



An Overview of Virginia Agritourism: Results From the 2013 Profitability Survey

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Abstract

Over the past decade, agritourism became a significant sector within Virginia agriculture, and there have been an increasing number of research studies in this area. Nevertheless, most literature has focused more on the motivating factors in starting an agritourism operation and less on the financial aspects. This study discusses the findings of a recent statewide survey of Virginia agritourism operators and evaluates the current status of the Virginia agritourism industry and its overall profitability.

Initial findings suggest a very homogenous demographic makeup of operators of agritourism venues. There are four important discussion points.

1. Promotion is highly important, and there is a need for increased road signage in Virginia.
2. Additional income is a large motivator among operators, and 76 percent of agritourism businesses indicated that their business was somewhat profitable.
3. In terms of geographic location, those near the metropolitan areas of Virginia Beach, Roanoke, and Washington, D.C., tended to have the highest perceived profitability.
4. Operators are negatively affected by obstacles such as the cost of road signage, finding qualified employees, and taxation.

Some of these issues could be addressed or mitigated by state or local governments. The results of this study address factors hypothesized to affect profit levels of agritourism and provide an updated outlook of Virginia agritourism.

I. Introduction

Agriculture is the largest industry in Virginia: With an economic impact of about \$52 billion, it provides more than 357,000 jobs to Virginia's residents. In addition, value-added industries that depend on farm products employ an additional 76,000 individuals and generate another \$34.6 billion in value-added revenue (VDACS 2013a). Despite the impact that the agriculture industry has on Virginia's economy, there are areas of concern.

The first issue is the inability of small and medium-sized farms to capture scale efficiencies due to their resource constraints, which creates a need to supplement agriculture income. In this context, agritourism can be regarded as a feasible business venture that may decrease risk by supplementing and diversifying income streams. According to Brown and Reeder (2007), agritourism can help offset sudden changes in income due to weather, prices, and government payments. Small farms are also in a good position to capitalize on the increasing demand for locally and sustainably produced agricultural products along with value-added products from the farm.

The second issue affecting Virginia's agriculture industry is that the total number of farms has decreased by approximately 3,000 (a 6 percent decrease) over the past 14 years. During the same time period, farmland in Virginia decreased by 700,000 acres (table 1). When analyzed by annual sales, it is apparent that the numbers of the smallest farms (those with less than \$2,500 in annual sales) and the largest farms (those with \$500,000 or more in annual sales) have grown over the period of 1997 to 2007 (USDA 2013). All other farms — those with annual sales of \$2,500 to \$499,999 — have decreased in numbers over this same time period. In addition, as shown in table 1, the aging of farmer population represents a threat to the sustainability of future agriculture operations. Land and human capital constraints can potentially undermine the future of Virginia agriculture industry, especially for small and medium-sized farms.

The final concern is the decline in the market value of agricultural production. As seen in figure 1, the value of production from medium-sized farms¹ has decreased for an extended period of time (1992-2007). While market values of agricultural product sold by smaller Virginia farms remained fairly constant from 1987 to 2007, the farms in the \$100,000 to \$249,000 and \$250,000 to \$500,000 gross revenue ranges showed a downward trend with the exception of a slight increase in 2012. In contrast, large farms with agricultural sales of \$500,000 to \$999,999 have seen the market value of their products increase, which may suggest that these larger farms do not have an economic incentive to add agritourism activities to their farm businesses.

Income for farms with gross revenues of less than \$100,000 has been relatively stable. The significant decline in total market value for all small farms, which

Table 1. Virginia farming trends, 1997-2012.

Year	No. of farms	Land in farms (acres)	Total crop land (acres)	Avg. age of principal operator
1997	49,366	8,753,625	43,124	55.8
2002	47,606	8,624,829	41,047	56.7
2007	47,383	8,103,925	35,954	58.2
2011	46,400	7,950,000	unreported	unreported
2012	46,030	8,302,444	34,525	59.5

Source: National Agriculture Statistics Service (NASS 2013) and Virginia Department of Agriculture and Consumer Services (VDACS 2013a).

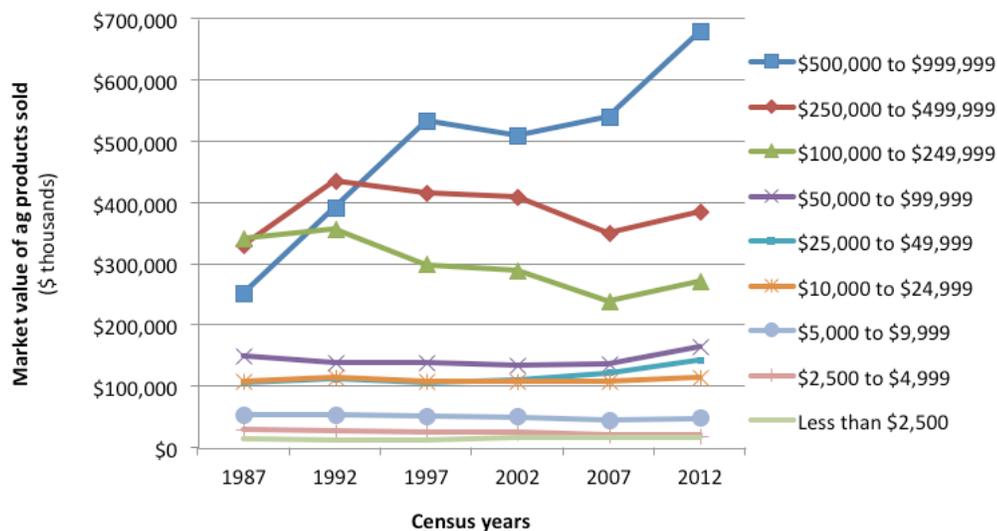


Figure 1. Class typology and the market value of agricultural products sold in Virginia, 1987-2012. Source: USDA (2013) Census of Agriculture.

¹According to the USDA (2010) National Institute of Food and Agriculture, small farms are those farms whose sales of agricultural products are less than \$250,000, and medium-sized are those with sales of \$250,000 to \$499,999.

according to the USDA are farms that have sales of agricultural products less than \$250,000, came mostly from declines in the \$100,000 to \$249,999 segment (USDA 2010). These farms make up a large percentage of the total small-farm income. When looking at this combination of all the small farms, figure 2 shows a consistent decline in the total value of agricultural products, with a slight increase over recent years.

Midsized farms (\$250,000 to \$499,999) face similar problems and have been gradually squeezed out of the market. Consequently, agriculture in Virginia is arguably becoming a bimodal industry, characterized mostly by small and large farms. According to Kirschenmann et al. (2008, 3), midsized farms are “too small to compete in the highly consolidated commodity markets and too large and commoditized to sell in the direct markets.” Overall, small and medium-sized farms show declines in the value of their production and are in need of ways to expand total in-farm and outside of the farm income.

In contrast, the tourism sector in Virginia exhibits a positive market outlook and impacts employment, income, and tax revenue both directly and indirectly. According to the electronic door count at welcome centers in Virginia, there has been a steady increase in the number visitors from close to 1.4 million in 2007 to more than 2.3 million in 2012². As for revenue streams and the economic impact of tourism, figure 3 shows that — with the exception of years surrounding the recent economic recession — over the last decade there has been a steady increase in revenue from Virginia’s tourism industry. In 2012, the tourism industry generated more than \$21.2 billion for the commonwealth — a 4 percent increase over 2011. Tourism-related employment also increased from 204,000 in 2010 to 210,000 in 2012. Tax revenue generated by tourism-related domestic travel in Virginia in 2012 reached \$2.7 billion, which exceeded 2011 statistics by 3.3 percent (Virginia Tourism Corporation 2013). Thus, the tourism industry has become increasingly important to the overall economy

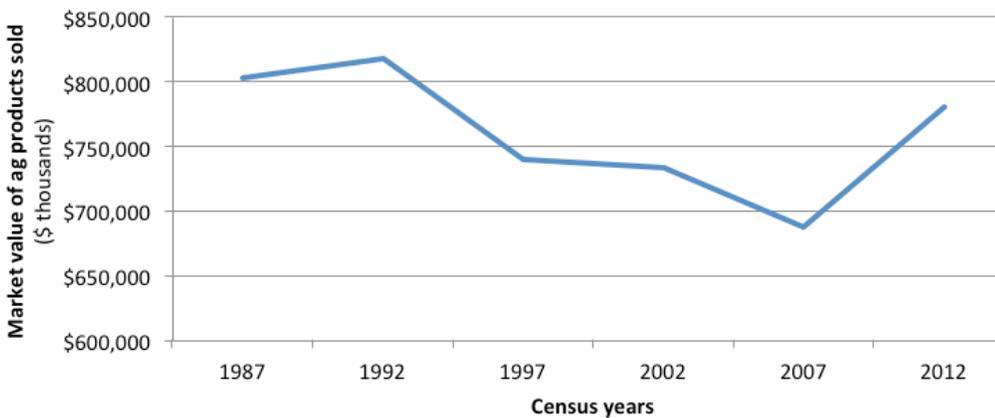


Figure 2.
Total value of agricultural products sold in Virginia: small-sized farms, 1987-2012.
Source: USDA (2013) Census of Agriculture.

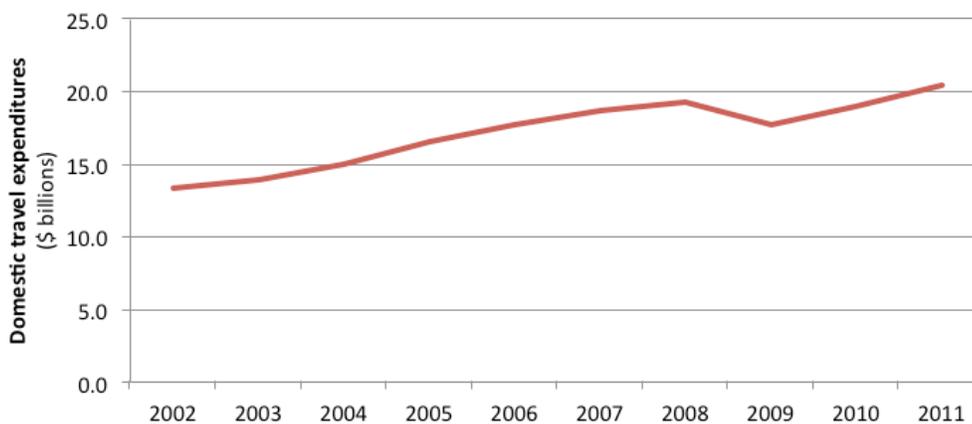


Figure 3.
Virginia domestic travel expenditure, 2002-11.
Source: Virginia Tourism Corporation (VTC 2012).

²This is a 64 percent increase and is the best approximation of the number of visitors to Virginia.

of Virginia. Virginia's agricultural sector needs to explore opportunities and capitalize on the growth in the tourism sector to offset some of the economic losses of the last decade.

Agritourism is a value-added activity that generates additional net farm income and creates a loyal consumer base for branded farm products (Hawkes 2013).

Agritourism also allows for diversification of income sources, thus decreasing market risk exposure. Tew and Barbieri (2010) suggest that diversification from production agriculture to agritourism is a low-risk mechanism for farmers to cope with the rising cost of agricultural inputs and technology. Agritourism is also a good strategy to cope with bad crop years, disasters, and drought (Hawkes 2013). Other economic and non-economic benefits from agritourism include the preservation of agricultural heritage, maximization of productivity and resources, and improvements in the economic situation of a community (Tew and Barbieri 2012).

The rate at which agritourism is increasing in popularity in the United States is not trivial. Agritourism income has more than doubled since 2002, and it generated an average of about \$24,400 per farm for the 23,350 farms surveyed, according to the 2007 USDA Census of Agriculture (Hawkes 2013).

A prime illustration of how agritourism can support agriculture comes from the Virginia wine industry and its notable growth. In 1979, there were only six wineries in the state. By 2007 there were 130 wineries (VDACS 2013a). Currently, there are 250 wineries, representing a 93 percent increase over 2007 statistics (Virginia Wine 2013). Importantly, from 2005 to 2010, the economic impact of the Virginia wine industry almost doubled to \$750 million, and the number of wine tourists increased by 620,000 over that same period (Felberbaum 2012). Furthermore, industry-related jobs increased by nearly 1,600 in the same time period (Virginia Wine 2013). Given the nature of this business, all wineries that are open to the public are considered an agritourism operation because they offer tours, tastings, parties, and special events such as weddings. Thus, the recent increase in the number of wineries has become an example for the potential growth of other agritourism operations.

In summary, future synergies between the agricultural industry and an expanding tourism sector could provide additional revenue to Virginia's primary industry and create complementary sources of revenue for rural areas.

Existing studies and statistics for Virginia agritourism are arguably outdated. Therefore, the main goals of this study include: (1) updating information and statistics about agritourism operations in Virginia; and (2) identifying possible linkages between identified factors and the profitability of an agritourism operation. The findings of this study provide a summary of successes and challenges from current agritourism venues, which will improve the knowledge base for new agritourism entrants. Current agritourism operations may also benefit from the study by better understanding the long-term sustainability of an agritourism business model and getting new ideas for their farm's continued growth.

The remainder of the paper is organized as follows: Section II presents the survey and the rationale for it, important definitions, procedures, and response rates; Section III discusses the results of the survey; and Section IV includes the conclusions and presents public policy implications.

II. Introduction to the 2013 Agritourism Survey

A. Definition of Agritourism

While studies have been conducted in surrounding states such as Tennessee and North Carolina, little is known about the structure of agritourism enterprises in Virginia. The most recent study focused on Virginia was conducted 10 years ago by McGehee and Kim (2004) and is likely outdated. The goal of this study is to update the knowledge base of Virginia's agritourism industry and to identify factors leading to its financial success. With this goal in mind, the first step is to define agritourism. In the United States, there is no universally accepted definition of agritourism. The Virginia General Assembly defined an "agritourism activity" as

any activity carried out on a farm or ranch that allows members of the general public, for recreational, entertainment, or educational purposes, to view or enjoy rural activities, including farming, wineries, historical, cultural, harvest-your-own activities, or natural activities and attractions. Any activity is an agritourism activity whether or not the participant paid to participate in the activity.

(National Agricultural Law Center 2013)

Based on this specific definition, McGehee and Kim (2004) identified the motivations and demographics of agritourism operators in Virginia. This study shows that additional income and the utilization of resources³ are the top two motivations for starting an agritourism operation. In addition, working farms, Christmas tree farms, and pick-your-own operations are the top sources of income reported by respondents. Other than the identification of motivations, little research has been performed that studies Virginia's agritourism operations and their characteristics, locations, and factors affecting profitability.

Statistical data from the National Agricultural Statistics Service notes a significant increase in receipts per agritourism operation in Virginia from \$4,396 in 2002 to \$27,119 in 2007. Over this same time period, the 2007 Census of Agriculture points out that the number of Virginia agritourism operations with receipts decreased from 610 to 476 (NASS 2013). Therefore, certain operations are expanding sales volumes, while others are exiting or reducing these enterprises. Although seemingly a negative aspect, current estimations reveal that Virginia agritourism has increased to approximately 500 operations in 2013 (VDACS 2013b; Virginia Wine 2013; PickYourOwn.org 2013).

B. Survey Procedure and Response

The present survey considered prior surveys targeting similar audiences and consisted of 33 questions separated into six sections: (1) demographic attributes, (2) operation characteristics, (3) financial positioning, (4) obstacles to success in the industry, (5) factors of success and promotion efforts in the industry, and (6) future plans and feedback. Questions in Section 1 pertained to gender, age, race, marital status, education, and experience. The second section addressed questions about the farm, such as the acreage and seasonality of the operation, as well as specific amenities, employment, and types of events offered. Section 3 provided insight into the profitability and financial standing of agritourism operations. These questions helped identify the monetary benefits agritourism can provide a farm business. In section 4, questions focused on identifying obstacles that future operators may face when starting an agritourism operation and common problems the industry needs to address. The fifth section analyzed promotion and advertising as well as location to see how much influence these strategies have on profitability. In the final section, respondents were asked to provide information to a series of open-ended questions.

The initial database of Virginia agritourism operations consisted of 511 enterprises supplied by a combination of sources, including the Virginia Department of Agricultural and Consumer Services (VDACS 2013b), the Virginia Wines (2013) website, the Pickyourown.org (2013) website, and Virginia Cooperative Extension agents. The final database consists of 471 operations; 40 names were removed from the database for not meeting research protocols.

The survey was administered based on methods described by Dillman et al. (2014). Steps were as follows:

1. A presurvey email was sent to the operators, notifying them of the impending survey that would be sent by mail.
2. Approximately two weeks later, a survey and cover letter were sent via first-class mail.
3. Four weeks after the first mailing, a postcard was sent thanking those who had responded and welcoming others to respond to the second survey.
4. Six weeks after the first mailing, the second survey and cover letter were mailed.
5. The final mailing of a new survey and cover letter took place approximately nine weeks after the first mailing.



³Nickerson, Black, and McCool (2001, 21) state that this is the concept of better using farm resources, where "farmers/ranchers already have the land and the operations that attract people; therefore, it seems reasonable to fully use what they have."

There were a total of 243 valid responses, which represented a 52 percent response rate. Table 2 shows the response rates of similar studies and the survey formats used in each study. A comparison across these studies reveals that the current study achieved the highest response rate.

The temporal breakdown of the response rates was very similar to what one would expect from a survey based on the Dillman method, (Dillman et al. 2014) with a diminishing response rate for each subsequent mailing. The first mailing accounted for almost 59 percent of the total of respondents, while the second and third mailings accounted for 25 and 16 percent, respectively. Of the total respondents, a major portion identified themselves as winery operators. As seen by the breakdown of respondents in figure 4, wineries make up 44 percent of Virginia agritourism operations surveyed. It is important to note that the initial database included only those wineries that offer events to their customers, such as wine and food tastings, tours, or special events.

Figure 5 shows the percentage of respondents by region. Northern Virginia accounts for 30 percent of the respondents, which are located close to a large population base with high median incomes. The geographic distribution is followed in size by Central Virginia and the Shenandoah Valley, which accounted for 24 and 18 percent of the respondents, respectively. In contrast, the Eastern Virginia region (Eastern Shore) had the fewest number of respondents. The lack of operations in this region is likely due to fewer population centers, lower median incomes, and the lack of accessibility.

Based on the assumption that operations would not locate in unprofitable regions and on the current geographic distribution, it appears that Northern Virginia, Central Virginia, and the Shenandoah Valley would be the regions of choice for future agritourism operations.

Table 2. Comparison of recipients and respondents in agritourism surveys.

	2013 Virginia agritourism study	Galinato et al., 2011	Bruch and Holland, 2004	Tew and Barbieri, 2010	McGehee and Kim, 2004
Number of respondents	243	116	210	243	412
Number of recipients	471	292	625	592	987
Response rate	52%	40%	34%	44%	42%
Format and administration	Mail (Dillman) survey	Mail and email surveys	Telephone interview	Printed and electronic surveys	Mail (Dillman) survey
Location	Virginia	Washington	Tennessee	Missouri	Virginia

Source: Galinato et al. (2011), Burch and Holland (2004), Tew and Barbieri (2010), McGehee and Kim (2004), and authors' own calculations.

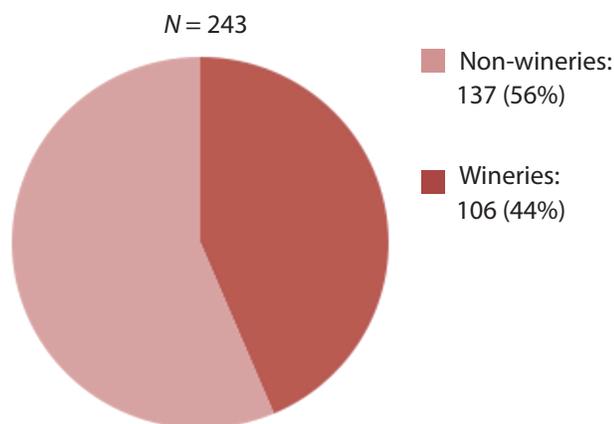


Figure 4. Percentage of wineries in the total survey population. Source: 2013 Virginia agritourism study.

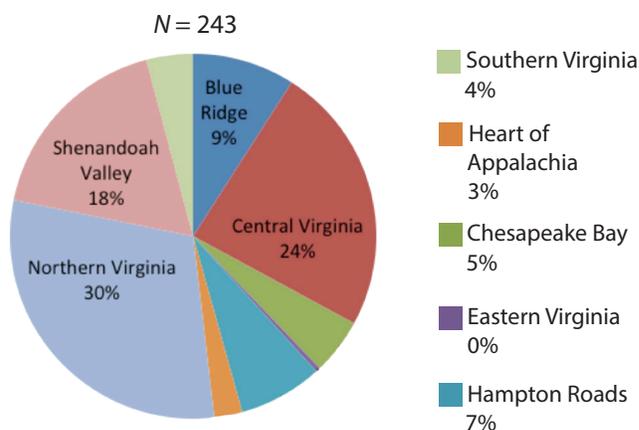


Figure 5. Breakdown of respondents by region. Source: 2013 Virginia agritourism study.

III. Summary of Survey Results

The 33-question survey is organized into six distinct sections, and the results are presented following that same structure.

A. Demographic Attributes

Table 3 provides a summary of the demographic variables reported by respondents. Males made up 71 percent of the respondents. The 29 percent of female respondents for agritourism operations is significantly higher than the 17 percent of female owner-operators reported in the 2012 Agricultural Census. Approximately 96 percent of the respondents were Caucasian, with the remaining 4 percent made up of Hispanic, indigenous, multi-ethnic, or “other.” In terms

of the operators’ age, 70 percent of the respondents reported they were older than 51 years of age, which is similar to the average age of farmers reported in the 2012 Agricultural Census (table 1). These results are fairly similar to those from a Missouri study where 33.5 percent of operators were between the ages of 55 and 64, and 26.2 percent were in the 45 to 54 age range (Tew and Barbieri 2010).

This study hypothesizes that education and type of educational background are important to the overall success of an agritourism enterprise. Thus, two questions in the survey assess the education level of the operators. The first question asks for the operator’s highest level of education. This is important to get a sense of the returns to education based on the degree obtained. The second important element is the educational background of

Table 3. Demographic attributes of Virginia agritourism operators.

Farm operator attributes	Number	%
Farm operator gender		
Male	169	71.3
Female	68	28.7
Total	237	
Farm operator marital status		
Single	32	13.3
Married	208	86.7
Total	240	
Farm operator race/ethnic background		
Caucasian	229	95.8
Hispanic	1	0.4
Indigenous/Native people	3	1.3
Asian/Pacific Islander	0	0.0
Black/African American	0	0.0
Multi or other	6	2.5
Total	239	
Farm operator age		
Less than 20	0	0.0
21-30	5	2.1
31-40	23	9.6
41-50	45	18.8
51-60	66	27.5
61-70	55	22.8
Over 70	46	19.2
Total	240	

Source: 2013 Virginia agritourism study.

the operator. As shown in table 4, about 31 percent of operators have a four-year college degree as their highest form of education, while 12 percent had some college education. Twenty-five percent of the respondents have a graduate degree, and 12 percent have some college training and 11 percent have some graduate education. Overall, most agritourism operators (90 percent) have at least some college education.

A large majority of the respondents (86 percent) have an educational background other than agricultural. About 28 percent had some business education and about one-third of the respondents had an educational background not related to agriculture or business. In a similar study in Missouri by Tew and Barbieri (2010), 39 percent of operators had some “other” background, while 26 percent were educated in both agriculture and business.

Table 4. Education of Virginia agritourism operators.

Farm operator education	Number	%
Educational background		
Agriculture	33	13.6
Business	67	27.6
Agriculture and business	62	25.5
Other	81	33.3
Total	243	
Highest level of education		
Some high school	3	1.2
High school graduate	19	7.8
High school GED	1	0.4
Technical degree	2	0.8
Associate (2-year) degree	15	6.2
Some college	29	11.9
College degree (B.S./B.A.)	75	30.7
Some postgraduate	27	11.1
Graduate degree (master’s, Ph.D., etc.)	62	25.4
Professional degree (law, M.D., etc.)	11	4.5
Total	244	

Source: 2013 Virginia agritourism study.

The years of experience in agriculture were analyzed in the survey with the expectation that experienced operators are more likely to be successful and their businesses more profitable. Approximately 30 percent of operators had between 11 and 20 years of experience in agriculture (table 5). McGehee and Kim (2004) had similar findings a decade ago, as 24.5 percent of operators in Virginia had 11 to 20 years of experience in agriculture. Important for Extension and other service providers is the fact that approximately one-quarter (23 percent) of the respondents have less than 10 years of experience in agriculture.

Experience in business management is also likely to be important for the success of an agritourism operation⁴. Most of respondents (73 percent) have between 11

and 40 years of experience in business management. Approximately 16 percent of the respondents reported 10 years or less experience in business management. On the other hand, less than 11 percent of the respondents had 41 or more years of experience in business management. Overall, agritourism operators appear to have a combination of experience and educational backgrounds in both agriculture and business management.

B. Operation Characteristics

This section discusses the motivation and experience of the operators, and the length of time they have operated an agritourism enterprise.

Table 5. Experience level of Virginia agritourism operators.

Farm operator experience levels	Number	%
Years of experience in agriculture		
0-10	55	23.1
11-20	72	30.3
21-30	41	17.2
31-40	32	13.4
41-50	23	9.7
51 or more	15	6.3
Total	238	
Years of experience in business or management		
0-10	36	15.7
11-20	55	23.9
21-30	62	27.0
31-40	52	22.5
41-50	14	6.1
51 or more	11	4.8
Total	230	

Source: 2013 Virginia agritourism study.

⁴ Management experience refers to years in their agritourism operation as well as those obtained in other fields of work.

1. Operation and Motivation

Background and experience in agritourism are important to the successful management of an agritourism operation. According to McGehee and Kim (2004), approximately 49 percent of operators in Virginia had less than 10 years of involvement in agritourism in 2004. In Tennessee, Bruch and Holland (2004) found that approximately 68 percent of operators had between one and 15 years of experience, with almost 30 percent having less than five years of experience. In a California study, Rilla et al. (2011) found that more than 40 percent of agritourism operators surveyed had limited (less than 10 years) agritourism experience. This could suggest that at the time of these studies, agritourism was a relatively new venture in the surveyed states. The current outlook in Virginia reveals that almost 29 percent have only four to eight years of experience, while almost 31 percent have 19 years or more of agritourism experience.

Table 6 shows that most operations work year-round (60 percent) and the remaining 40 percent meet a seasonal demand. Of the seasonal operations, 44 percent are open between one and three months per year, while 32 percent are open between eight and 11 months. Operations open less than three months of the year are most likely to be Christmas tree farms operating in the winter or farm stands and other ventures that are open only during harvest season (e.g., pumpkins). On the

other hand, those seasonal operations that are open most of the year are typically closed only during the winter months.

It is also important to understand in which months agritourism businesses operate. As shown in table 7, there are fewer agritourism operations open during the months of January, February, and March. The most

Table 7. Virginia agritourism enterprises months of operation (*N* = 213).

Month	Number of farms	%
January	129	53.3
February	131	54.1
March	144	59.5
April	179	74.0
May	195	80.6
June	199	82.2
July	205	84.7
August	201	83.1
September	204	84.3
October	204	84.3
November	184	76.0
December	165	68.2

Source: 2013 Virginia agritourism study.

Table 6. Duration and seasonality of agritourism operations in Virginia.

Duration and seasonality of agritourism operations	Number	%
Years of experience in agritourism		
Less than three years	16	10.9
4-8 years	42	28.6
9-13 years	25	17.0
14-18 years	19	12.9
19 years or more	45	30.6
Total	147	
Number of months per year operating an agritourism enterprise		
1-3 months	37	17.4
4-7 months	20	9.4
8-11 months	27	12.7
Year-round (12 months)	129	60.6
Total	213	

Source: 2013 Virginia agritourism study.

common time for operations to be open is the months of June through October, which includes summer and fall harvest.

In a 2004 study, McGehee and Kim found that “additional income” and “fully utilize our resources” were the two main motivations for Virginia agritourism operators, with a mean score of more than 3.5 each on a scale of 1 to 5. The third most important motivator was “to educate the consumer,” with a mean score of 3.0. Conversely, Tew and Barbieri (2010) found that “capture new customers,” “educate the public about agriculture,” and “enhance family quality of life” were the top drivers in Missouri. In New Jersey, Schilling et al. (2006) reported that more than 90 percent of individuals thought generating additional income was a very important motivation, whereas 60 percent reported that “educate the public about agriculture” was an important motivation. In Washington state, “additional income” plays an even more important role and was by far the most important reason to start an agritourism operation,

with an average rating of 4.5 out of 5.0. Other popular reasons included education and providing a service to the consumer. Overall, studies have concluded that income is an important motivation for almost all farms surveyed across many states (Galinato et al. 2011).

In the current study, a five-point scale was used to rank the importance of various motivators. Almost 60 percent of the respondents rated “additional income” at 4 or 5, illustrating its importance (fig. 6). “Additional income” had a mean score of 3.66, which is very similar to the 3.88 found by McGehee and Kim (2004). This motivation is closely followed by “utilizing resources” and “marketing products,” all of which are profit-related motivations. The motivation “other” is arbitrarily high due to the fact that if a respondent was willing to write in an “other” option, they were more likely to mark it as a 5. The “education of customers” comes far behind with a mean score of a 2.99.

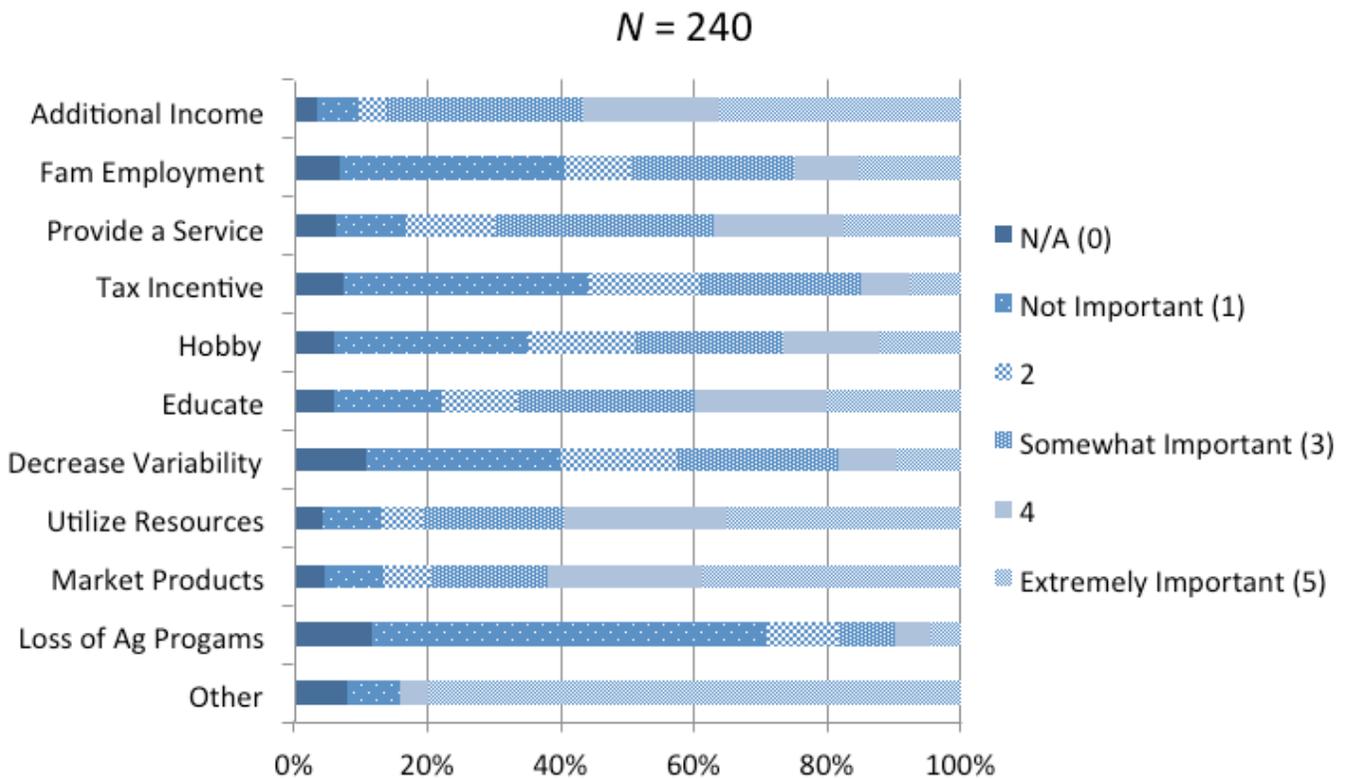


Figure 6. Motivations to start an agritourism operation in Virginia. Source: 2013 Virginia agritourism study.

2. Agritourism Visitation

The next question covered the number of visitors, and the results are shown in figure 7. This is a critical factor for the profitability of any tourism-based businesses. In a 2002 study, Tennessee agritourism operations reported an annual average of 22,944 visitors per enterprise (Bruch and Holland 2004). Comparatively, the current study estimated a much smaller average number of 8,841 visitors per operation. Nevertheless, the median number of visitors in Bruch and Holland’s study was 3,500, indicating the possible presence of more small farms or a small number of large operations. Similarly, the survey for Virginia reported a median number of visitors of 2,750. This suggests that the larger operations in Tennessee, in terms of number visitors, are larger than those in Virginia.

The questions that followed on the survey assess the trends in terms of visitors over the past five years. In Virginia, 70 percent of operations recorded an increase of visitors in the past five years (table 8) and 18 percent of the respondents stated that they did not know or that there was no trend. Only 12 percent stated that there was a decrease in visitors. Respondents reported that 44 percent of their operations saw an increase in terms of amount spent per visitor, while 28 percent saw no upward or downward trends. Only 18 percent believe there was a decrease in expenditures. Based on the performance registered in the past five years and considering the recent economic downturn, the outlook for the Virginia agritourism industry is positive. Continuous increases in the number of visitors and the amount spent per visitor will support its growth.

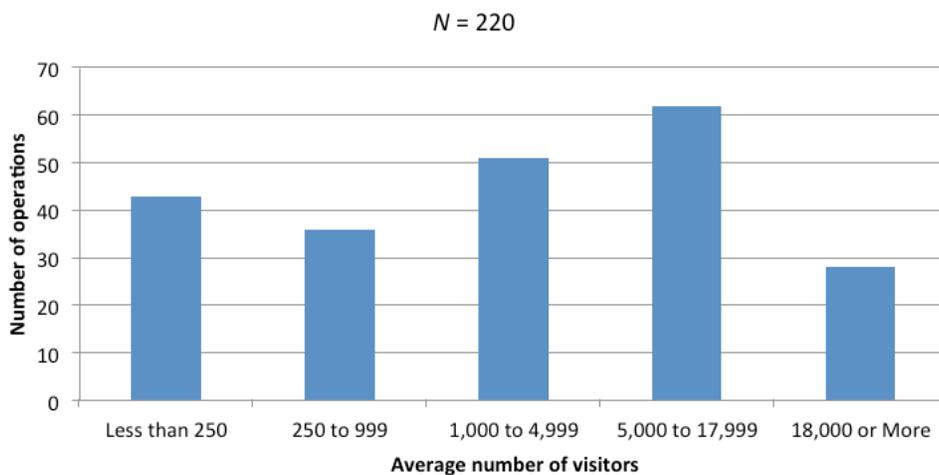


Figure 7.
Average number of visitors to Virginia agritourism.
Source: 2013 Virginia agritourism study.

Table 8. Perceived agritourism trends in Virginia over the past five years.

Perceived agritourism trends over the past five years	Number	%
Visitors		
Increase in visitors	168	70.0
Decrease in visitors	29	12.1
No tendency in visitors	30	12.5
Unknown tendency in number of visitors	13	5.4
Total	240	
Dollars spent per visitor		
Increase in the dollars spent per visitor	105	44.0
Decrease in dollars spent per visitor	43	18.0
No tendency in dollars spent per visitor	67	28.0
Unknown tendency in dollars spent per visitor	24	10.0
Total	239	

Source: 2013 Virginia agritourism study.

3. Land Properties

Operational costs and profitability are related to the size and the overall cost efficiency of the farm business. The acres of farmland reported by respondents show that Virginia agritourism operations are mostly small-scale farms (fig. 8). Of the total 238 operations, 198 operations (83 percent) have less than 200 acres, and 49 percent are 24 acres or less. In a 2010 Missouri study, Tew and Barbieri found that 31 percent of respondents reported between 100 and 499 acres, while 12.5 percent had more than 500 acres. In New Jersey, 70 percent of operations studied were less than 49 acres (Schilling et al. 2006). For a closer comparison, McGehee and Kim (2004) found that 49 percent of Virginia agritourism operators owned less than 100 acres. This is in line with the current findings in Virginia, as most operations take place on relatively small farms.

The amenities that an operation provides are likely to influence the number of visitors. Figure 9 shows the number of operations that reported having a series of suggested amenities. This would include both man-made amenities, such as restrooms or picnic areas, as well as natural amenities, such as forests, waterways, and wildlife habitats. In Tennessee, most of the enterprises had public restrooms, disability access, and bus access (Bruch and Holland 2004). The current study reported similar findings with respect to public restrooms at 90.5 percent of operations had restrooms, but only 58 percent had handicap access, and 45 percent of operations had handicap access and bus access.

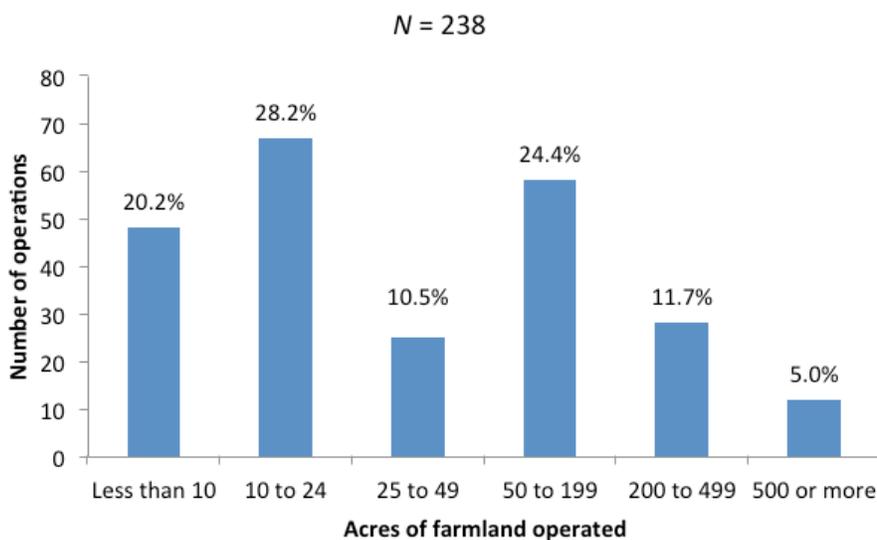


Figure 8.
Number of operations in Virginia by acres of farmland.
Source: 2013 Virginia agritourism study.

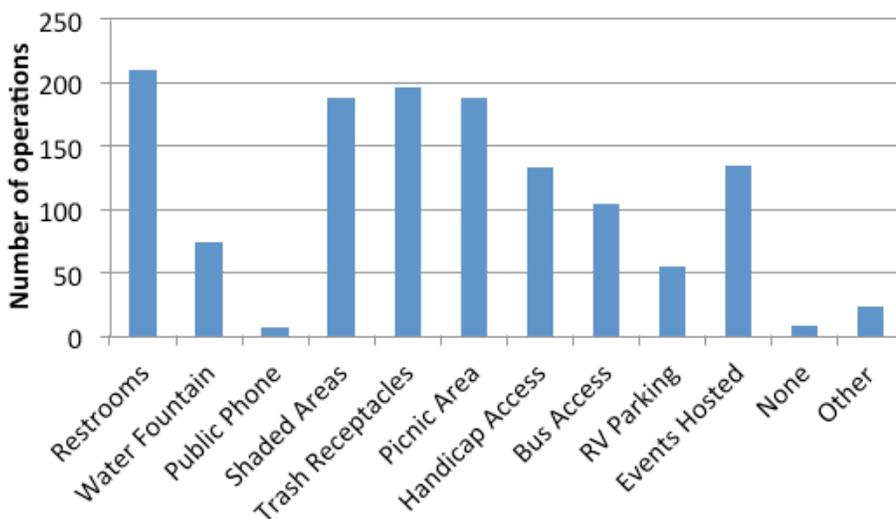


Figure 9.
Number of enterprises in Virginia with man-made amenities.
Source: 2013 Virginia agritourism study.

Figure 10 shows the total number of natural and man-made amenities by number of operations in the category. Most operations reported between four and nine amenities, while very few agritourism operations have either of the extremes (zero or 10 or more amenities).

The current study evaluated whether or not natural amenities were present on the operations' properties. This seeks to account for the aesthetic beauty of an area, providing incentive for customers to visit the farm. In the current Virginia survey, approximately 70 percent of agritourism operations reported natural amenities on their properties (fig. 11). The presence of natural amenities is likely to attract more visitors.

4. Employment Outlook

As shown in figure 12, there are a total of 3,648 employees for all respondent agritourism operations in

Virginia. With 243 respondents, this translates to an average of 15 employees per operation. Respondents report that 63 percent were additional or seasonal employees, while the remaining 37 percent were employed full-time or year-round. In Tennessee, most agritourism employees were seasonal, and the average number of seasonal employees (full- and part-time) was 7.5, with a range from 1 to 200. In Missouri, most employees were part-time seasonal workers with 5.2 per operation (Tew and Barbieri 2010). In this same study, all other employment designations had fewer than 3 employees per operation. In Washington, a large number of operations with permanent employees had exactly two workers (35 percent), while those operations that had seasonal workers (34 percent) tended to have 10 or more (Galinato et al. 2011).

Little more than 20 percent of operators reported the employment of family members as important or

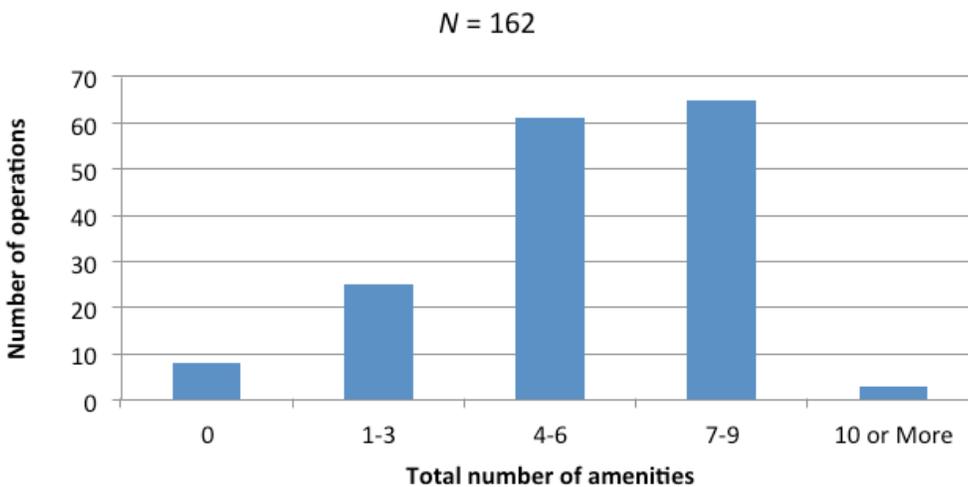


Figure 10. Total number of amenities by number of agritourism operations in Virginia. Source: 2013 Virginia agritourism study.

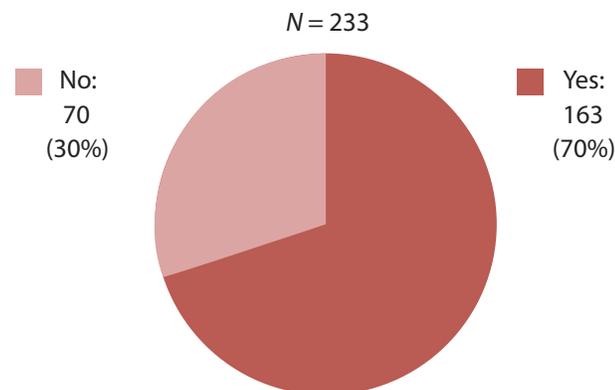


Figure 11. The presence of natural amenities on agritourism operations in Virginia. Source: 2013 Virginia agritourism study.

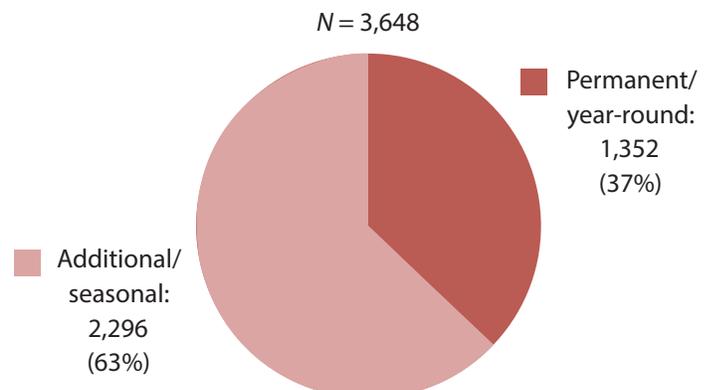


Figure 12. Permanency of agritourism employees in Virginia. Source: 2013 Virginia agritourism study.

extremely important. Figure 13 provides a summary of the types of agritourism employees working on Virginia farms. While 22 percent of employees were categorized as family members (this includes the farm operator responding to the survey), the remaining 78 percent were workers hired from outside the family. Interestingly, only 26 percent of family employees were associated with those operators who rated themselves as highly motivated (4 or 5) by a hobby interest. In a 2004 study of Virginia agritourism, McGehee and Kim reported that employment of family members was a major motivation to start an agritourism enterprise.

5. Events

Respondents were also asked to list the types of events they host at their operations. In New Jersey, the top events are retail farm stands, school trips, pick-your-own, corn mazes, pumpkin picking, and floral products. More than 60 percent of operations offered these events (Schilling et al. 2006). In Missouri, 50 percent of operations offered educational tours, followed by leisure tours, U-pick, observation, and classes or workshops. Hospitality events (food and lodging) fall significantly behind educational and recreational events. The availability of tasting rooms is the predominant hospitality event, with 25 percent of operations offering them, followed by picnics and weddings or private parties (Tew and Barbieri 2010). In Tennessee, 61 percent of operations include an on-farm retail market, 43 percent have on-farm tours, and 25 percent offer pick-your-own opportunities (Bruch and Holland 2004).

Ten years ago, the most popular agritourism events in Virginia were working farms followed by pick-your-own and on-farm markets. All other types of events were

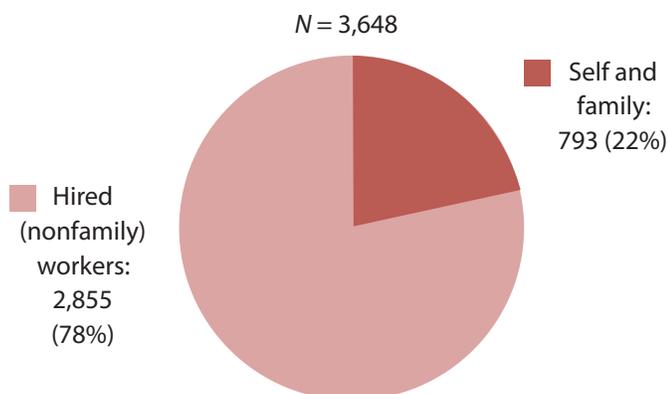


Figure 13. Types of agritourism employees in Virginia.

Source: 2013 Virginia agritourism study.

offered by less than 20 percent of operations (McGehee and Kim 2004). In the current study, agritourism events shown in table 9 were separated into four categories: (1) direct sales, (2) accommodations/hospitality, (3)

Table 9. Agritourism event offerings in Virginia (N = 229).

Types of events	Number of operations	%
Direct sales		
On-farm stand	75	32.8
Tastings	121	52.6
Pick-your-own	90	39.1
On-farm market	51	22.3
Christmas tree farm	19	8.3
Pumpkin patch	43	18.9
Other	23	10.1
Accommodations/hospitality		
Bed and breakfast	19	8.4
Farm stay vacations	20	8.9
Picnics	103	45.6
Health resorts	2	0.9
Youth camps	8	3.6
Other	9	4.0
Educational tourism		
Tours	137	60.9
Nature/wildlife observation	40	17.8
Field trips	61	27.1
Scenic attractions	28	12.4
Historic buildings	24	10.7
Demonstration farm	41	18.4
Classes/workshops	55	24.8
Living history farm	6	2.7
Other	5	2.3
Agritainment		
Animal rides	11	5.0
Rodeos	0	0.0
Barn dances	6	2.8
Hayrides	41	18.8
Petting zoo	28	12.8
Corn/hay maze	19	8.7
Haunted barns	6	2.8
Special events	82	37.6
Fall/harvest festival	65	30.0
Outdoor recreation	36	16.6
Other	19	8.8

Source: 2013 Virginia agritourism study.

educational tourism, and (4) agritainment⁵. The largest percentage of operations in Virginia offers tours, followed closely by tastings, picnics, and pick-your-own operations. These results are likely influenced by the fact that a large portion of operations are wineries, which often offer all of these events, with the exception of pick-your-own. Arguably, the most important insight provided by these results is the high values recorded in the direct sales category. Direct sales will have a direct impact on profits, which is the main motivation, and could potentially create brand loyalty and increase off-farm sales.

C. Financial Planning

The relative importance of agritourism to the operators' financial welfare is presented in Figure 14, with 42 percent reporting that they were full-time farmers with all of their income coming from farm activities. The second most common response was from part-time farmers with off-farm activities as their primary source of income; they make up 33 percent of the responses.

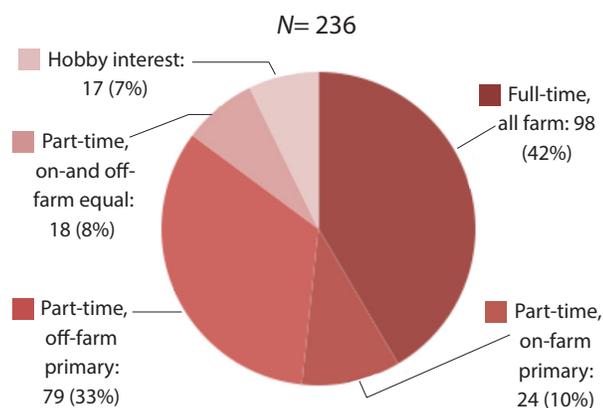


Figure 14. Financial importance of overall farming operations in Virginia. Source: 2013 Virginia agritourism study.

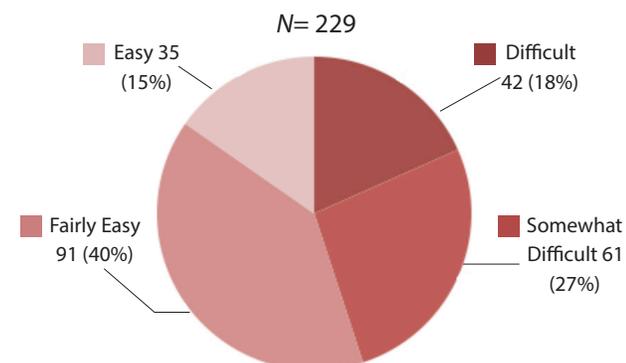


Figure 15. Access to finances by Virginia agritourism operators. Source: 2013 Virginia agritourism study.

Important to the overall success of a farm business is the ability to obtain financing. Figure 15 reveals that a large share of respondents report that credit was easy (15 percent) or fairly easy (40 percent) to obtain. Respondents reporting somewhat difficult access to capital made up 27 percent, followed by 18 percent that found obtaining credit difficult.

Recipients were also asked about the percentage of their total farm income attributed directly to agritourism. The purpose of this question is to address how much agritourism contributes to their overall income and their rate of investment (as a percentage of income) in agritourism. Results presented in figure 16 show that agritourism has a major role in farm income for the population studied. Forty-two percent of respondents reported that 76 to 100 percent of their gross farm income could be attributed to agritourism, and 22 percent indicated that agritourism events contributed 1 to 25 percent of their total farm revenues. Only 3 percent said agritourism contributed nothing to their gross farm income. In summary, these numbers show a nontrivial contribution of agritourism revenues to these farms' total gross income.

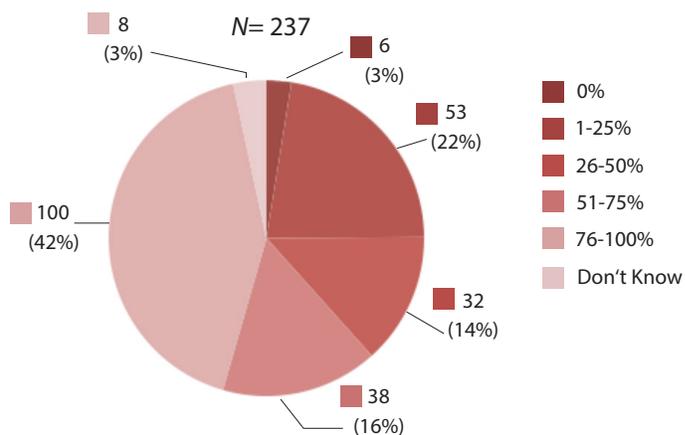


Figure 16. Percentage of gross farm income attributed to agritourism in Virginia. Source: 2013 Virginia agritourism study.

⁵ The entertainment aspect of agritourism.

1. Perceived Profitability

One of main objectives of this survey is to identify factors that may contribute to the profitability of an agritourism operation. To understand this relationship, farmers were asked to rate the perceived profitability of agritourism on their farm using a five-point scale. Responses were normally distributed⁶ with most of the respondents (48 percent) stating that they are somewhat profitable (fig. 17). Moreover, 29 percent rated themselves a four or a five, suggesting that they are profitable or highly profitable. Because there are only a small number of studies addressing the profitability of agritourism operations, it is difficult to draw direct comparisons with the findings of the current paper. Tew and Barbieri (2010) inquired about the importance of agritourism in accomplishing entrepreneurial goals, including farm profitability, in Missouri. In that study, 22.2 percent reported their operation to be very

profitable, while 27.8 percent were operating at a loss. The other 50 percent was either generating some profit or breaking even.

2. Location Preference

The survey also analyzes the location and accessibility of the agritourism operations, and it may relate to their profitability. Figure 18 shows all the counties and independent cities of Virginia. The results reveal that respondents in the Virginia Beach, Roanoke, and Washington, D.C., areas have the highest profitability rates. Of the operations near Virginia Beach, 37.5 percent perceived themselves to be profitable or very profitable, rating themselves a 4 or 5 on a 5-point scale. The Kingsport area (Southwest Virginia) is the least likely to generate profit, with only 12.5 percent of operations in this area rating themselves “very

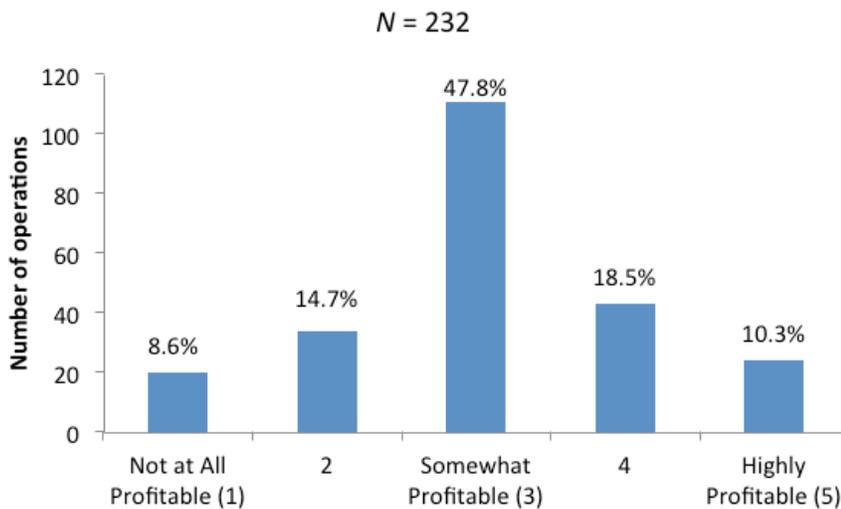


Figure 17. Owners' perceived profitability of their agritourism operation. Source: 2013 Virginia agritourism study.

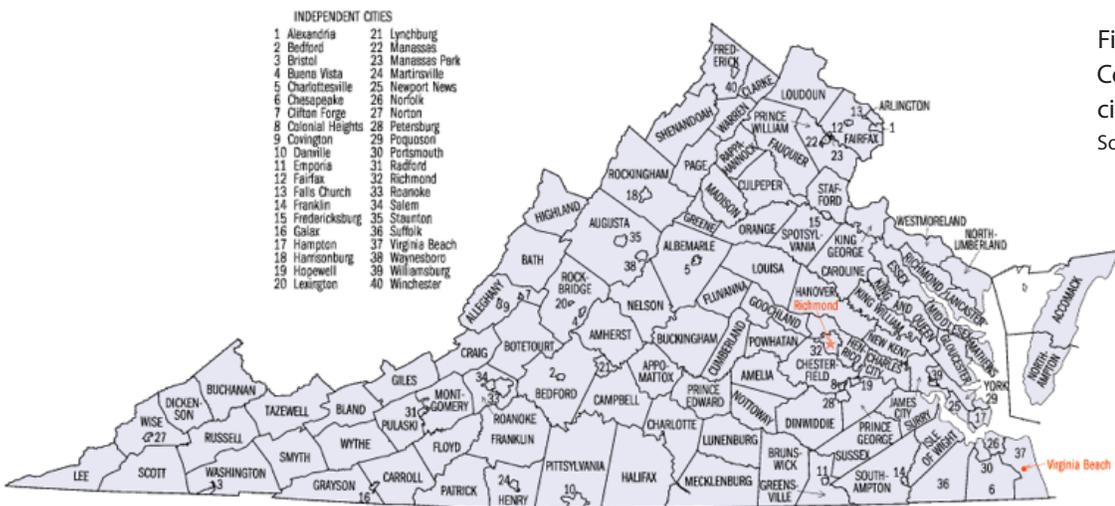


Figure 18. Counties and independent cities of Virginia. Source: U.S. Census Bureau (2013).

⁶ Where the data looks similar to that of a bell curve, with the smallest number of observations at the extremes (1 and 5) and the most observations at a median point (3).

profitable.” This could be due a variety of reasons that include median income, population density, and difficult access to the region.

3. Dollars Spent per Visitor

The dollar amount spent by customers per visit directly affects the revenues and profitability of an operation. According to Bruch and Holland (2004), the average dollar amount spent per visitor can be considered a benchmark that can be used to evaluate the overall financial success of an enterprise. In Tennessee, most respondents acknowledged that they did not know how much visitors spent, while 18 percent of respondents stated that visitors in 2002 spent an average of \$6 to \$10 (Bruch and Holland 2004). The current study (fig. 19) found that the average amount spent by each

visitor is more than what is spent in Tennessee. More than 50 respondents (22 percent) stated that their customers spend an average of \$31 to \$40. Phrasing of the survey question could potentially contribute to the differences across surveys. Bruch and Holland requested that respondents provide the average dollars spent per visitor in 2002, while this study asked for overall average expenditures to gain insight into the general revenue of an operation from year to year.

D. Obstacles to Success in the Industry

Agritourism has many benefits, including providing support for local farms and the surrounding communities by reinvesting revenues (Rilla et al. 2011). Yet, there are challenges and obstacles that owners must address. In figure 20, more than 30 percent of

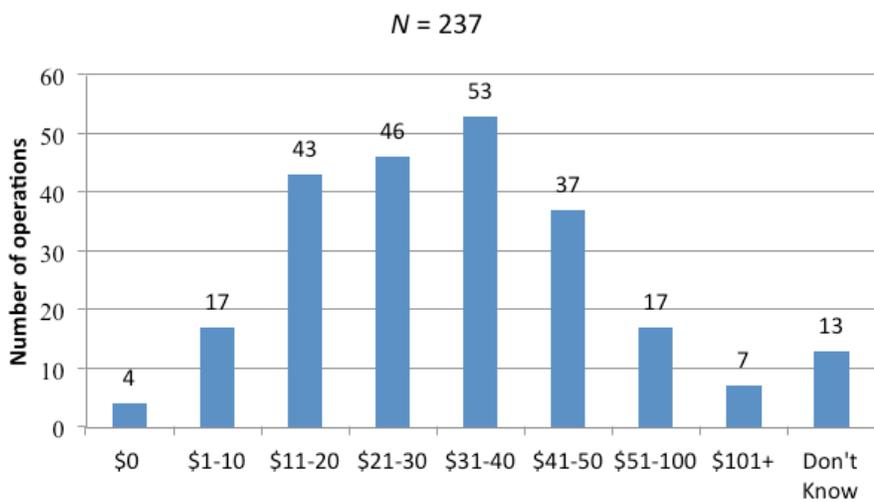


Figure 19. Average dollars spent by each visitor to agritourism operations in Virginia. Source: 2013 Virginia agritourism study.



Figure 20. Obstacles to the success of an agritourism operation in Virginia. Source: 2013 Virginia agritourism study.

the respondents reported signage as very important or extremely important issue. Slightly less than 30 percent of the respondents rank finding qualified workers as an important or extremely important challenge. Taxation and liability issues are also regarded as major impediments. Virginia operators found lack of social networks to be the least challenging issue, which is most likely due in part to the ease with which social media has connected farmers to their consumers.

Other states present similar challenges to those found by Virginia operators. In California, the most challenging obstacle to agritourism operators was legal constraints, followed by zoning and liability (Rilla et al. 2011). With Tennessee operators, finding quality employees and liability insurance were the two major challenges identified (Bruch and Holland 2004). New Jersey seems to present slightly different obstacles. According to Schilling et al. (2006), major obstacles include regulatory constraints and barriers, taxation, the availability of technical assistance, and transportation access to rural areas. Finally, in Washington state, respondents reported that state laws and regulations, land use and zoning rules, lack of time, and concerns about liability are

the major obstacles to the success of their operations (Galinato et al. 2011).

E. Factors of Success in the Industry

According to Bagi and Reeder (2012), the distance from the farm to the nearest city of at least 10,000 residents had a negative effect on farmer's participation in agritourism. In the current survey, recipients were asked to indicate those metropolitan areas⁷ that were in proximity⁸ to their agritourism operation. Many respondents stated that their operations were in the proximity of Charlottesville, Washington, D.C., or Winchester (fig. 21). These regions have large customer bases with high median incomes and a readily available transportation network. Both Winchester and Harrisonburg are located within the Shenandoah Valley region, which allows agritourism operations in these cities to capitalize on the large number of visitors to the region and the region's many natural amenities.

Figure 22 shows the number of metropolitan areas that are in proximity to an agritourism operation. The respondents' answers reveal that 70 percent of the

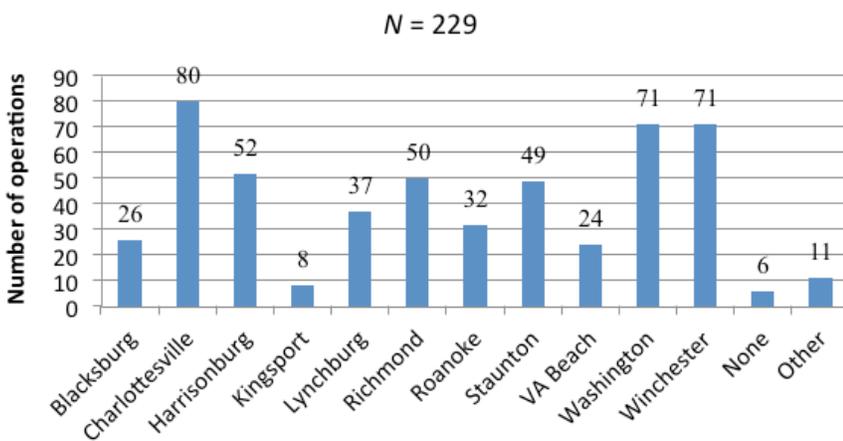


Figure 21.

Proximity of agritourism operations to metropolitan areas in Virginia.

* For the purpose of this study, proximity is defined as within a one-hour drive from a metropolitan area. Various operations stated that they are in the proximity of two or more metropolitan areas.

Source: 2013 Virginia agritourism study.

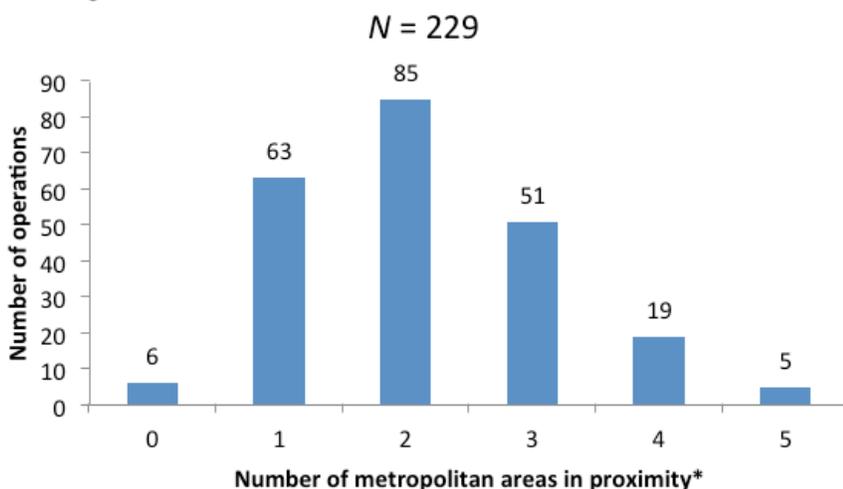


Figure 22.

Proximity of agritourism operations in Virginia to metropolitan areas.

* For the purpose of this study, proximity is defined as within a one-hour drive from a metropolitan area.

Source: 2013 Virginia agritourism study.

⁷ The Office of Management and Budget defines a metropolitan area as one that "contains a core urban area of 50,000 or more population."

⁸ For the purpose of this study, proximity is defined as within a one-hour drive from a metropolitan area.

operations are near at least two metropolitan areas, which is consistent with the information presented in figure 5.

Advertising, marketing, and promotions are some of the most important factors of success reported in the study by Bruch and Holland (2004). When asked about their own promotional strategies, Virginia operators reported that word of mouth, a functional and descriptive website, and social media were the most commonly used strategies (fig. 23). According to Tew and Barbieri (2010), most Missouri operators promote their businesses with Web pages, printed materials, and ads in the media. In Washington state, the top three advertising techniques were a website, farm group associations, and the Chamber of Commerce (Galinato et al. 2011). In New Jersey, 94 percent of respondents indicated that word of mouth was the most effective promotional strategy, followed closely by road signage and website usage (Schilling et al. 2006).

Although individual advertisement techniques are important and some are more effective than others,

possibly more important is the overall promotional package. For instance, 60 percent of Missouri operators used between three and six different promotional techniques (Tew and Barbieri 2010). In the current study, almost 40 percent of operations use four to six different promotional techniques, while another 30 percent are using seven to nine different types of promotional strategies (fig. 24). These results confirm that Virginia operators are well diversified in their promotional efforts.

The use of well-designed labels for products offered to the public is also an effective marketing technique. In the survey, operators were asked if they labeled or advertised on their products. The top phrase used for crop producers was “Made in _____,” where the blank indicated the region or state of production, followed closely by “locally grown” products. Most operators stated that they do not sell meat products, but for those that do, the most used phrase was “naturally raised” followed by “free-range.” Nevertheless, it is important to note that 14 producers used either of these advertisement phrases/labels.

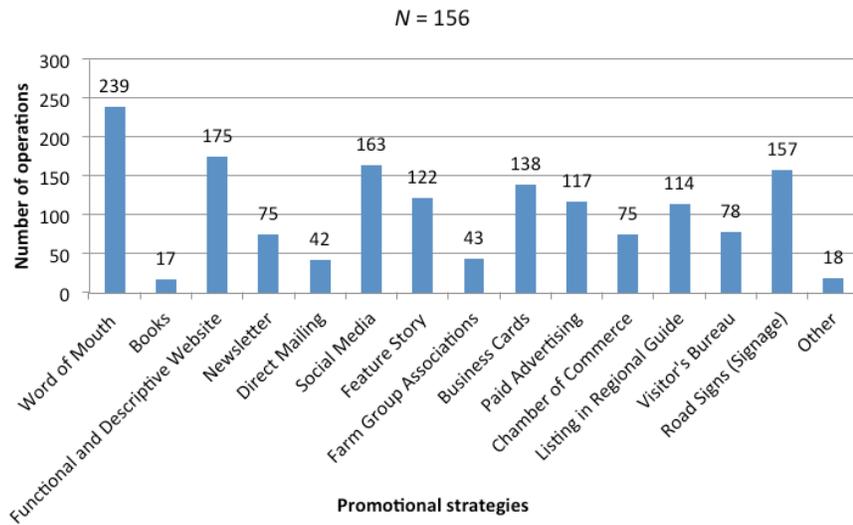


Figure 23. Number of agritourism operations using specific promotion strategies in Virginia. Source: 2013 Virginia agritourism study.

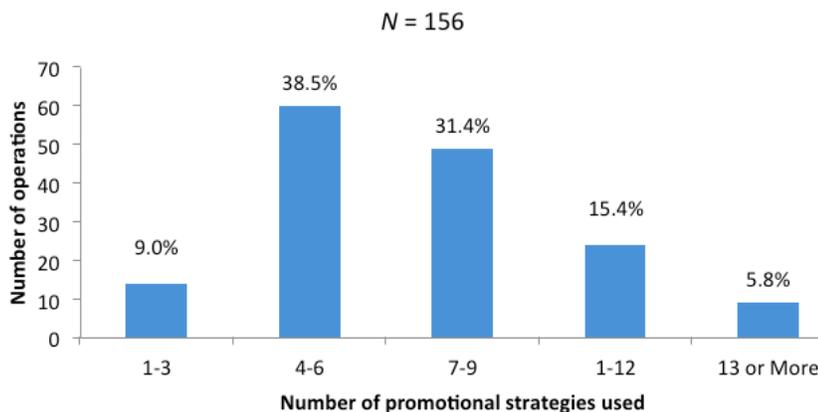


Figure 24. Number of Virginia agritourism operations using a specified number of promotional strategies. Source: 2013 Virginia agritourism study.

Finally, it is important to assess how much operations spend on their promotional efforts. Because some operations are larger than others, the most effective measurement is the portion of agritourism revenues spent on promotional activities, rather than an absolute dollar value. This is shown in figure 25 with 42 percent of operators spending 1 to 5 percent of their revenues on promotion, while almost 30 percent claim to spend 6 to 10 percent of their revenues. Comparatively, in Tennessee, the average response was 12 percent of revenue, while the largest portion of respondents said they spent 1 to 5 percent (Bruch and Holland 2004). According to the U.S. Small Business Administration, it is recommended that a business spend 7 to 8 percent of gross revenue for marketing and advertising if the operation has less than \$5 million per year in sales and a net profit margin of 10 to 12 percent (Boykin 2014). Overall, Virginia agritourism businesses appear to be making adequate decisions when it comes to marketing expenditures.

F. Future Plans and Feedback

The purpose of this final section of the survey is to assess the future of agritourism in Virginia and to identify the most pressing issues for this industry. Recipients were asked if they planned to expand operations in the next three years. Some responded that lack of capital limits their ability to expand, and some expressed interest in keeping operations small and quaint. However, the majority of operators (66 percent) planned to expand (fig. 26). This statistic for Virginia is slightly larger than the 63 percent of Tennessee agritourism operators who intended to expand (Bruch and Holland 2004). Overall, this may be interpreted as a positive outlook for the future of agritourism in Virginia.

The final two survey questions were open-ended. Respondents were asked what factors agritourism operators thought most important for success and what services they needed to expand that are unavailable. This section was often used by respondents to state problems

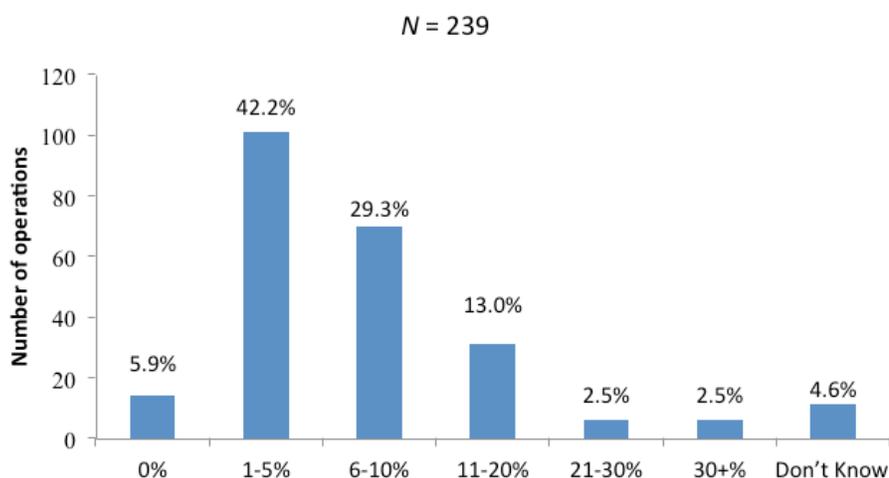


Figure 25. Portion of agritourism revenues spent on promotional activities in Virginia. Source: 2013 Virginia agritourism study.

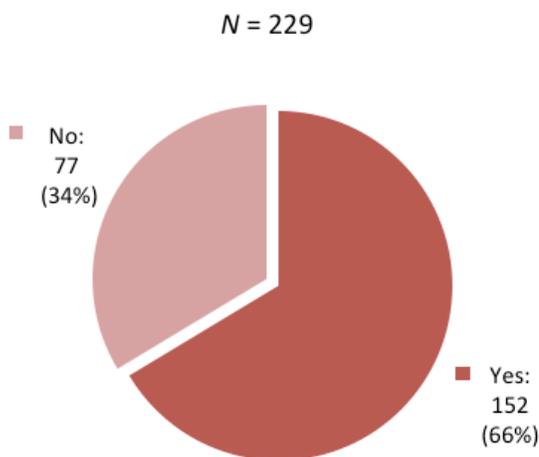


Figure 26. Virginia agritourism enterprises planning to expand operations in the next three years. Source: 2013 Virginia agritourism study.

with infrastructure, lack of state and government support, education, and the unfair pricing of signage. Much of the feedback about unfair signage prices was either overall pricing issues or pricing inconsistencies, where it was claimed that wineries received better rates. These issues affecting operators in Virginia may need to be addressed by policymakers and analyzed in future studies. Other problems and statements varied from issues of weather to time management and employment issues.

IV. Conclusion and Policy Implications

To gain an understanding of agritourism in Virginia, a survey was developed for a database of 511 operations; the final sample size consisted of 471 operations that were sent the survey. The survey achieved a response rate of 52 percent. The data gathered provide insight into the characteristics of Virginia agritourism and the potential factors that may influence their success. Current and relevant information was obtained about Virginia agritourism enterprises in six different areas: demographic, operation characteristics, finances, obstacles, factors of success, and future plans and feedback. In terms of the financial impact of agritourism, 42 percent of operators stated that agritourism contributed from 76 to 100 percent of their gross farm income. This is an important result because it confirms the role of agritourism in the financial sustainability of their venture. In addition, the general outlook for agritourism appears to be optimistic. Despite the recent economic recession and its aftermath, the majority of operators still saw an increased number of visitors (70 percent) and an increase in the dollars spent per visitor (44 percent).

There are four other noteworthy findings that include promotion, profit and location, operator experience, and obstacles to success factors.

1. Under the umbrella of “factors of success,” promotional efforts are regarded as extremely important in the creation of a profitable venture. Social media, functional websites, and word of mouth seem to be the most affordable strategies, which would explain why they are the most used. Outside of those low-cost forms of promotion, many operators use road signage.
2. The general concept of profit is a motivator in agritourism, as seen by the fact that almost 60 percent of respondents indicated additional income as a very important motivator. Furthermore, 76 percent of operations indicated that their business was somewhat profitable, indicating that the overall industry is financially viable. In any tourism-based business, one key factor to generating revenue is location. Those operations located in the Virginia Beach, Roanoke, and Washington, D.C., metropolitan areas have the highest profitability rates. Links between proximity to metropolitan areas and profitability will be further evaluated in future research.
3. Findings also revealed that 23 percent of operators have less than 10 years of agricultural experience, while almost 16 percent of operators have less than 10 years of business/management experience. With time, these operators will gain more experience, which could potentially result in better and more efficient ventures.
4. The data provided information on the obstacles that operators face, as well as those topics and interests that are in need of further research and assistance. On average, most respondents had difficulty with signage, finding qualified employees, and taxation. Addressing these obstacles is important to the overall success of operations in Virginia, and it will require the involvement of government and educational institutions, as well as industry stakeholders. Additionally, in the open-question section, respondents mention the need for additional governmental support and identify a need for an easier and fairer way to distribute signage for their operations as well as better road access in rural communities.

Finally, the addition of certain man-made amenities is crucial to business, as restrooms, trash receptacles, shaded areas, and picnic areas have almost become the norm in agritourism. In terms of natural amenities, most agritourism operations have some sort of amenities on their premises. For those operations that do not have access to natural amenities, planting a garden or creating a lake or pond may be important to the overall aesthetic value of the property, which could translate to greater number of visitors and higher profits.

Based on the performance registered in the past five years and considering the recent economic downturn, the outlook for the Virginia agritourism industry is positive because an increase in visitors and the dollars spent per visitor will support its growth. That being said, future research is needed on revenue and visitation. Future studies will use this data to empirically test the links between all these factors and profitability and will identify those features that have a positive or negative impact on the financial situation of the agritourism industry. These results will not only provide guidance to this industry, but they will also be easily extrapolated to neighboring states such as North Carolina or Maryland.

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Appendix

2013 Agritourism Profitability Study

Your responses to the following questions should always reflect the response the main operator/owner would provide

Virginia Definition of Agritourism

An agritourism operation is “any activity carried out on a farm or ranch that allows members of the general public, for recreational, entertainment, or educational purposes, to view or enjoy rural activities, including farming, ranching, historical cultural, harvest-your-own, or natural activities and attractions. An activity is an agritourism activity whether or not the participant paid to participate in the activity” – 3.1-796.137-139 of the Code of Virginia

1. Based on the definition above, do you operate an agritourism venture that is open to the public?

Yes

No

Demographic Attributes

2. What is your gender?

Male

Female

3. What is your marital status

Single

Married

4. What is your race/ethnic background (**check all that apply**)?

Caucasian

Asian/Pacific Islander

Hispanic

Black/African American

Indigenous/Native People

Multi or Other

5. Please indicate your age

less than 20

21 to 30

51 to 60

31 to 40

61 to 70

41 to 50

over 70

6. Please indicate your highest level of formal education

Some High School

Technical Degree

Associate (2 year) Degree

High School Graduate

Some College

College Degree (BS/BA)

High School GED

Graduate Degree (MA, PhD, etc.)

Some Post Graduate Education

Professional Degree (Law, MD, etc.)

7. Which would best describe your educational or professional background?

- ___ Agriculture
- ___ Business
- ___ Agriculture and Business
- ___ Other: _____

8. How many years of experience do you have in agriculture?

- ___ 0 to 10 years
- ___ 11 to 20 years
- ___ 21 to 30 years
- ___ 31 to 40 years
- ___ 41 to 50 years
- ___ more than 51 years

9. How many years of business or management experience do you have?

- ___ 0 to 10 years
- ___ 11 to 20 years
- ___ 21 to 30 years
- ___ 31 to 40 years
- ___ 41 to 50 years
- ___ more than 51 years

10. How many years have you operated an agritourism enterprise? _____

Operation Characteristics

11. Rate the following motivations that were important in the decision to start an agritourism operation (Check only those that apply).

Motivations	Not Important		Somewhat Important		Extremely Important
	1	2	3	4	5
For additional income	<input type="checkbox"/>				
For employment of family members	<input type="checkbox"/>				
Provide service/opportunity to the community	<input type="checkbox"/>				
Tax incentives	<input type="checkbox"/>				
Hobby; for fun; to keep active	<input type="checkbox"/>				
Educate/ teach people about farming	<input type="checkbox"/>				
Decrease variability of income	<input type="checkbox"/>				
To fully utilize our farm resources	<input type="checkbox"/>				
Market farm products	<input type="checkbox"/>				
The loss of government agricultural programs	<input type="checkbox"/>				
Other: _____		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

12. Is your agritourism venture seasonal or a year round operation?

___ Seasonal (if seasonal, go to question 12.b)

___ Year Round (if year round, skip to question 13)

12.b If Seasonal, in which months does your operation run?

<input type="checkbox"/> January	<input type="checkbox"/> April	<input type="checkbox"/> July	<input type="checkbox"/> October
<input type="checkbox"/> February	<input type="checkbox"/> May	<input type="checkbox"/> August	<input type="checkbox"/> November
<input type="checkbox"/> March	<input type="checkbox"/> June	<input type="checkbox"/> September	<input type="checkbox"/> December

13. On average, approximately how many customers visit your operation annually? _____

14. Do you see a trend in the number of visitors over the past 5 years?

___ Yes, the number of visitors has increased

___ Yes, the number of visitors has decreased

___ No, there is no tendency in either direction

___ I do not know

15. Do you see a trend in the money spent per visitor over the past 5 years?

___ Yes, the money spent per visitor has increased

___ Yes, the money spent per visitor has decreased

___ No, there is no tendency in either direction

___ I do not know

16. On how many acres of farmland do you currently operate? _____ acres

17. Which of the following amenities do you provide in your agritourism operation (Check all that apply)?

___ rest rooms

___ trash receptacles

___ picnic areas

___ water fountains/coolers

___ handicap access

___ motor coach/bus access

___ public phones available

___ RV parking

___ events hosted

___ shaded areas

___ None

___ Other: _____

18. Do you have any particular **natural amenities** on your property that attract visitors? (examples: forests, waterways, wildlife habitat, gardens, etc.)

___ Yes

___ No

19. How many people typically work in your agritourism business?

	Permanent/Year-round	Additional/Seasonal
Self and Family		
Hired (non-family) workers		

20. Which of the following agritourism events do you provide (**check only those that apply**)?

<p>Direct Sales</p> <p><input type="checkbox"/> on-farm stands</p> <p><input type="checkbox"/> tastings (wine, food, etc.)</p> <p><input type="checkbox"/> pick-your-own</p> <p><input type="checkbox"/> on farm market</p> <p><input type="checkbox"/> Christmas tree farm/cut your own</p> <p><input type="checkbox"/> pumpkin patch</p> <p><input type="checkbox"/> other(list all):_____</p>	<p>Accommodations/Hospitality</p> <p><input type="checkbox"/> bed and breakfast</p> <p><input type="checkbox"/> farm stay vacations/overnights</p> <p><input type="checkbox"/> picnics</p> <p><input type="checkbox"/> health resorts</p> <p><input type="checkbox"/> youth camps</p> <p><input type="checkbox"/> other(list all):_____</p>
<p>Educational Tourism</p> <p><input type="checkbox"/> tours</p> <p><input type="checkbox"/> nature/wildlife observation</p> <p><input type="checkbox"/> field trips</p> <p><input type="checkbox"/> scenic attractions/amenities</p> <p><input type="checkbox"/> historic buildings/museums</p> <p><input type="checkbox"/> demonstration farm</p> <p><input type="checkbox"/> classes/workshops</p> <p><input type="checkbox"/> living history farms</p> <p><input type="checkbox"/> other(list all):_____</p>	<p>Agritainment</p> <p><input type="checkbox"/> animal rides</p> <p><input type="checkbox"/> rodeos</p> <p><input type="checkbox"/> barn dances</p> <p><input type="checkbox"/> hayrides</p> <p><input type="checkbox"/> petting zoo</p> <p><input type="checkbox"/> corn/hay mazes</p> <p><input type="checkbox"/> haunted barns</p> <p><input type="checkbox"/> special events (birthdays, weddings, etc.)</p> <p><input type="checkbox"/> Fall/Harvest Festivals</p> <p><input type="checkbox"/> outdoor recreation (ex: fishing, hunting, horseback riding, nature trails)</p> <p><input type="checkbox"/> other(list all):_____</p>

Financial Positioning

21. Which of the following best describes the financial importance of your overall farming operation (agritourism and non-agritourism operations)?

- ___ Full time with all income from farming
- ___ Part time, on farm income primary and off-farm secondary
- ___ Part time, off farm income primary and on farm secondary
- ___ Part time, on and off farm of equal importance
- ___ Hobby interest, farm income not critical

22. How would you define your access to finances used for your agritourism operations, which includes both your own financial resources as well as loans from financial institutions?

- Difficult
- Somewhat difficult
- Fairly easy
- Easy

23. On average, what percentage of your annual gross **farm** income is attributed to agritourism?

- | | |
|--|---|
| <input type="checkbox"/> 0% of income | <input type="checkbox"/> 51-76% of farm income |
| <input type="checkbox"/> 1-25% of farm income | <input type="checkbox"/> 76-100% of farm income |
| <input type="checkbox"/> 26-50% of farm income | <input type="checkbox"/> Don't Know |

24. How would you rate the profitability of your agritourism operation or its contribution to the overall profitability of your farming operation on a scale from 1 to 5?

- 1: not at all profitable
- 2
- 3: somewhat profitable
- 4
- 5: highly profitable

25. On average, how much money is spent by each visitor?

- | | |
|----------------------------------|-------------------------------------|
| <input type="checkbox"/> \$0 | <input type="checkbox"/> \$41-50 |
| <input type="checkbox"/> \$1-10 | <input type="checkbox"/> \$51-100 |
| <input type="checkbox"/> \$11-20 | <input type="checkbox"/> \$101+ |
| <input type="checkbox"/> \$21-30 | <input type="checkbox"/> Don't know |
| <input type="checkbox"/> \$31-40 | |

Obstacles to Success in the Industry

26. Select from the following obstacles those that you consider an impediment to the success of your agritourism operation (**Check only those that apply**).

Obstacles to Success	No Difficulty 1	2	Some Difficulty 3	4	Major Difficulty 5
Zoning/land use laws	<input type="checkbox"/>				
Signage	<input type="checkbox"/>				
Liability insurance	<input type="checkbox"/>				
Taxation	<input type="checkbox"/>				
Licenses and permits	<input type="checkbox"/>				
Limited Access to capital	<input type="checkbox"/>				
Competition from other agritourism enterprises	<input type="checkbox"/>				
Finding/hiring qualified employees	<input type="checkbox"/>				
Lack of business knowledge	<input type="checkbox"/>				
Identifying markets (lack of information)	<input type="checkbox"/>				
Lack of social networks	<input type="checkbox"/>				
Promotion of your enterprise (marketing)	<input type="checkbox"/>				
Preparing a business plan	<input type="checkbox"/>				
Expanding agritourism operations/ opportunities	<input type="checkbox"/>				
Crop animal production logistics	<input type="checkbox"/>				
Visitor relations	<input type="checkbox"/>				
Other: _____	<input type="checkbox"/>				

Factors of Success in the Industry

27. Which of the following metropolitan areas* are **within a one hour drive** from your agritourism operation (**check only those that apply**)?

<input type="checkbox"/> Blacksburg/Christiansburg/Radford	<input type="checkbox"/> Roanoke
<input type="checkbox"/> Charlottesville	<input type="checkbox"/> Staunton/Waynesboro
<input type="checkbox"/> Harrisonburg	<input type="checkbox"/> Virginia Beach/Norfolk/Newport News
<input type="checkbox"/> Kingsport/Bristol/Bristol	<input type="checkbox"/> Washington/Arlington/Alexandria
<input type="checkbox"/> Lynchburg	<input type="checkbox"/> Winchester
<input type="checkbox"/> Richmond	<input type="checkbox"/> Other (outside Virginia) _____

* The Office of Management and Budget defines a *metropolitan area* as one that “contains a core urban area of 50,000 or more population.”

28. Which of the following promotional strategies have had a positive effect on the success of your agritourism operation (**Check only those that apply**).

	Promotional Strategies
<input type="checkbox"/>	Word of Mouth
<input type="checkbox"/>	Books
<input type="checkbox"/>	Functional and descriptive website
<input type="checkbox"/>	Newsletter
<input type="checkbox"/>	Direct Mailing
<input type="checkbox"/>	Social Media
<input type="checkbox"/>	Feature Story
<input type="checkbox"/>	Farm Group Associations
<input type="checkbox"/>	Business cards/brochures
<input type="checkbox"/>	Paid Advertising
<input type="checkbox"/>	Chamber of Commerce
<input type="checkbox"/>	Listing in a regional guide
<input type="checkbox"/>	Visitor's bureau
<input type="checkbox"/>	Road Signs (Signage)
<input type="checkbox"/>	Other: _____

29. Do you advertise or label any of the food products you sell with the following terms?

	Produce Labels		Animal Production Labels
<input type="checkbox"/>	I Do Not Sell This Product	<input type="checkbox"/>	I Do Not Sell This Product
<input type="checkbox"/>	Made in _____(state, region, county)	<input type="checkbox"/>	Animal Welfare Approved
<input type="checkbox"/>	Organic (USDA certified)	<input type="checkbox"/>	Certified Humane
<input type="checkbox"/>	Organic (other)	<input type="checkbox"/>	Free Range
<input type="checkbox"/>	Natural	<input type="checkbox"/>	GAP's Certified
<input type="checkbox"/>	Certified Naturally Grown	<input type="checkbox"/>	Grass Fed
<input type="checkbox"/>	Sustainably Produced/Grown	<input type="checkbox"/>	Naturally Raised
<input type="checkbox"/>	Locally Grown	<input type="checkbox"/>	USDA Inspected
<input type="checkbox"/>	Other Label: _____	<input type="checkbox"/>	Other Label: _____

30. On average, what portion of agritourism revenues do you spend on promotional activities (percentage)

- ___ 0%
- ___ 1-5%
- ___ 6-10%
- ___ 11-20%
- ___ 21-30%
- ___ 30+%
- ___ Don't know

Future Plans and Feedback

1. Do you plan on expanding your agritourism operation in the next 3 years?

Yes

No

2. In your opinion, what are the most important factors of success for an agritourism operation in Virginia?

3. In your opinion, what services are needed that are not currently available to expand your agritourism industry (ex: education/training, better roads, state support, public transportation, etc.)?
