Agritourism Series

Assessing Your Resources

The agritourism industry in Arkansas, like many other states, is growing as farmers seek ways to diversify and create additional farm-related income to sustain the family farm. In general terms, agritourism can be defined as any activity, enterprise or business designed to increase farm and community income by attracting the public to visit agricultural operations and outlets. Agritourism provides educational or recreational experiences to help sustain and build awareness of the rural quality of life. Common examples include pick-your-own operations, farm festivals and demonstrations, corn mazes, school tours and on-farm hunting.

Although agritourism can be a successful way of increasing farm income, there is also risk involved. While there is no way to eliminate risk, careful business planning before beginning an enterprise can help farmers understand the risk involved with a particular agritourism venture and take appropriate steps to minimize it. If you are considering starting an agritourism enterprise, a good first step is to spend some time assessing your resources and thinking about the best uses of those resources.

Current Activities

Rather than branching out into something completely new, consider building on things you are already doing and doing well. The passion you have for your existing farm activities will likely be seen by people visiting your operation and result in a more pleasurable experience. Here are a few things to consider:

- **Animals and Livestock.**
  Animals are a big hit with children and adults alike. What livestock and other animals live on your farm? Do you have a space in which these animals can be viewed by visitors? Are there educational activities you can do to help visitors learn more about the animals and how they are used on the farm? If you plan to
have visitors interact with animals, make sure you contact the U.S. Department of Agriculture to understand laws and regulations designed to protect animals as well as visitors.

- **Production Practices.** In today’s society, few people (even in rural areas) have spent time on working farms. As a result, people are often intrigued by production practices – both current and historical practices. Demonstrations and hands-on experiences can help visitors understand what different types of farm equipment do and why things are done the way they are. This may lead to a greater appreciation of what it takes to provide the food and other agricultural-based resources people rely on in their daily lives.

- **Processing of Products.** Finding ways of adding value to raw products produced on the farm is an excellent way of generating additional income. Whether you process the products yourself and sell the “new” items or simply teach visitors how they can use products grown on the farm, you are creating a product that has value to visitors. When thinking about the ways items grown can be used, don’t forget about by-products that you might normally discard. Practices such as composting represent a process and result in a product that may be of interest to visitors. Keep in mind that there may be regulations that must be followed regarding product handling, processing and sales, particularly if you are considering food products.

**Land and Property**

There are several characteristics of a piece of property that can help you determine what type of agritourism enterprise may be best suited for the site. Since agritourism opportunities are limited only by your imagination, it is likely that an activity can be found that best matches your land and property. Consider the following:

- **Land Use.** Make a list of the number of acres you own, lease or have access to and how the land is currently being used. Don’t forget to include areas of timber, cropland, pasture or underwater; all may have a potential use in an agritourism operation. For example, cropland could be used for mazes or pick-your-own operations, or wooded areas could make good hiking trails and bird-watching areas. If land or structures are used only seasonally, are there alternative ways property could be used during the remainder of the year?

- **Property Attributes.** Are there particular features of your property that might lend themselves to a particular activity? Are there areas with scenic views that could be used as trail look-out points or for special events such as weddings? Perhaps there are certain geologic features like caves and rock outcroppings. Land that contains water resources may be suited for fishing, duck hunting, canoeing or other water sports. An abundance of wildlife may appeal to naturalists. Don’t forget about historical structures or equipment as well. Barns can be converted into buildings suitable for conferences, banquets or retail centers. An old house may be ideal to operate as a bed and breakfast.

- **Location.** Have you heard the old saying that location is everything? Well, in agritourism, that may depend on how you utilize your location and market your enterprise. Make a list of the advantages and disadvantages of your location. How close is the nearest town? How close are the neighbors? What are the conditions of roads to your location? Are there other complementary tourist attractions nearby? Being too close to towns and people may limit some activities such as
hunting, whereas easy access to nearby towns may be helpful for other ventures like tours and pick-your-own operations. You'll need to find a way of using your location to your advantage in order to be successful.

- **Zoning.** Are there city or county zoning restrictions governing the type of activity that can be conducted on your property? You may need to apply for a conditional use permit or other zoning change in order to engage in a particular agritourism enterprise. Contact your city or county officials to find out more about what is and is not permissible on your property given its location and the process for requesting zoning changes to accommodate your plans.

- **Infrastructure.** Can the existing infrastructure, such as roads, utilities, internet and other communication systems, support your planned enterprise? If not, you may need to adjust your plans or work with local officials and service providers to determine whether your agritourism idea is feasible in your area.

**Time and Labor**

While opening your farm up to visitors may seem like an easy way to generate extra income, it takes a lot of time and effort to be successful. Ask yourself the following:

- Will you be happy working on a project other than production agriculture? All farmers work long hours and enjoy most of them. However, many farmers are not as happy when work must be done on projects outside of the day-to-day operation of the farm. Are you willing to dedicate extra hours and nights and weekends to the demands of a new business? Are other family members willing to help?

- If your enterprise will involve large numbers of people visiting your operation, you will likely need to hire outside help. What other sources of labor exist? Can you rely on friends and neighbors to help out? Are there students or retirees in the area who might be looking for part-time work?

**Conclusion**

Assessing your resources is an important first step in determining whether agritourism is right for you. Spending time early in the planning process to consider your resources can help you determine how best to make use of those resources and goes a long way toward a successful enterprise. Resource assessment is not the only step in planning for your agritourism business. Other important steps include identification of your target market and a market analysis, developing a business plan, understanding safety and liability issues, planning for effective customer service and developing a budget and financial plan.

This fact sheet is one of a series of Extension publications to help you determine if agritourism is right for you. For more information about agritourism, visit our web site at [http://www.uaex.edu](http://www.uaex.edu) or the Arkansas Agritourism Initiative web site at [http://www.arkagritourism.org](http://www.arkagritourism.org).

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