



Promoting Agri-tourism

*This editorial is based on [“Making Agri-Tourism a Sustainable Business”](#) which was published in *The Hindu BusinessLine* on 14/05/2022. It talks about the significance of agri-tourism and opportunities to promote it.*

For Prelims: Agri-tourism, Sustainable Business, Economic and Social Development, Sustainable Development

For Mains: Agri-tourism - scope, challenges, significance

Planet, people, and profit are three important factors in sustainable businesses and the development paradigm. In search of sustainability, agriculture and rural ecosystem services remain a greenfield without much depreciation or value erosion, notably [agri-tourism](#).

Agri-tourism, once a small niche, is expanding rapidly and getting a big push from the [Ministry of Tourism](#). An enabling environment is required for agri-tourism to thrive and have at least a 15-20% share in the tourism industry.

What is Agri-tourism?

- Agri-tourism can be defined as a form of **commercial enterprise that links agricultural production and/or processing with tourism** to attract visitors onto a farm, ranch, or other agricultural business for the purposes of entertaining and/or educating the visitors while generating income.
 - Agri-tourism could be thought of as the **crossroads of tourism and agriculture**.
- It is a **non-urban hospitality product**, serving an agrarian lifestyle, culture and heritage with an abundance of natural resources. Agri-tourism has gained traction in the tourism industry.

What is the Growth Rate Scenario of the Industry?

- Agri-tourism is a niche and an emerging market segment of the tourism industry. The agri-tourism market **globally was valued at \$42.46 billion in 2019 and is expected to reach \$62.98 billion by 2027**, registering a Compound Annual Growth Rate (**CAGR**) of **13.4% between 2020 and 2027**.
- The seeds of agri-tourism in India were first sown by the formation of the Agri Tourism Development Corporation (ATDC) located at Baramati in Maharashtra.
 - The ATDC was founded in 2004 by Pandurang Taware, an entrepreneur from the farming community.
- Currently, India's revenue from agri-tourism is growing at an **annual growth rate of 20%**.

Why is Agri-tourism Increasingly Significant?

- **Eco-Friendly Tourism:** Rapid climate change and tourism induced pollution level and Greenhouse Gas (GHG) emissions have resulted in **rising demand for natural and rural destinations as tourist attractions** and that can bring **eco-friendly** tourism experiences such as agri-tourism into the mainstream business.
- **Addresses Rural 'Decline':** India's agriculture has been under stress due to increased input costs, volatile returns, climatic adversaries, land fragmentation, and so on.
 - Although it is a mainstay of the economy, farmers have shifted to other industries in search of alternative livelihoods and income diversification.
 - Agri-tourism can **address the 'hollowing out' effect of rural decline and restore farmers' confidence in agriculture and ecosystem-based services.**
- **Manifold Benefits to Farmers:** Agri-tourism helps in supporting incomes of farmers.
 - It also acts as both a **promoter and inhibitor to changing farmers' attitudes or preferences to farming.**
 - It **incentivises farmers to use the land** which would otherwise be left fallow or uncultivated.
 - In contrast, it also **prevents a portion of farmland available** to a farmer engaged in agri-tourism from cultivation, and instead uses it for tourism activities.
- **Benefits for Communities:** From a community perspective, agri tourism can be a vehicle for:
 - generating **additional revenue for local businesses** and services from tourists;
 - upgrading / **revitalising community facilities** for residents and visitors;
 - increasing **protection of rural landscapes and natural environments** for tourists and residents;
 - helping **preserve and revitalise local traditions**, art and craft;
 - promoting **inter-regional, inter-cultural communication** and understanding.
- **Benefits for Tourism Operators:** From a tourism industry view point, agri tourism can be a means of:
 - diversifying the **mix of tourism products and services** available to visitors;
 - increasing **tourism flows into attractive rural regions;**
 - increasing season length during **traditionally off-peak business periods;**
 - uniquely positioning **rural regions in key tourism markets;**
 - Bringing more **non-local currency to local businesses.**

What can be the Underlying Challenges?

- Active farmers may **tend to ignore their farming activity** if their attention and focus shift towards agri-tourism, if it becomes a more lucrative source of income.
- The tourists prefer to visit agri-tourism centres with a larger area and multiple fun and recreational activities.
 - This contrasts with the very purpose of agri-tourism that is to support **small and marginal farmers, who are unlikely to have larger agri-tourism centres** with several amenities.
- **Linguistic challenges** have been found to be one of the barriers in the enhancement of the tourism potential.
 - People are found to be lacking proper fluency in Hindi, English or even local dialect, for interaction with the tourists.
- **Insufficient financial support** can hinder the tourism potential of the region, which would help the folks to preserve the local culture, traditions, heritage, art forms etc.
- The whole tourism concept is very indigenous in the rural areas. Though initiative attempts have been taken by the local youths, yet the **professionalism is lacking.**
 - They are **lacking proper training** to project in a manner suitable from a tourism perspective.
- Some regions have great potential as an upcoming agri-tourist spot. However, **lack of business planning skills** is another big obstruction in this path.

What can be Done to Promote Agri-Tourism?

- **Policy Attention:** Agri-tourism warrants **greater policy attention in developing** countries where a majority of the populace is either directly or indirectly dependent on agriculture.

- With perpetual adversities like uncertain cash flow, recurring debt trap and unpredictable climate, **agri-tourism can be promoted as an income-generating activity for farmers** and strengthen economic, cultural and ecological resilience of rural regions.
- **Addressing Land Issues:** It is important for the government to address the issue of small/inadequate land to support agri-tourism.
 - One way to serve the tourist market is **land consolidation through cluster-based farming or One District One Crop services.**
- **Role of State Agencies/Investors:** The state agencies can **account for farmers' economic dependence** on farm operations and the perceived popularity of agri-tourism activities in order to enable business environments for agri-ecosystem-based services.
 - Social or impact investors can **mobilise private equities into agri-tourism** based on the stage of the business and business model adopted by agri-preneurs.
 - The **ATDC can attract start-ups and impact investors** to harness the business potential of the agri-tourism landscape in India.
- **R&D for Agri-tourism:** Promotion of Agri-Tourism needs **conceptual convergence with Rural Tourism, Eco-Tourism, Health Tourism, Adventure Tourism** and culinary adventures.
 - **Research is one of the key factors** for development in any discipline as it helps **students and practitioners to get involved in their areas of interest** and search for all possible **solutions for the benefit of local communities.**

How can Farmers Promote Agri-tourism?

In order to achieve success in the field of agritourism, the farmers should:

- Give a **wide publicity** of their tourism centre by **newspapers, television etc. and develop contacts with the schools, colleges, NGOs, clubs, unions, organisations etc.**
- **Train their staff or family members** for reception and hospitality of the agri-tourists.
- **Understand the customers' demands** and their expectations and serve them accordingly.
- **Charge optimum rent and charges** for the facilities/services on the commercial base.
- Develop a website and update from time to time to **attract foreign tourists** and take their **feedback and comments about the service** and suggestions for more development and modification.
- Develop **different agri-tour packages** for different types of tourist and their expectations.
- **Small farmers** can develop their agri-tourism centres **on the basis of cooperative society.**

Drishti Mains Question

“More than a profession or a business, agriculture is India’s culture. Adding additional income generating activities to existing agriculture, such as via Agri-tourism, would certainly increase the contribution of agriculture in the national GDP and boost farmer’s income.” Discuss.