CPA # 89 **April 2004**

SELLING SIZZLE THROUGH AGRI-TOURISM[1]

Rob Holland
Extension Specialist
Center for Profitable Agriculture
The University of Tennessee Agricultural Extension Service

INTRODUCTION

An old marketing adage says "*don't sell the steak, sell the sizzle*." This is a catchy way of saying that a unique advertising angle for the marketer of steak is to focus on telling the potential customers about how good the steak is going to cook, look and taste – how good it is going to sizzle. "*Selling the sizzle*" is a way of marketing a product by promoting more than just the product itself, but by focusing on other more-appealing, more-attractive product attributes. Oftentimes, value-added agriculture products and farm products sold direct to consumers through on-farm retail operations are marketed through agri-tourism ventures. In other words, agri-tourism enterprises may provide a way to sell some sizzle!

BACKGROUND

Agri-tourism activities have an extensive history in the United States. Farm-related recreation and tourism can be traced back to the late 1800s, when families visited farming relatives in an attempt to escape from the city's summer heat. Visiting the country became even more popular with the widespread use of the automobile in the 1920s. Rural recreation gained interest again in the 1930s and 1940s by folks seeking an escape from the stresses of the Great Depression and World War II. These demands for rural recreation led to widespread interest in horseback riding, farm petting zoos and farm nostalgia during the 1960s and 1970s. Farm vacations, bed and breakfasts and commercial farm tours were popularized in the 1980s and 1990s.

---

[1] The terms agri-tourism, entertainment farming and agritainment have often been used interchangeably. In a general sense, these operations seek customers who are interested in a farm experience of some sort. A primary distinction in the terms is that agri-tourism customers tend to be thought of as out-of-town tourists, while entertainment farming activities often target local customers (school tours, youth groups, senior citizen clubs, etc.). For the purposes of this paper, agri-tourism will be used to encompass all of these terms.

The demand for a slower-paced farm experience, once supplied by rural family members, seems to be somewhat difficult to satisfy today because of the four-and five-generation gap between farm and non-farm citizens. Recreation-related enterprises are becoming an increasingly important American business. Increased leisure time and discretionary, disposable income, greater mobility and the social thrust toward relaxation, leisure and satisfying personal wants are creating exciting, new recreation opportunities that did not exist a decade ago.

For some, tourism and entertainment-related activities are relatively new farm diversification enterprises in Tennessee. However, diversification seems to be as important to a successful farm operation today as ever before. Tennessee's broad mix of agricultural production (cotton, soybeans, corn, tobacco, dairy, beef, horse, sheep, vegetables, speciality crops and forestry), coupled with a tourism industry estimated at $10 billion per year from more than 37 million travelers to the state, creates a favorable foundation for success in the agritourism industry. Agri-tourism activities are operated for the enjoyment and education of the public that may also generate additional farm income by promoting farm products. They offer opportunities to diversify the farm business. Such activities offer additional income opportunities and may provide safe alternatives for family labor as well as opportunities to promote the critical yet diminishing industry of agriculture. However, these activities may also result in extra responsibilities, require additional labor, interfere with ongoing farm activities, lead to a deterioration in privacy and increase the farm's exposure to risk and liability.

TENNESSEE AGRI-TOURISM INITIATIVE

In April 2003, the Tennessee Department of Agriculture (TDA) unveiled a long-term campaign aimed at increasing farm income, rural economic activity and generating exposure for Tennessee's agricultural-based attractions. The"Agri-Tourism Initiative" was jump-started with a $100,000 USDA Rural Development grant. TDA is joined in the Initiative by the Department of Tourist Development, Economic and Community Development and The University of Tennessee Agricultural Extension Service and the *Center for Profitable Agriculture*.

Agri-tourism is a relatively new concept that refers to farm-related activities and value-added production that is meant to attract visitors. The Initiative is focused on increasing the demand for Tennessee's agri-tourism enterprises by providing special promotion emphasis to tourists, travelers and consumers and assisting in the development of agri-tourism enterprises to meet this increased demand. The initiative involves three phases. The first phase includes a comprehensive inventory and assessment of current agri-tourism businesses in the state. The second phase includes the development of training and technical assistance to help farm entrepreneurs with such things as liability protection, safety, parking and marketing. The third phase involves promotion and advertising designed to impact agri-tourism businesses beginning in the spring of 2004.

AGRI-TOURISM DEFINED

For the purposes of the state Initiative, an agri-tourism attraction is an activity, enterprise or business which combines primary elements and characteristics of Tennessee agriculture and tourism and provides an experience for visitors which stimulates economic activity and impacts both farm and community income. Attractions that often meet this definition include:

- ✓ **Agriculture-related museums**
- ✓ **Agriculture-related festivals and fairs**
- ✓ **Century Farms**
- ✓ **Corn-maze enterprises**
- ✓ **Farmers markets**
- ✓ **On-farm tours**
- ✓ **On-farm retail markets**
- ✓ **On-farm vacations**
- ✓ **On-farm festivals and fairs**
- ✓ **On-farm petting zoos**
- ✓ **On-farm fee-fishing**
- ✓ **On-farm horseback riding**
- ✓ **On-farm bed and breakfasts**
- ✓ **Pick-Your-Own farms**
- ✓ **Wineries**

CONSIDERATIONS FOR STARTING AN AGRI-TOURISM ENTERPRISE

Agri-tourism enterprises provide a venue for on-farm marketing, a way to add-value to farm commodities, a method of attracting new customers for farm commodities and a method of increasing revenue from farm resources other than commodities. Starting an on-farm agri-tourism enterprise requires consideration of a number of factors.

- **Goals and philosophy**
- **Profit and nonprofit objectives**
- **Public relation skills**
- **Location**
- **Labor**
- **Time considerations**
- **Market research**
- **Competition**
- **Finances**
- **Market development**
- **Liability**
- **Regulations**
- **Risk**
- **Taxes**
- **Insurance**
- **Safety**
- **Customer service**
- **Promotions**
- **Target markets**

Research has shown that a unique product is essential to the success of an agri-tourism business. Also critical to success is the adoption of a marketing approach for the business that matches the business identity (who you are or want to be) with the customer's image of the activity/product. Customers are not just interested in the products available; they are interested in the total package. That is, they are looking for the product combined with the overall farm experience. The overall farm experience includes special services provided (not all of which have to be free) plus the friendly, local atmosphere created. The

goal should be to uniquely position the items (product + special service + atmosphere) in the minds of the customers. Give them the steak and the sizzle.

SUMMARY

With a diverse agricultural industry and strong entertainment and tourism industries, Tennessee provides many opportunities for on-farm agri-tourism enterprises. From seasonal pumpkin patches and orchard tours to pick-your-own produce and hayrides, Tennessee farmers have many agri-tourism options to consider. However, agri-tourism enterprises are rarely "*build it and they will come*" successes. Agri-tourism enterprises require significant consideration and planning. Regulations, publicity, labor and scheduling must be evaluated. Start-up costs can be expensive and the volume of customers needed to break-even is often staggering. However, agri-tourism enterprises can provide farm families with additional revenues and opportunities to promote a farm atmosphere to an ever-changing public and the Tennessee Agri-Tourism Initiative is *setting the stage* for increased consumer interest in attending agri-tourism enterprises and for supporting the consideration and development of enterprises to meet the demand.

THE UNIVERSITY OF TENNESSEE, U.S. DEPARTMENT OF AGRICULTURAL AND COUNTY GOVERNMENTS COOPERATING
The Agricultural Extension Service offers its programs to all eligible persons regardless of race, color, age, national origin, sex, religion, veteran status or disability and is an Equal Opportunity Employer.