decline in farm income, certain farmers have found it difficult to invest large sums of capital into diversification projects.

Unfortunately, many agri-tourism ventures require substantial investments.

A lack of appropriate levels of capital can be devastating to the business (Hjalager, 1996; Luloff et al., 1995; Embacher, 1994; Hilchey, 1993; Davis & Turner, 1992; Fowler, 1991; Palminoski, 1991; Ilbery, 1991; Ilbery, 1989).

Consequently, the main farm operation should be in a healthy financial situation before attempting to diversify into agri-tourism. Farmers, who are 'pushed' in the diversifying as a 'survival strategy', may be creating further stress on their already unstable financial condition (Hilchey, 1993).