

# **Agritourism: The Stakeholders-Focused Journey in Maharashtra**

**Published by**

National Institute of Agricultural Extension Management (MANAGE)

(An organisation of Ministry of Agriculture and Farmers' Welfare, Govt. of India)  
Rajendranagar, Hyderabad – 500 030, Telangana State, India

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**About the Publication**

The research report is based on the research conducted by Dr. S. Sarath as a MANAGE Intern under the MANAGE Internship Programme for Post Graduate students of Extension Education.

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**Citation:** S Sarath and B Venkata Rao. (2023). "Agritourism: The Stakeholders-Focused Journey in Maharashtra", National Institute of Agricultural Extension Management (MANAGE), Hyderabad, India.

## **DIRECTOR GENERAL'S MESSAGE**

Agritourism, also known as agrotourism or farm tourism, is a rapidly growing industry in Maharashtra, India. It involves inviting visitors to experience and learn about the daily operations of a working farm or plantation, including crop cultivation, animal husbandry, and other agricultural activities.

Maharashtra is known for its diverse landscape and rich cultural heritage, making it an ideal destination for agritourism. The state is home to a wide variety of crops, including sugarcane, cotton, and soybeans, as well as a diverse range of livestock, including cows, goats, and sheep.

Agritourism in Maharashtra is not only a way to promote sustainable agriculture, but it also provides an opportunity for farmers and rural communities to diversify their income streams and improve their livelihoods. Visitors can learn about traditional farming techniques and the local culture while enjoying the scenic beauty of the state.

In this context, this present study captured the stakeholder's perspectives on agritourism in Maharashtra.

Many farmers in Maharashtra are now embracing agritourism as a means of promoting their products, educating visitors about the importance of sustainable agriculture, and preserving the state's cultural heritage. Some of the popular activities offered by agritourism providers in Maharashtra include farm tours, educational tours, and traditional festivals and celebrations.

Agritourism is also a great way for urban dwellers to reconnect with nature and gain a deeper understanding of where their food comes from. Visitors can experience first-hand the hard work and dedication that goes into producing the food we eat every day.

Overall, this study revealed that agritourism in Maharashtra is a win-win for both farmers and visitors. It allows farmers to promote their products and preserve their cultural heritage while providing visitors with an opportunity to experience the rural way of life and learn about sustainable agriculture. Simultaneously, this study also provides suggestions and policy recommendations for sustainable agritourism development in the state.

I congratulate Dr. S. Sarath, MANAGE Intern for selecting an apt topic "Agritourism: The Stakeholders-Focused Journey in Maharashtra" and carrying out good research through field analysis.



**(Dr. P. Chandra Shekara)**  
Director General, MANAGE

## PREFACE

Agritourism in Maharashtra is an exciting and rapidly growing industry that offers visitors a unique opportunity to experience the daily operations of a working farm and learn about traditional farming techniques and the local culture. As more people become interested in sustainable living and reconnecting with nature, agritourism is becoming an increasingly popular way to explore the rural landscapes and cultural heritage of Maharashtra.

The present study provides a comprehensive overview of the stakeholder's perspectives towards agritourism in Maharashtra. It features detailed information on the history of agritourism, popular agritourism destinations, including descriptions of the activities offered, suggestions and policy recommendations for sustainable agritourism development.

It also covers a wide range of topics, from the history of agriculture in Maharashtra to the benefits of sustainable farming practices, and provides a fascinating glimpse into the rural way of life.

It concludes agritourism in Maharashtra is a great way to promote sustainable agriculture, support rural communities, and preserve the state's cultural heritage. It offers visitors an opportunity to learn about traditional farming techniques and the local culture while enjoying the scenic beauty of the state. As more people become interested in sustainable living and reconnecting with nature, agritourism is sure to continue growing in popularity in Maharashtra and around the world.



**(Dr. B. Venkata Rao)**

Assistant Director

## **ACKNOWLEDGEMENT**

*The way of expressing gratitude begins with acknowledgment. This report-making process would have never come to fruition without the help and encouragement I received from various individuals.*

*I am inexpressively ecstatic to extend my deep sense of gratitude and indebtedness to **Dr.P.Chandra Shekara**, Director General, MANAGE, Hyderabad for accepting my request to document a research report on agritourism.*

*I express my sense of gratitude to **Dr.B.Venkata Rao**, Assistant Director, MANAGE, Hyderabad for his kind supervision, motivation, valuable suggestions and kind encouragement throughout my report-making process.*

*I am thankful to **Dr.Saravanan Raj**, Director (Agricultural Extension), MANAGE, **Dr.K.C.Gummagolmath**, Director (M&E), **Dr.Srinivasacharyulu Attaluri**, Program Officer, MANAGE and **Dr.Sagar Surendra Deshmukh**, Training Associate, MANAGE for sharing their insights throughout my report making process.*

*With all regards, I also extend my thanks to all agritourism farm owners and customers in the study area whose sincere co-operation and help are the backbone for my report.*

*I wholeheartedly thank my beloved seniors **Dr.T.Arivelarasan** and **Dr.Sakthivel** for their moral support and motivation.*

*I render my special thanks to my intimate colleagues **Mr.M.P.Sharath** and **Dr.Tahera** for their support, pleasant association, enthusiasm and inestimable help showered on me.*

*I wish to thank and remember **Kavingnar Kannadasan** who always stands with my memory throughout his indefinite poetic lines in Tamil.*

*My record of gratitude would be incomplete if I fail to mention my most affectionate parents **Sennimalai and Rajalakshmi** and my lovable brothers, sisters and relatives for the mellifluous love and prayer that brought me to witness this heyday. I am indebted greatly to them for everything that they had been to me.*

*At last, I thank the **National Institute of Agricultural Extension Management (MANAGE)** for providing this opportunity.*

**(Dr. S. Sarath)**

## **Abstract**

Agritourism is becoming more popular among customers, as seen by farm visits. It has resulted in an extensive choice of different interpretations of the concept of agritourism and estimates of its value to farmers and communities. It includes a variety of activities and services such as “accommodation, food and beverage, events, festivals, nature contemplation, you-pick (harvest), educational and leisure visits, hunting, fishing and sale of gifts”. It also consists of activities directly involving the immediate participation of individuals in agricultural activities (picking fruits), and indirect participation in farm-based activities, such as visiting farmers’ markets, recreational activities or events in which the agricultural setting serves as the landscape (weddings), accommodation on the farm and food services.

Unlike various tourism segments, customer's demand for agritourism has different needs. In Europe and North America, agritourism is a policy instrument to regenerate regional economies and protect rural traditions and landscapes because of its vast advantages but in developing countries like India, agritourism is still in a nascent stage. However, Maharashtra State developed an exclusive agritourism policy which gives potential to the sector.

In this connection, the study was carried out in Maharashtra, in which four agritourism farms were selected based on the maximum number of customer footfalls to know about the stakeholder’s perspectives. Selected agritourism farms include privately owned, trust owned and farmer producer company owned. In each agritourism farm, 30 customers were randomly selected to know about their preferences in agritourism. The collected data were tabulated, processed and subjected to statistical and econometrical analysis.

The general characteristics of the study area revealed that female respondents were more when compared to male respondents. The minimum age of the sample respondents was 18 years and the maximum age was 58 years. Most of the respondents were adults, followed by the age group of 16-22 years of age. An overall average mean value of age was 28 years. A major share of the respondents were undergraduates followed by postgraduates. The majority of the sample respondents were employees, school students followed by housewives. The majority of respondents were lower-middle-income group range with an annual family income between 5 lakhs to 10 lakhs (38.50 percent) followed by the middle-income group range with an annual family income from 11 lakhs to 15 lakhs (32.25 percent). The average annual family income was Rs. 12,37,125. Family sizes with 2 to 3 members were the most visited customers to the farm followed by family sizes with 4 to 5 members.

Customers preferences toward tourism revealed that customers who travel sometimes were visiting more than often category customers. Customers preferences toward agritourism revealed that farming and its linkage with relative or close friend farm connection customers were mostly visiting agritourism than customers with no connection. Most of the customers visited agritourism sometimes (39.50 percent) followed by rarely (32.75 percent) and often (11.50 percent). The majority of customers preferred a weekend as their preferred occasion, followed by vacation and seasonal festivals. Except for accessibility from metropolitan cities, there was no major difference existed between locations such as accessibility from towns, remote places and famous tourist spots. The majority of customers preferred to have local and traditional food (44.50 percent) followed by the availability of both western and local food (38.50 percent). Most of the customers preferred working farms, offering accommodation and food with active participation in farm activities (66 percent) followed by working farms offering accommodation and food (25.50 percent). Customers preferred to stay 2 to 3 days (63.50 percent) on an agritourism site. In terms of preferred activities in agritourism, entertainment was ranked first by customers followed by hospitality services, educational services and onfarm direct sales.

In terms of supply-side perspectives, returns were more from privately owned agritourism farms than trust-owned and farmer producer company owned. All agritourism farms were licensed under agritourism policy and they expect some policy measures from the State government. Finally, the suggestions from the demand side (customer) perspectives and policy recommendations from the supply side (agritourism farm managers) perspectives were discussed for sustainable agritourism development.

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### **ABBREVIATIONS**

ITDC	Indian Tourism Development Corporation
UNWTO	United Nations World Tourism Organization
ATDC	Agri-tourism Development Corporation
ADT	Agricultural Development Trust
MTDC	Maharashtra Tourism Development Corporation

India's growth is mainly backed by rich natural and cultural resources. Capitalizing on that, the tourism sector in India has witnessed one of the fastest growth rates worldwide (India Tourism Statistics, 2020). The travel and tourism industry has proven its importance as an economic growth engine for the world economy. From 2011 to 2019, the industry's growth rate surpassed the growth rate of the global economy. In 2019, the industry grew at 3.5 percent compared to the global GDP growth rate of 2.5 percent. The tourism sector made a significant impact on the Indian economy. The data released by World Travel and Tourism Council (WTTC) revealed that in 2019 the tourism industry in India contributed Rs. 194 billion to India's GDP and supported 87.5 million jobs, which accounted for 12.75 percent of total employment.

In parallel, the tourism industry needs revitalization for its building blocks to bring back tourists. A recently published UNCTAD report states that a crash in international tourism due to the CoVID-19 pandemic could cause a loss of more than \$ 4 trillion to the global GDP for the years 2020 and 2021. The further report cites that tourism losses are reduced in most developed countries but worsened in developing countries.

### **Tourism**

Tourism as an industry takes place in destinations with a range of natural or man-made features that attract non-local visitors (or tourists) for various activities. Along with defining a destination as a specific geographic area, the classical definition of a tourism destination included the belief that tourism destinations must meet specific criteria to be considered destinations. These criteria included the presence of tourist attractions and accommodations and transportation to, from and within the destination (Del and Baggio, 2015). Later, tourism evolved into different types and among those agritourism is one type. World Tourism Organization defined agritourism as "Agritourism involves accommodation being offered in the farmhouse or a separate guest house, providing meals and organizing guests' activities in the observation and participation in the farming operations".

### **Status of tourism in India**

Tourism as an industry occurs in locations having a variety of natural or man-made qualities that attract non-local visitors (or tourists) for a variety of activities. The traditional definition of a tourist destination contained the concept that tourism destinations must satisfy specified criteria to be deemed destinations, in addition to identifying a destination as a distinct geographic place. These factors included the availability of tourist attractions and lodging, as well as transportation to, from, and within the site.

Capitalizing on that, the tourism sector in India has witnessed one of the fastest growth rates worldwide (India Tourism Statistics, 2021). The travel and tourism industry has shown that it is an important part of the world economy and a driver of growth. From 2011 to 2019, the growth rate of the industry was faster than the growth rate of the world economy as a whole. In 2019, the industry grew at a rate of 3.5%, which was faster than the world's GDP growth rate of 2.5%. The tourism business had a big effect on India's economy.

**Table 1.1: Travel and tourism indicators for India**

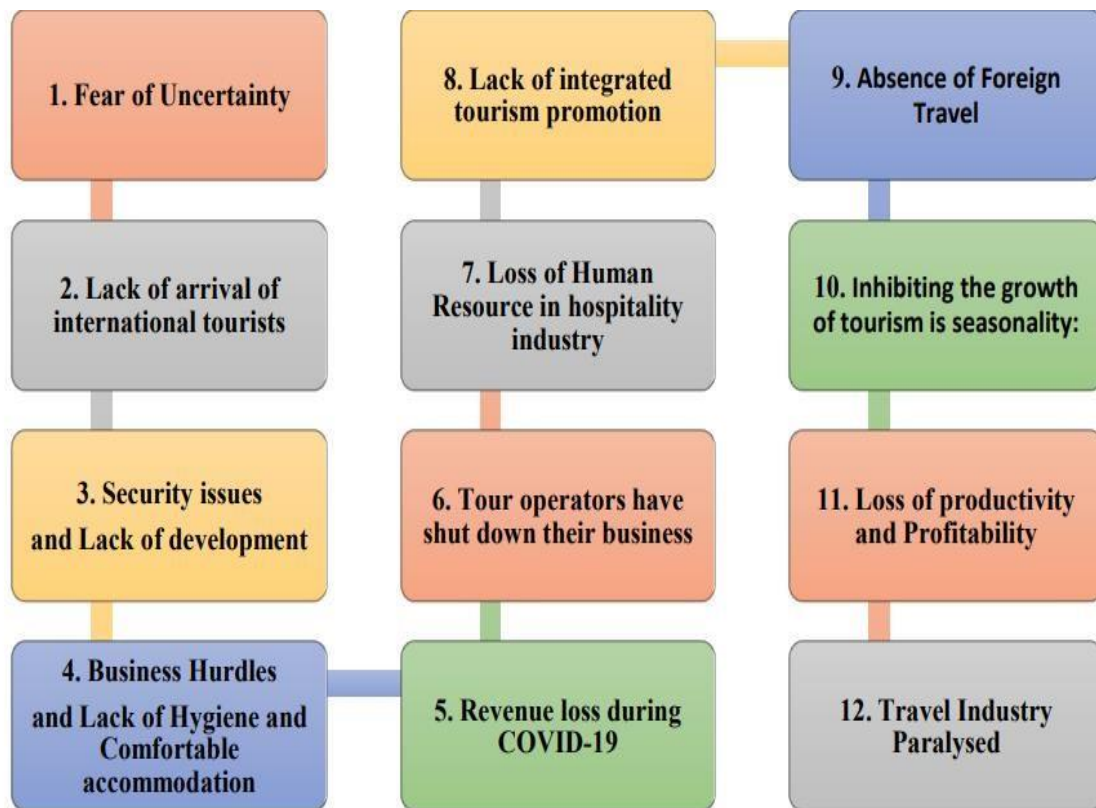
2019	2020	2021
<b>Total contribution of travel and tourism to GDP</b>		
7.0 % of total economy (INR 15,729.3 BN)	4.3 % of total economy (INR 9,164.9 BN) Change: -41.7% Economy change: -6.5%	5.8% of total economy (INR 13,161.1 BN) Change: + 43.6% Economy change: +8.1%
<b>Total contribution of travel and tourism to employment</b>		
40.10 MN (8.4 % of total jobs)	29.14 MN (6.3 % of total jobs) Change: -27.3%	32.10 MN (6.9 % of total jobs) Change: +10.2%
<b>Visitor spend</b>		
<i>International</i>		
INR 2,532.6 BN 5.8% of total exports	INR 1,072.6 BN 2.8% of total exports Change: -57.7%	INR 653.4 BN 1.4% of total exports Change: -39.1 %
<i>Domestic</i>		
INR 11,515.6 BN	INR 7,170.7 BN Change: -37.7%	INR 11,166.6 BN Change: +53.7%

*Source: FICCI Tourism Report, 2022*

### **Impact of COVID-19 on the tourism**

India is a large travel and tourist market. As previously said, tourism is an important source of foreign currency in India and other nations. Foreign currency profits increased at a 7% CAGR from 2016 to 2019, but fell in 2020 because of the COVID-19 epidemic. In comparison to

2019, the Indian tourist industry employed just 39 million people in 2020, accounting for 8% of overall employment in the nation. While during the Covid-19 pandemic tourism industry faced the following issues and challenges.



**Figure 1.1 Impact of COVID-19 on tourism**

### **Agritourism**

Agritourism became popular in the United States and several European nations. Agritourism was officially initiated and recognized in Italy in 1985 when the Italian parliament and senate passed the National Legal Framework for Agritourism (law no. 730/1985; Italian Government, 1985). The fundamental concept of agritourism was the entrepreneurial diversification of a farm. This was later amended by laws No. 228 (2001) and No. 96 (2006) "Regulations of Agritourism" (Italian Government, 2001 & 2006), which privatized and extended the concept of agritourism to agricultural firms, increasing commercial agritourism. National Regulation No. 96/2006 establishes the legal framework criteria and assigns precise criteria for the prevalence of agricultural activity as well as concrete limits to the regions.



**Figure 1.2 Agritourism in Italy**

Agritourism is regulated at the regional level in some countries, such as Spain, rather than at the national level or through a national framework regulation. This is due to the regional autonomous communities' expertise in tourism management. Many states in the United States have passed agritourism laws, which may provide an affirmative defense to lawsuits brought by injured customers. In general, these laws protect against the "inherent risks" of running an agritourism operation, such as land and building conditions.

### **Global Agritourism Market**

Globally, the agritourism market was valued at \$69.24 billion in 2019 and is expected to reach \$117.37 billion by 2027, registering a CAGR of 7.42 percent between 2020 and 2027 (Anil and Roshan, 2021).



**Figure 1.3 Global Agritourism Market**

The global market is expanding rapidly on account of the rising adoption of relevant strategies by the governments of various economies to boost the revenue from agriculture, as well as the tourism industry. The growing consumer demand for economical, nature-based, and sustainable tourism among tourists is acting as a crucial driving force for the market. Moreover, the increasing initiatives by governments, private organizations, and associations to develop a

strong industry by launching agritourism projects and programs will further boost the agritourism market growth. In particular market trends of agritourism deal with various stakeholders such as farmers, customers, local artisans and others.



**Figure 1.4 Market Trends in Agritourism**

Agritourism encompassed a wide range of activities and services, including lodging, food and beverage, events, festivals, nature contemplation, U-pick (harvest), educational and recreational trips, hunting, fishing, and the sale of goods (Tew and Barbieri, 2012). It also included activities that involve individuals directly participating in agricultural activities (picking fruits) as well as indirect participation in farm-based activities such as visiting farmer's markets (Barbieri, 2013), recreational activities or events where the agricultural setting serves as the landscape (weddings), farm accommodation and food services. The categories of activities (core and periphery) under agritourism were proposed by Chase *et al.*, (2018) and are presented in Table 1.2.

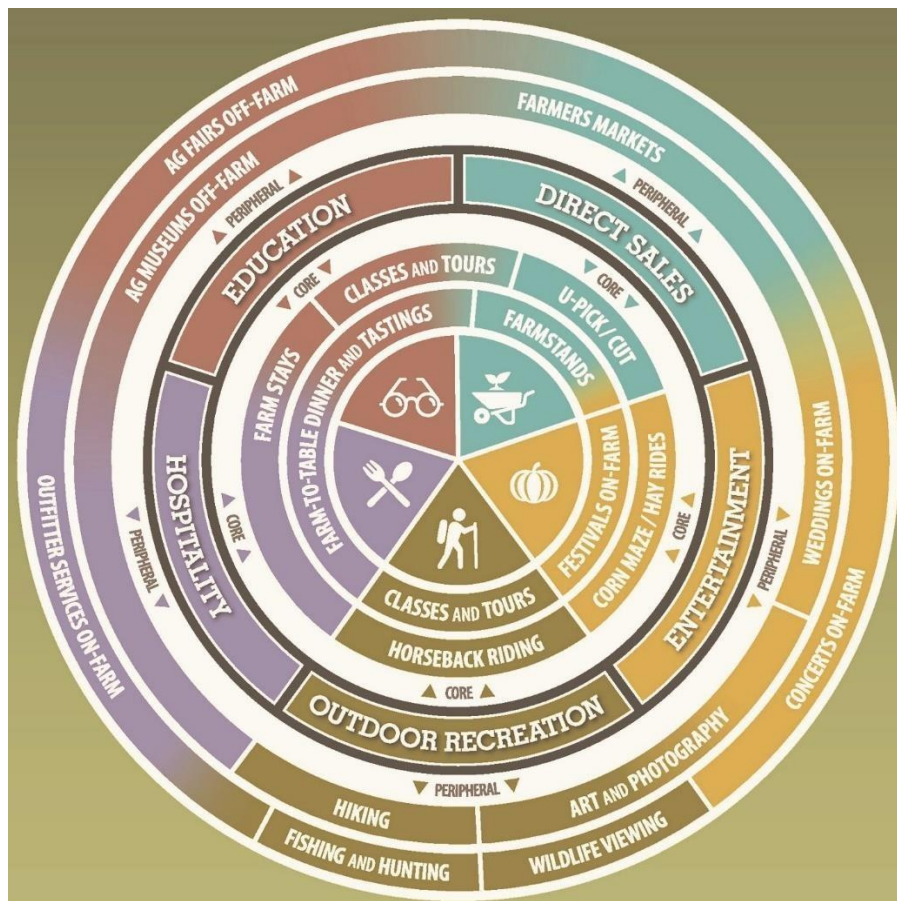
**Table 1.2 Core and peripheral activities in agritourism**

Core	Peripheral
Product sales + Experiences	
Direct farm sales of agricultural products sold with deep connections to agriculture.	Direct farm sales of agricultural products sold off the farm. ( <i>Examples: rural market</i>



(Examples: sowing, harvesting, U-pick, greenhouses, nurseries and other on-farm activities)	visits, off-farm activities, agricultural fairs and garden visits)
Experiences	
Education, entertainment, hospitality and outdoor recreation on the farm and deeply connected with agriculture. (Examples: farm tours, farm to table meals, overnight farm stays and agricultural festivals on the farm)	Entertainment, hospitality and outdoor recreation on the farm but only with peripheral connections to agriculture. (Examples: weddings, music events, hiking, riding and trekking activities)

Several factors have encouraged the growth of agritourism in foreign nations. Figure 1.5 distinguishes the core and peripheral activities in agritourism.



**Figure 1.5. Core and Peripheral activities of agritourism**

The fundamental cause for the growth of agritourism was economic (Montefrio and Sin, 2019). Agritourism was seen as a low-risk, low-investment approach in many areas since farmers used their existing resources (Tew and Barbieri, 2012). It can revitalize rural economies

via the multiplier effect, and the benefits will be shared by a varied range of enterprises in the community (Contini *et al.*, 2009). Farmers around the industrialized world have increasingly expanded into tourism as an industry with significant potential to compensate for the reduction in severe agricultural profits (Deville *et al.*, 2016).



**Figure 1.6 Agritourism activities**

Agritourism has been widely marketed as a potential source of revenue and employment in Italy and America, particularly in marginal rural regions where the agriculture economy has declined (Kline *et al.*, 2016). If developed effectively, it can boost the long-term potential for larger profit margins for farm goods and services, especially for small farms in crisis and encourage entrepreneurship (Naidoo and Sharpley, 2016).

### **Driving Factors across Globe**

Governments across various economies are focusing on improving the agriculture economy by promoting agritourism, which is predicted to be a crucial growth-driving factor for the market. For instance, in Thailand, the Ministry of Agriculture and Cooperatives works closely with the Ministry of Tourism and Sports for promoting domestic agriculture tourism, as well as to encourage local tourism across the country.

Moreover, the incorporation of agritourism departments and the launch of agro-tourism projects by the governments of different economies are expected to further augment the global market size. For instance, in 2005, Agri Tourism Development Corporation was incorporated in India with a focus to encourage farmers for taking up agriculture tourism, conducting research & training programs for them, and various other industry-related activities.

High revenue generation associated with tourism and recreational activities at the agricultural farms is significantly driving the market. Farm owners are getting increasingly inclined towards developing their properties into agriculture tourism destinations to achieve higher revenues. For instance, according to the Census of Agriculture data, agritourism revenues from farms tripled between the years 2002 and 2017 in the U.S.

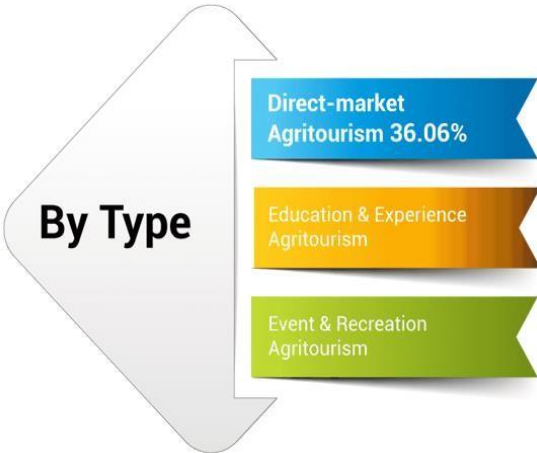
For farmers suffering from losses due to lower crop productivity, investing into the agriculture tourism business is becoming a significant option to support their livelihood and boost income, which is further projected to augment the market growth across the globe.

**Restraining Factors**

A major restraint for the growth of the agritourism market is its unorganized structure. The concept of agritourism is niche and it lacks legal definition across several economies, which is restricting the speedy growth of the market. The lack of awareness about this type of tourism destination and the lower number of established tours of agritourism operators in this industry, especially across developing countries is acting as a major obstacle to market growth.

**Segmentation in Agritourism**

The event and recreation segment is expected to hold a prominent share of the global market. This can be attributed to a significant increase in the demand for recreational tours & activities at farms and at places that have a rural ambiance.



**Figure 1.7. Market Segment in Agritourism**

The growth of on-farm recreation through the commencement of generic and specialized activities such as tours in orchard farms, fishing, and tea garden visits for leaf-picking in the western economies is beneficial for the segment's growth. The rising number of comfortable and well-equipped farm stays in rural areas across developed, as well as developing economies, is playing a crucial role in luring tourists to spend their leisure at these places.

The direct-market segment is projected to exhibit a significant rise during the forthcoming years due to the increasing government investments and efforts to boost the agricultural economy through farm product sales (Agritourism Market Research Report, 2020). Many tourists who admire the rural lifestyle prefer to purchase farm products and services during their visits to farms to help boost the economy of farmers. In recent years, it has been observed that farm owners are inclined towards offering a range of fresh farm-grown products such as fruits, vegetables, and others to visitors to give a boost to their income. The factor is expected to accelerate the growth of the direct-market segment crucially.

### **Regional Insights**

At present, Europe holds the dominant agritourism market share in the global market and the region is predicted to lead throughout the forecast period. The presence of countries such as the U.K., France, Italy, Belgium, Croatia, Germany, and others where farm and agriculture tourism has gained significant recognition in the past decades is contributing significantly to aiding the market growth of the region. The presence of an abundance of dispersed and smallscale agribusiness and farms in European countries, which are mostly family-owned, is a huge opportunity for the development of the agritourism business within Europe. Moreover, the legalization and formal recognition of this particular tourism by countries such as Italy is fuelling the market across the region. In the forthcoming years, the adoption of sophisticated marketing systems for agritourism, the amplification of the product range sold at farms, and the extensive governmental support can immensely boost the market within Europe (Agritourism Market Research Report, 2020).

Asia Pacific is expected to be the fastest-growing region in the global market. This can be attributed to the presence of agri-dominant countries such as China and India within the region. The government across the aforementioned countries and other southeast Asian countries are intensifying their efforts to develop the agritourism business to improve the agricultural and tourism economy remarkably. High investment by the government in the sector, coupled with the increased involvement of private and semi-government organizations in this business can fetch abundant success to the industry of Asia Pacific in the upcoming



years. Furthermore, the swiftly growing industry in Australia is playing a significant role in augmenting the market



**Figure 1.8 Valuation of Agritourism**

size across Asia. The increasing preference of domestic tourists and tourists from overseas to visit Australia for rural holidays and farm stays is expected to boost this market in Australia.

**Key industry players**

The global agritourism market is highly fragmented due to the presence of a large number of small and large market key players existing in different regions of the globe.

Select Holidays, STAR Destinations, Liberty Hill Farm, and Stita Group are some of the well-established agritourism firms that offer farm stays and other activities (Agritourism Market Research Report, 2020). One of the primary reasons for the high fragmentation within the market is its varying technical definition across different countries and regions. In the forthcoming years, the market is expected to showcase increased consolidation due to the rising collaboration between agritourism firms and the rising number of acquisitions and partnerships.



**Figure 1.9 Market Players in Agritourism**

**Key industry developments**

† In August 2018, Visit Florida collaborated with Florida Agritourism Association for the launch of a novel mobile app that can connect visitors with Florida’s agricultural

destinations. The app is designed to allow Florida's vineyards, ranches, and farm owners to invite agritourists and contribute to the development of agritourism across Florida.



**Figure 1.10 Industrial Developments in Agritourism**

- † In January 2017, Stayzilla, a prominent mediator company of verified homestays, announced its collaboration with Agri Tourism Development Company (ATDC) for promoting agritourism in India.

### **Agritourism in India**

In India, about 141 million hectares of net sown area spread over various agro-climatic conditions offers a wide variety of habitats. Tourists seek one-of-a-kind and authentic experiences and individualized attention and activities catered to their specific requirements and interests (India Tourism Statistics, 2020). Especially, city dwellers seek recreation in a natural setting. It is possible to do this through agritourism.

In India, revenue from agritourism is growing at an annual growth rate of 20 percent (Deya, 2019). The seeds of agritourism in India were first sown by Pandurang Taware, an entrepreneur and descendent of a rural community who established the Agritourism Development Corporation, India in 2004 (ATDC, India), which is based in Malegaon, Baramati, Maharashtra. ATDC is a corporation that enables and promotes agritourism in Maharashtra to diversify business opportunities and ensure a sustainable livelihood for farmers. Following a study phase and an early pilot programme in a hamlet in the Baramati district in 2005, ATDC has expanded significantly, with 500 trained farmers and 152 agritourism destinations around Maharashtra. Farmers in the state have seen a 25% increase in revenue since the program's commencement.

ATDC provides farmers with agritourism training programmes with the technical and professional skills required to build farm-centric tourist operations. It promotes the use of local youth as agritourism guides and especially contracts women for food preparation services using established Women Self Help Groups. ATDC has built strong relationships with the state government and has successfully obtained a preferential loan policy from the Pune District

Central Cooperative Bank for agritourism farms. The tourism principal secretary from Maharashtra reported that around 250 units so far applied for registration after the policy was launched. However, before the launching of the agritourism policy, Maharashtra had 328 agritourism centers across 29 Districts and from its inception farmers' income rose by 25 percent growth. From 2018 to 2020 around 17.9 lakh tourists visited these agritourism centers which assisted the farmers to make cumulative revenue of about Rs. 55.79 crores. It also generated more than 1 lakh jobs for women and youth in rural areas.

Karnataka Tourism Department recently included agritourism as one of the core tourism themes of the State. Karnataka tourism policy note unveiled that promotion and development of agritourism encourage tourists to engage in agricultural and farming activities and as a gateway for knowing about local cuisine, culture, traditions, arts and imparts agricultural education to school students. This policy addresses two key challenges for the development of agritourism in terms of awareness and capacity building and also seeks collaborative support from various departments and institutions. Under the policy note, the agritourism project is eligible for incentives, subsidies, and concessions.

In this pipeline, Kerala State also decided to set up the Kerala Agritourism Network as a responsible tourism project to guarantee monetary benefits to the farming community by linking farming activities with tourism. Kerala tourism minister stated that under this network, authorities will set up 500 farm tourism units and 5000 homestay farms by March 2023. He added that without disturbing farming operations, tourism will be carried out and so far, 680 people have registered under the farm tourism missions training programme. Those farms run by units that complete the training successfully will qualify for farm tourism packages.

Agritourism is functioning in other states like Kerala, Punjab, Rajasthan and Gujarat but it was not well-established (FICCI Tourism Report, 2022). Even some private organizations are running the agritourism enterprise in these states.

### **Problem of the study**

In India, agritourism is still in its inception stage. Recently, the Ministry of Tourism, Government of India has released a “Draft National Strategy for Promotion of Rural Homestays-An Initiative Towards Atmanirbhar Bharat”. Agritourism was included in the proposal of the rural homestay’s ministry.

According to the Ministry, Rural Homestays provide tourists with opportunities for a variety of activities such as taking a tour of the village to learn local history and insights, participating in nature tours, trekking, learning how to weave silk or cotton cloth, participating

in farm activities, learning a specialized local skill such as cooking local cuisine, and serene experiences of houseboat sailing around backwaters.

The Ministry of Tourism earlier declared the country's National Strategy and Roadmap for Rural Tourism, and Rural Homestays are vital to rural tourism growth. In addition, the Ministry has developed a National Strategy for Sustainable Tourism in the nation. The National Rural Homestay Promotion Strategy is aligned with national rural tourism and sustainable tourism goals. The policy aims to recognize the value of rural homestays in promoting rural and sustainable tourism, as well as to strengthen the rural homestay support system.

However, the government of Maharashtra framed agritourism policy for sustainable development of agritourism in the State. No other study has been conducted so far regarding agritourism policy and stakeholders' expectations in Maharashtra. In order to know the impact of agritourism policy and as well as stakeholders' expectations this study was framed with the following objectives. The objectives are

- ✦ To know about the profile of agritourism in India
- ✦ To analyze agritourism provider's perspectives towards agritourism
- ✦ To assess the cost and returns for selected agritourism farms
- ✦ To identify the customers preferences in agritourism
- ✦ To provide suggestions for sustainable agritourism development

## **Chapter II**

### **Theoretical and conceptual framework of agritourism**

#### **Definitions for agritourism**

According to *World Tourism Organization (1998)*, agritourism involves accommodation being offered in the farmhouse or a separate guest house, providing meals and organizing guest's activities in the observation and participation in the farming operations.

*USDA (2005)* defined agritourism as a commercial enterprise that links agricultural production and processing with tourism to attract visitors to a farm, ranch, or other agricultural business to entertain or educate the visitors and generate income for the farm ranch or business owner.

*Marques (2006)* described agritourism as a specific type of rural tourism. The hosting house must be integrated into an agricultural estate, inhabited by the proprietor, allowing visitors to participate in agricultural or complementary activities on the property.

*McGehee et al., (2007)* stated that agritourism was a rural enterprise that incorporated a working farm environment and a commercial tourism component.



**Barbieri and Mshenga (2008)** defined agritourism as any practice developed on a working farm to attract visitors.

According to **UNWTO (2010)**, agritourism from the farmers perspective was considered a range of activities, services and amenities provided by farmers and rural people to attract tourists to their area to generate extra income for their businesses. In the same agritourism from the tourists' viewpoint means anything that connects tourists with the heritage, natural resources or culinary experiences unique to the agricultural industry or a specific region of the country's rural areas.

**Tew and Barbieri (2012)** defined agritourism includes a variety of activities and services such as accommodation, food and beverage, events, festivals, nature contemplation, you-pick (harvest), educational and leisure visits, hunting, fishing and sale of gifts.

**Kenebayeva et al., (2014)** referred to agritourism as farming-related activities carried out on a working farm or other agricultural settings for entertainment or education purposes.

**Barbieri (2013)** stated that agritourism consists of activities directly involving the immediate participation of individuals in agricultural activities (picking fruits) and indirect participation in farm-based activities, such as visiting farmers' markets, recreational activities or events in which the agricultural setting serves as the landscape (weddings), accommodation on the farm and food services.

**Karampela and Kizos (2018)** defined agritourism as tourist activities of small-scale, family or co-operative in origin, being developed in rural areas by people employed in agriculture and provision of touristic opportunities on working farms.

**Dionysopoulou (2020)** opined agritourism was organized by farmers, usually as a secondary activity, with agriculture remaining their main occupation and source of income.

**Sachaleli (2020)** explained that agritourism was an activity of hospitality performed by agricultural entrepreneurs and their family members that must remain connected and complementary to farming activities.

**Phan (2021)** defined agritourism as tourism products directly connected with the rural environment, agricultural products or agrarian stays.

### **Revised typology for defining agritourism**

Flanigan *et al.*, (2014) gave a revised typology for defining agritourism. He defined agritourism as the degree of relationship between tourism and agricultural activity, ranging from direct to indirect contact and relates to the authenticity of the tourist experience in terms of any

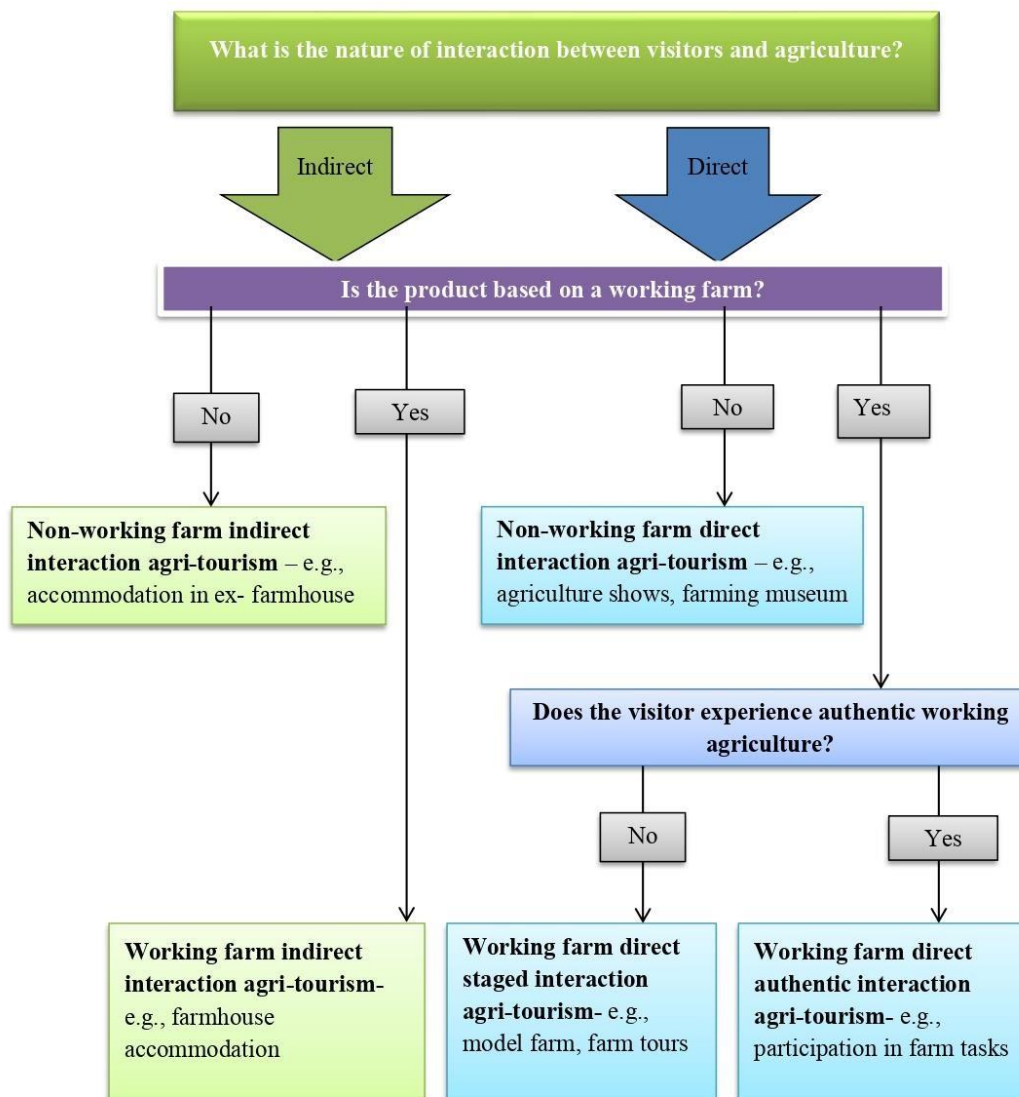
involvement with actual farming activity. A revised typology for defining agritourism is shown in Fig. 2.1.

***Non-working farm indirect interaction agritourism (NWFII)***

Non-working farm (NWF) agritourism covers a wide array of agritourism services related to farming but is not located on a working farm. NWF agritourism featured items based on agricultural imagery and culture, such as ex-farm buildings (e.g., ex-farmhouse lodging) and products that represent past and contemporary agricultural methods in off-farm areas (e.g., sheep shearing demonstrations located at a woollen mill). In conclusion, NWFII agritourism services were not physically based on actual farmlands, but rather create a link to agriculture or agricultural heritage via imagery or location rather than a direct relationship to farm animals, crops, equipment, or processes.

***Non-working farm direct interaction agritourism (NWFDI)***

NWFDI agritourism enables visitors to interact with agriculture in a variety of off-farm and previously operating farm settings, to increase public awareness and knowledge of agriculture or agricultural tradition.



**Figure 2.1 Revised Typology for defining Agritourism**

***Working farm indirect interaction agritourism (WFDSI)***

WFDSI agritourism includes various services that enable visitors to connect directly with farming components in a working farm environment. In the context of WFDSI agritourism, visitor contact with agriculture can be termed as staged, based on physical or temporal changes made to typical working agriculture, allowing tourists to experience it in a safe and convenient form.

***Working farm direct authentic interaction agritourism (WFDAI)***

WFDAI agritourism was developed as specialty tourism based on working farms that allow tourists to connect directly with working agricultural operations. WFDAI agritourism was the only sort of agritourism that enables tourists to experience agricultural 'back regions' realistically.

### **Importance of agritourism**

Agritourism was a sort of tourism that occurs within long-term tourist development (Barbieri, 2013). It has evolved chiefly due to the decline of agriculture in many rural areas, which has forced them to seek alternate sources of economic development. Agritourism was seen as a development tool in marginalized regions, generating economic benefits and enhancing the local community's living standards (Cohen *et al.*, 2014).

A common understanding of agritourism was essential for clear communication, consistent and reliable measurement, informed policy, and initiatives that benefit farms and ranches and their communities (Chase *et al.*, 2018). If adequately exploited and integrated through policy interventions, these activities may represent not only a business opportunity for individual agritourism income but also an excellent mechanism to support rural development by promoting new farm-related activities, new professional profiles, and new forms of employment, as proposed by Naidoo and Sharpley (2016).

Barbieri *et al.*, (2008) found that farm diversification in North America was primarily driven by operating and management attributes the number of family members working on the farm and the number of days that spouse worked off the farm. To encourage diversified farms, agricultural authorities in many countries of the world have used policy instruments to promote agritourism. For example, the 2002 U.S. farm bill mandated prioritized research on agritourism and agricultural marketing and created a series of economic incentives (such as payments, grants and loans) to encourage farmers and ranchers to diversify their enterprises. Similarly, the Canadian Government offered payments to assist farms in enhancing their profitability and their networks to new economic opportunities, including value-added initiatives. Finally, in a recent study, Hwang and Lee (2015) conducted an ex-post evaluation of the Rural Traditional Theme Village program in South Korea and found that the policy increased the non-farm income of farming households.

In a study of public support (subsidy per job) for small-scale Israeli tourism enterprises, Fleischer and Felsenstein (2000) found that agritourism yielded favourable cost-benefit ratios and net present values per job. Some studies have investigated the motivations and factors affecting producers' decisions to engage in agritourism. For instance, Khanal and Mishra (2014) have investigated the determinants and economic performance of U.S. farmers' participation in agritourism. In a study of Virginia farmers, McGehee *et al.*, (2007) found that farm size, the degree of dependence on farming and the perceived popularity of agritourism as enterprise diversification were responsible for farm households' participation in agritourism.

### *Some of them are*

- ✚ Agritourism allows farmers to earn extra income.
- ✚ It helps transfer economic resources in the country from cities, increasing the possibility of rural people earning a living.
- ✚ It attracts a huge number of tourists to the agricultural region.
- ✚ The goal of agritourism is to get familiar with agricultural goods, including entertainment.
- ✚ It guarantees that farmers may sell their products at a profit all year round.
- ✚ It assists in the creation of new employment for family members or even locals, as well as jobs for women and youth in rural regions.

### **Maharashtra State Agritourism Policy**

Maharashtra is the first State in India with an agritourism policy. Agritourism Development Corporation operates 328 agritourism establishments in 29 districts, including Pune, Aurangabad, villages surrounding Nagpur, and Thane District's tribal region.

### **Who can set it up?**

Individual farmers, agriculture cooperative societies, agriculture research centers, agriculture universities, or farmer companies.

### **Certification**

These centers will be certified by the Tourism Department, after which they will be eligible for loans and other tax credits.



**Figure 2.2 Agritourism Certificate**

## ***Requirements***

Ownership of two to five acres with accommodation and food supply facilities is required to register under the programme. The initial registration fee for an agritourism center is Rs. 2,500, with an Rs.1,000 renewal fee every five years. **Basic requirements for starting agritourism in India**

The main conditions for starting agritourism are farmer-owned agricultural land, a village connected with basic transportation amenities, and agriculture with a variety of crop components.

**Farmer:** Farmers are, on average, less educated, less exposed, and less innocent. Any foreigner is considered a guest and is handled in a very basic yet loving way by the rural population. They may become ideal hosts with some training in hospitality and public hygiene.

**Village:** Rural habitations are endowed with natural resources and are located distant from the madding mob. Nature invests in the form of water bodies, fields, forests, mountains, deserts, and islands. The communal structure is more homogeneous, and visitors are treated with respect. These sylvan environments may attract visitors if they have strong access to the outside world, basic infrastructures like electricity and municipal facilities.



**Figure 2.3 Basic bricks in agritourism**

**Agriculture:** It is a vast and diverse profession deserving of visual and conceptual exploration. Its proportions, which include land, water, plants, and domestic animals cared for by a basic agricultural community, make for a gorgeous sight. Indigenous wisdom of rural people is a treasure that may enrich the visitor experience.

## **Principles of Agritourism**

Agritourism businesses take advantage of the following three basic principles.

### **‡ Have something for visitors to SEE**

Tourists may be given animals, birds, farms, and information about the environment, to name a few items. Aside from this, agri-tourists may be interested in local culture, dress, festivals, and rural sports.



### ‡ **Have something for visitors to DO**

Participating in agricultural activities, swimming, driving a bullock cart, riding a camel, riding a buffalo, preparing meals, and playing rural games are a few examples of activities for persons seeking an alternative lifestyle.



**Figure 2.4 Principles of agritourism**

### ‡ **Have something for visitors to BUY**

A few of the gifts accessible to travellers include rural arts and crafts, apparel materials, farm-gate-fresh agricultural products, and processed foods. Moreover, the rising awareness among urban residents of their environmental disconnection and their desire to interact with more natural living systems is an important aspect. Agritourism allows the majority of urban Indians to reconnect with their agricultural ancestors, who are just one or two generations removed.

### **Process of registration and certification**

Agritourism is profitable when all components, including marketing, are planned. As a starting point, the six fundamental actions listed below are proposed.

- ‡ ***Collection of data, situation analysis, and pre-emptive problem assessment:*** This is the key step in which the prospective entrepreneur analyses his farm situation in order to discover the possibilities for agritourism on his farm, as well as the facilities necessary, possible challenges, and remedies.
- ‡ ***Personal and project feasibility assessments:*** Personal assessment assists a prospective entrepreneur in determining why he or she is interested in starting an agritourism firm. It is critical to clearly define and prioritize one's objectives for the new enterprise, as well as one's unique resources and abilities. The study of project feasibility tackles both technical and financial viability considerations.
- ‡ ***Market and financial analysis:*** This involve identifying the prospective market as well as the target visitors. The buying power of visitors fluctuates, and it is important to understand who they are. Investments must be made properly. Unlike conventional

agricultural goods, agritourism comprises both service or experience and commerce, necessitating the use of multiple skill sets. A budget must be properly crafted, ideally with the help of a production professional and a business planning specialist. An appropriate budget outlay is created during a financial review.

- † ***Creating a business plan:*** A lender will want a comprehensive business plan from a loan-seeking entrepreneur. Personal, market demand, project feasibility, and financial considerations should all be covered in the business plan. It must include a thorough plan for Expenditure (start-up and maintenance costs) and Income (admission/tour fees, activity charges, fresh produce sales, processed product sales, show charges, and stopping charges).
- † ***Regulation, authorization, and insurance:*** Permission from the State Tourism Department, another line department, or an apex organization for agritourism (if one exists) is required. A permit/registration will allow the company to be covered against unforeseeable disasters.
- † ***Strategy for marketing:*** The market mix technique for marketing the agritourism concept includes the following components:

#### ***Product***

Agritourism is about seeing, believing, and ultimately experiencing. This experience is simple yet one-of-a-kind. For a tourist from another culture, climbing a tree, riding buffalo in the pond, and sipping sugarcane juice in the field are all unique experiences. ***Price***

- † ***Customer segment pricing:*** Price differential may occur depending on the character of the visitor. For example, bullock cart riding may be an altogether new experience for someone from outside the nation, but not for an Indian city inhabitant. Pricing may be structured appropriately.
- † ***Location price:*** The cost of agritourism is dictated by its location and relevance. Agritourism that concentrates only on agriculture and rural life and does not have the advantage of a neighbouring well-known tourist site may charge conventional prices. Agritourism regions near established tourist destinations, such as temple towns, hill stations, big water bodies, mountains, and so on, may be able to demand a higher price. Because the high price in well-known tourist spots is already considerable, a visitor may find it less costly to stay at on-farm dwellings and visit the more well-known, thereby benefitting himself twice over.



- ✦ **Time pricing:** During peak season (November to January) and special events such as festivals, harvest seasons, and so on, agritourism units may charge higher fees.

### **Place**

The location where visitors stay has an impact on the cost. Even high tariffs will be tolerated if a farmer-entrepreneur has built specific hotel facilities on his land.

**Collaborations** - Agritourism promotion and strategic cooperation may occur on two levels:

- ✦ **Collaboration with airlines, travel companies, and foreign embassies:** Individual farmers may not be able to form such collaborations. After properly registering individual service providers as 'homestay facilities,' Central and State Tourism departments/corporations or commercial tour operators may form such partnerships and incorporate them into their network.
- ✦ **Collaboration with the hotel business:** Collaboration with the hotel sector may attract a large number of domestic visitors.

**Policies:** The following are some policy measures to promote agritourism:

- ✦ Capital Facilitation and Policy Guidelines
- ✦ Hospitality orientation and training
- ✦ Agritourism training and brand development
- ✦ Establishing fundamental infrastructure ✦ Ensure tourist safety and security.
- ✦ Product and service quality assurance

Tourists that visit farms, like any other customer, want good value for their money. As a result, achieving expectations in the delivery of services and goods is critical. In this context, the problems of agritourism include a probable lack of information about the relevance of these among first-generation businesses.

### **Scope of agritourism**

- ✦ One inexpensive gateway which broadens the rural culture to tourists.
- ✦ Urban people or tourists came to know about the farming industry and lifestyle and their curiosity was also more related to knowing about agriculture.
- ✦ Has a demand for wholesome family-oriented recreation and provides recreational opportunities to all age groups.
- ✦ Nowadays health consciousness of the professional and urban population is growing and agritourism has enough potential to provide tourists with needs related to health consciousness.

- ✚ Peace and tranquility are inbuilt into agritourism. So, tourists' need of searching for leisure and pleasure can be obtained through agritourism.
- ✚ Villages built predominantly around agriculture offer a range of recreation through festivals and handicrafts.
- ✚ The agricultural environment around farmers and the entire production process could create curiosity among city dwellers.
- ✚ Agritourism can create awareness and knowledge about rural life and agriculture science as practiced among urban school children.

### **Advantages of agritourism**

- ✚ Increases income for the farm as well as farmers
- ✚ Increases job prospects in rural regions
- ✚ Increases awareness of locally produced agricultural items
- ✚ People living in cities learned about agricultural operations.
- ✚ Management abilities and entrepreneurial spirit will be enhanced.
- ✚ It produces more revenue for local companies since they must give services to visitors or tourists.
- ✚ Local art and craft traditions will be protected because they will have the ability to build markets if tourism is expanded.
- ✚ It encourages regional and intercultural dialogue.
- ✚ Agriculture-related local goods and services may be promoted.
- ✚ There would be an opportunity to blend tourist goods and services for guests.
- ✚ Tourism will be enhanced in rural regions as well.
- ✚ Tourism markets will have a distinct presence in rural regions.
- ✚ It will provide tourists and visitors with the chance to learn about agricultural activities.
- ✚ It also helps to educate tourists on how to mix tourism with environmental protection.

### **Problems of Agritourism**

- ✚ It requires high initial investment and proper management for effective utilization of resources as well as satisfying the visitors.
- ✚ No insurance coverage for tourists.
- ✚ Non-availability of tourists during vacation time.
- ✚ Lack of government support, lack of proper credit facilities and non-willingness of the tourists to purchase farm products.
- ✚ Lack of organized effort like farmer organizations.
- ✚ No specific policy for the promotion of agritourism.

‡ Complexity in getting a license from the government.

‡ Lack of training in hospitality and management.

## **Review of Literature**

### ***Past studies on agritourism***

Phillip *et al.*, (2010) discussed a typology for defining agritourism. The authors provided the typology with a comprehensive framework that integrates the broad range of products and activities identified as agritourism from the passive appreciation of agriculturally produced scenery to farm tours, farmhouse bed and breakfast, and working farm stays. At last, they stated that by providing a consistent framework to support the academic study of the phenomenon, it also had the potential to underpin more practical market research by highlighting the differences between agritourism types to allow more focused research on what consumers want.

Tew and Barbieri (2012) evaluated the perceived benefits of agritourism from the provider's perspective. This study examined the perceived benefits of agritourism by examining the importance of activity in accomplishing 16 goals of farmers receiving visitors for recreation on their farms and also examined several farm household and business attributes associated with the accomplishment of four-goal dimensions driving agritourism development. Identified results showed that agritourism primarily serves to capture new farm customers, educate the public about agriculture and enhance the quality of life for the farm family, which represents both economic and non-economic benefits. At last, four significant regression models showed that several farm business and household attributes were associated with the perceived agritourism benefits within four-goal dimensions, suggesting opportunities for tailored promotional messages and policy considerations for the entrepreneurial development of agritourism.

Forbord *et al.*, (2012) studied the stability and variety of e-products, organization and institutionalization in farm tourism. Products, collective organizations and institutions were the factors that shaped farm tourism. They found clear contrasts between the cases when it comes to the structure of farm tourism organizations. However, the organizations' goals were quite similar, emphasizing three tasks: marketing, competence building and quality assurance. Finally, they developed the conceptual model showing the interdependence between products, organizations and institutions in the farm tourism sector and the influence of market and location.

Yang (2012) investigated the impacts and challenges in agritourism development. This study examined the impacts of agritourism on an ethnic community and discussed the challenges

faced by residents attempting to improve their livelihoods through tourism. A qualitative study of selected households indicates positive experiences both economically and socio-culturally. He stated that agritourism has provided a supplementary income and new employment opportunities to the rural community and has also increased the conservation of the environment and appreciation of minority cultures and rural lifestyles. However, he concluded that the development of agritourism was facing several challenges, and government aid was needed to support farming families in establishing and operating tourism enterprises. Daugstad and Kirchengast (2013) studied the combined activities of both tourism and farming. They found that the interviewees gave priority to farming. However, farming and tourism were seen as symbiotic. In their study, farmers emphasized different strategies for coping with their double role, ranging from physical compartmentalization of space to attitudinal shifts. Those strategies implied that the farmers' physical surroundings and performances needed to be staged. Ultimately, they found that the construction of a pseudobackstage, as performed on the summer farms, was one way of translating the current netting of discourses on tourism, authenticity and heritage into the social practices of concrete tourist-host interaction in an agri-tourist setting. By creating a pseudo-backstage, tourists were introduced to an inner circle.

Kiran *et al.*, (2014) assessed investment opportunities in agritourism in India. They stated that agritourism was the latest concept in the Indian tourism industry, which normally occurs on farms and the holiday's concept of visiting a working farm or any agricultural, horticultural, or agribusiness operations for enjoyment, education, or active involvement in the activities of the farm or operation. Further, they explained that agritourism was about fulfilling various village life facets. However, they found that it might take some time before it starts to grab a significant share of the revenue generated from tourism-related activities. Finally, they concluded that there was considerable scope for developing various pockets of agritourism, as India is a country of extreme diversity.

Petroman *et al.*, (2016) found that agritourism was an incredible educational tool with varied expected effects on the educational plan. Pupils, students, teenagers and adults understood better: the traditional rural culture, the production and distribution processes of agricultural products, the importance of healthy food in people's lives, the preservation of the environment, etc. Educational agritourism was an alternative form of mass tourism for areas where the latter could not be organized. Further, they stated that some educational agri-touristic activities for students with agricultural majors envisage: a thorough understanding of the public function of agriculture, raising awareness for healthy food, developing healthy dietary habits,

learning how agricultural products are produced and marketed, and first-hand experience along the whole agricultural year.

Doh *et al.*, (2017) studied the antecedents and consequences of managerial behavior in agritourism. Identified results indicate that tendency was more salient for inexperienced managers in the agritourism business. They suggested that managerial behavior was a mediator between the antecedents and consequences of the agritourism enterprise. In other words, they found that entrepreneurship behaviors that embody a high self-efficacy, an inclination for change, favor toward innovation, and a strong goal orientation led to positive agritourism performance.

Broccardo *et al.*, (2017) discussed unlocking value creation using an Italian agritourism business model. Empirical evidence showed that the number of generations involved in agritourism was positively correlated with the presence of family members. Finally, the agritourism businesses were aware of their customer segmentation, showing an equal distribution among Italian, foreign, young, families and clients over 65 years old. Furthermore, empirical implications showed a strong correlation between young customers, between 18 and 35 years old, and the Italian nationality and a moderate correlation between customers over 65 and foreign customers.

Giaccio *et al.*, (2018) analyzed the income sources of farm tourism businesses. He found that external factors, such as proximity to urban or cultural centers, might impact agritourism income. However, the limitation includes excluding tourists' motivational variables and others primarily referring to the market (pricing policies, promotional strategies, etc.). He concluded that agritourism could fulfill various functions in the regional economy, with positive implications for the quality of life of rural societies.

Brune *et al.*, (2021) assessed the influence of agritourism experiences on consumer behaviour toward local food in North Carolina, USA. Results showed that agritourism experiences effectively increased the consumer's intentions to purchase local food. Specifically, it indicated that an agritourism experience had a positive impact on attitudes related to local food and purchasing local food, subjective norms related to purchasing local food, perceived behavioural control related to purchasing local food and personal norms related to local food.

Domi and Belletti (2022) studied the role of origin products and networking on agritourism performance in Tuscany. They found origin products on agritourism performance were positively significant and results showed that participating agritourism farms in the

network experienced a positive performance. Further, networking facilitated the relationship between origin products and performance.

### ***Past studies on supply-side perspectives toward agritourism***

Several recent literature reviews on agritourism and rural tourism showed that previous research on agritourism has mainly focused on agritourism's conceptual framework from the supply perspectives and as well as demand perspectives. Here supply side includes the motivations, investment capability and risks. Relatively, little effort has been made on understanding the mechanisms creating the agritourism suppliers' profiting capabilities (Bhatta and Ohe, 2022).

One of the earliest publications was conducted in the state of Michigan, USA (Veeck *et al.*, 2006); 64 questionnaires out of 311 with net income data on agritourism activities were returned from 1500 mailed during late 2002 and early 2003, and the resulting dataset was analyzed by an ordinary least squares (OLS) linear regression indicating that the number of visitors, advertising costs and bus groups positively influenced farms' net income while employee wages negatively influenced it. This study did not include characteristics of farms/farmers such as education, experience or farm size. Barbieri and Mshenga (2008) analyzed 449 agritourism farms in North America surveyed in 2005; an interval regression model was applied given that the dependent variable (annual gross income) was categorical. The results showed that the farms' annual gross income was positively linked with six farm and entrepreneurial characteristics: the farmed acreage, length of business activity time, the number of employees, main occupation (farming), gender (male) and the number of association members, while the owner's age had negative influence as it rose, and owner education and the distance from an urban cluster had no significant impact.

A more recent report from Taiwan applied quantile regression to 123 agritourism farms surveyed in 2010 and concluded that the financial performance of different groups of farms was determined by different sets of independent variables. For example, the number of employees was positively related to profitability for mid- and high-performance farms, but not for lower ones (Hung *et al.*, 2016). In order to understand the economic contributions of agritourism in the state of Michigan, USA, Veeck *et al.*, (2016) surveyed 154 family farms in 2013.

An OLS multivariate regression analysis revealed that farm gross sales per day were positively related to four variables: advertising costs, off-farm products' retail sales, operation scales and total annual wages, while the number of open days was negatively related. One other

significant finding from the study was that a growing economic division between large and small operators existed in the studied region. Lucha *et al.*, (2016) surveyed more than 500 agritourism operations in the state of Virginia, USA in 2013, and an ordered logit regression indicated that the perceived profitability of agritourism depended on farmers' education levels and farm size positively, while investment ability and farm location (time to interstate) did so negatively. The most recent relevant study is from South Korea (Choo *et al.*, 2020). The researchers obtained agritourism data from 196 farms from nine provinces and used sequential multiple regression to show the length of time in business, the number of employees, the type of tourism program, availability of attractions, and availability.

### ***Demand side perspectives on agritourism***



**Figure 2.5 Demand side in agritourism**

Ohe and Ciani (2012) accessed the demand characteristics of agritourism in Italy. They found that agritourism experienced fast growth in the number of beds available and tourists who stayed overnight during the last decade. However, the operation rate of agritourism was much lower than that of tourism in general. The market demand for domestic agritourism accounted for more than half of the total. Inbound tourists from European countries filled the remaining demand. These inbound tourists were driving the growth of agritourism in Italy. The author's findings clearly showed that the development of agritourism was essential to count on domestic and inbound tourists to raise the operation rate.

Hill *et al.*, (2014) evaluated the economic value of agritourism to visitors. He stated that farm-based recreation or agritourism was growing in the USA, raising new interest in the potential

benefits for travelers and communities. The findings revealed that consumer surplus ranges from \$93 to \$164 per person per trip for primary travelers.

Santeramo and Morelli (2015) found strategies for enhancing the foreign demand for agritourism in Italy. He argued that studies on agritourism were increasing, although studies on determinants of the international demand for agritourism were still limited. Using a panel data approach, the author explored the international demand for agritourism in Italian structures. He underlined the peculiarities of the international demand for agritourism and the main determinants of small and large flows of foreign tourists. Finally, he stated that to improve the attractiveness of agritourism, entrepreneurs and policymakers should focus their attention on targeted marketing campaigns that need to take into account the Countries of origin.

Santeramo and Barbieri (2017) reviewed methodologies and practices on demand for agritourism. Authors reviewed that during the last decades' agritourism had expanded tremendously worldwide, given visitors' increased interest to appreciate life in the countryside and farmers' need to enhance their revenues from different economic activities. Despite such enlarged agritourism development, limited information was only available on the state of its demand at both national and international levels. However, current studies provide a limited characterization of the agritourism demand, especially regarding methods utilized and information compiled. Finally, the authors suggested that a broader set of economic approaches were needed to control existing bias and model flaws and isolate the features and amenities pulling visitors to agritourism destinations.

Lago (2017) investigated the tourism demand and agriculture supply for agritourism development in Quezon Province. The author revealed that establishing the tourism and agriculture linkage was a vital factor in promoting agritourism. Based on the result, tourism and agriculture linkages in Quezon province were relatively strong. The educational attainment of farmers was an essential factor for agriculture supply; civil status and income were significant indicators of tourist demands. At the same time, safety and security became the foremost consideration of tourists visiting agritourism sites. The author recommended educating farmers to encourage farmers to diversify farms into agritourism wherein market segmentation was vital for promoting agritourism while fostering community-based agritourism in Quezon province was likewise highly recommended.

Melstorm and Murphy (2018) studied agritourism visitors' landscape preferences and demand for agritourism in Oklahoma. They found no evidence that day visitors prefer destinations in agricultural or developed landscapes. Most of the variation in visits was



explained by the product offered at the site and the distance to the nearest central metropolitan area. Farm heritage sites, mazes and pumpkin patches were the most popular products in this market. Landscape characteristics played a more critical role in the demand for overnight agritourism destinations. In this study, access to water resources and urban conveniences were associated with more tourist visits.

Brandano *et al.*, (2018) investigated an integrated demand and supply for agritourism services. The results showed that traditional and genuine food, culture, and authenticity were elements that determine the choice of one firm over another. A further contribution of this paper was the identification of environmental externalities as determinants of the attractiveness of a firm. From a marketing perspective, linking demand to supply was essential to determine product development strategies to satisfy actual and potential customers.

Bhatta and Ohe (2020) reviewed the quantitative studies on agritourism in developing countries. They found that tourists like to experience both physical and intangible attractions. Tourists in developed countries tend to prefer nearby attractions, recreational activities, and more easily accessed agritourism sites. Females who have children are more likely to visit agritourism destinations. Moreover, they found that tourists visit agritourism destinations to participate in authentic activities rather than access amenities. Finally, they concluded that the availability of more events and local foods increases the demand for agritourism.

Huber *et al.*, (2020) performed a demand-driven success factor analysis for agritourism in Switzerland. This article defined categories of tourists' motivations for visiting an agritourism farm. They also analyzed the difference in motivation between potential customers and actual customers who had already been on an agritourism farm. The identified results laid implications for the communication process of agritourism farms or destination marketing organizations (DMOs). The focus on comfort and consumption should be increased as a customer's decision comes closer to a definitive booking.

### **Chapter III**

#### **Methodology and Description of Study Area**

## **Ministry of Tourism, Govt. of India**

The Ministry of Tourism, Government of India, is the nodal agency for the design of national policies and programmes, as well as the coordination of operations of different Central Government Agencies, State Governments/UTs, and the Private Sector in the country's tourism development and promotion. The Union Minister for Tourism and Ministers of State lead the Ministry. The Secretary is the Ministry's administrative leader (Tourism). The Director General of Tourism's office offers executive guidance for the execution of numerous policies and initiatives. The Directorate General of Tourism has 20 field offices inside the nation, 8 offices overseas, and one subordinate office/project, the Indian Institute of Skiing and Mountaineering (IISM)/ Gulmarg Winter Sports Project.

The abroad offices are largely in charge of tourism promotion and marketing in their respective countries, while the field offices in India are in charge of providing visitors with information and monitoring the development of field initiatives. The IISM/GWSP activities have now been restarted, and numerous ski and other courses are being held in the J&K valley. The Ministry of Tourism operates the India Tourism Development Corporation Limited, as well as the Indian Institute of Tourism and Travel Management (IITTM) and the National Institute of Water Sports (NIWS) and the Institutes of Hotel Management and the National Council for Hotel Management and Catering Technology (NCHMCT).

### **Role and Functions of the Ministry of Tourism**

The Ministry of Tourism serves as the country's main body for tourism development. It is critical in coordinating and augmenting the activities of state/union territory governments, accelerating private investment, bolstering promotional and marketing initiatives, and providing skilled human resources. The Ministry's responsibilities in this respect are primarily as follows:

#### **All Policy Matters, including:**

- ✚ Development Policies.
- ✚ Incentives.
- ✚ External Assistance.
- ✚ Manpower Development.
- ✚ Promotion & Marketing.
- ✚ Investment Facilitation.

### **Indian Tourism Development Corporation (ITDC)**

ITDC was founded in October 1966 and has been a driving force in the country's progressive growth, promotion, and expansion of tourism. The Corporation's broad aims are as follows:

- ✦ To build, take over, and operate existing hotels and market hotels, Beach Resorts, Travellers' Lodges/Restaurants;
- ✦ To offer transportation, entertainment, shopping, and traditional services.
- ✦ Create and distribute tourist promotional materials.
- ✦ To provide advisory and management services in India and worldwide.
- ✦ To operate as Full-Fledged Money Changers (FFMC), limited money changers, and so forth.
- ✦ To deliver innovative, reliable, and cost-effective solutions to the demands of the tourist development and engineering industries, including consulting and project execution.



**Figure 3.1 Logo of ITDC**

The Corporation's authorized capital is Rs 75 crores, and its paid-up capital as of 31.3.2005 was Rs 67.52 crores. The President of India owns 89.9748% of the Corporation's paid-up stock capital. In addition to providing transportation, the Corporation operates hotels and restaurants in several locations for visitors.

Furthermore, the Corporation is involved in the development, distribution, and sale of tourism advertising material, as well as providing visitors with entertainment and duty-free shopping facilities. The Corporation has expanded into new markets and innovative services such as Full-Fledged Money Changer (FFMC) services, engineering-related consultation services, and so on. The Corporation's Ashok Institute of Hospitality & Tourism Management provides training and instruction in the fields of tourism and hospitality. ITDC currently operates eight Ashok Group of Hotels, six Joint Venture Hotels, two restaurants (including one

airport restaurant), twelve transport units, one tourist service station, 37 duty-free shops at international and domestic customs airports, one tax-free outlet, and two sound and light shows. In addition, on behalf of the Department of Tourism, ITDC manages a hotel in Bharatpur and a restaurant in Kosi. Furthermore, it oversees food services at Western Court, Vigyan Bhawan, Hyderabad House, and the National Media Press Centre at Shastri Bhawan in New Delhi.

### **Schemes**

***Swadesh Darshan Scheme:*** Swadesh Darshan Scheme is a Central Sector scheme launched by the Ministry of Tourism and Culture of the Government of India in 2014-15 for the integrated development of theme-based tourist circuits. The scheme aims to promote, develop, and capitalize on India's tourism potential. The Ministry of Tourism provides Central Financial Assistance - CFA to State Governments and Union Territory Administrations for the development of circuit infrastructure under the Swadesh Darshan scheme. This scheme is intended to synergize with other schemes such as Swachh Bharat Abhiyan, Skill India, Make in India, and so on, to position the tourism sector as a major engine for job creation and economic growth, as well as to build synergy with other sectors to enable tourism to realize its full potential.

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# Building India's Cultural Tourism: SWADESH DARSHAN

Development of infrastructure  
in tourism destinations

**500+ Destinations, 31 States  
and 15 Theme based circuits**  
under development

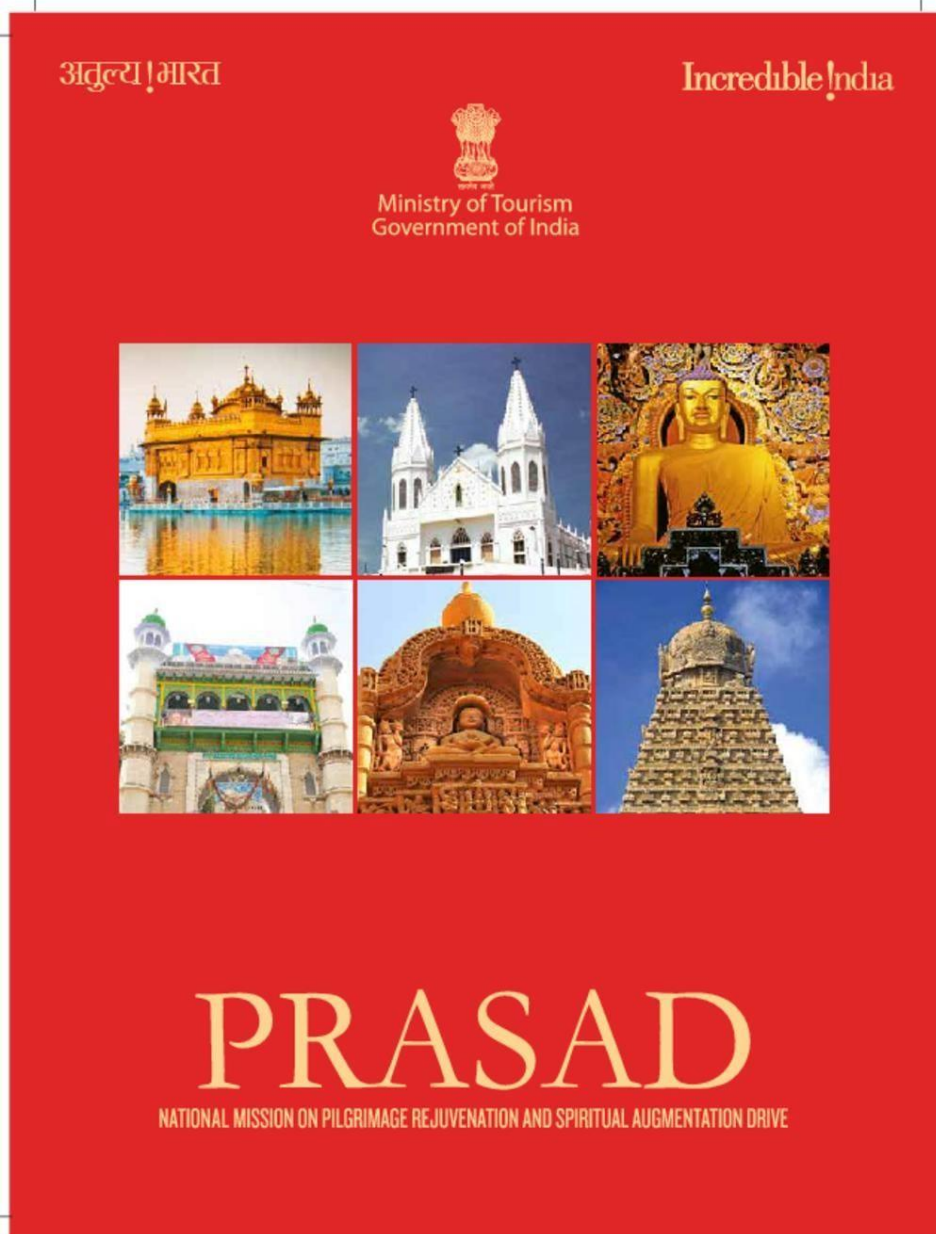
<ul style="list-style-type: none"> <li>● Buddhist Circuit</li> <li>● Coastal Circuit</li> <li>● Desert Circuit</li> <li>● Eco Circuit</li> <li>● Heritage Circuit</li> <li>● Himalayan Circuit</li> <li>● Krishna Circuit</li> <li>● North-East Circuit</li> </ul>	<ul style="list-style-type: none"> <li>● Ramayana Circuit</li> <li>● Rural Circuit</li> <li>● Spiritual Circuit</li> <li>● Sufi Circuit</li> <li>● Tirthankar Circuit</li> <li>● Tribal Circuit</li> <li>● Wildlife Circuit</li> </ul>
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**8 Years**  
Seva, Sushasan,  
Garib Kalyan



**Figure 3.2 Swadesh Darshan Scheme**

**PRASAD Scheme:** Under the Ministry of Tourism, the Government of India launched the PRASAD scheme in 2014-2015. The PRASAD scheme stands for 'Pilgrimage Rejuvenation and Spiritual Augmentation Drive.' This programme focuses on developing and identifying pilgrimage sites throughout India to enhance the religious tourism experience. It aims to prioritize, plan, and sustainably integrate pilgrimage destinations to provide a comprehensive religious tourism experience. Domestic tourism growth is heavily reliant on pilgrimage tourism. To fully realize the potential of pilgrimage tourism, the government must invest in the holistic development of the selected pilgrimage destinations, in collaboration with other stakeholders. The PRASAD scheme aims to pave the way for religious tourism development and promotion in India.



**Figure 3.3 PRASAD Scheme**

**Other schemes:** The tourism industry employs a large number of people, both directly and indirectly. Specialized vocations in this field necessitate professional expertise. There are currently Food Craft Institutes (FCIs) and Institute of Hotel Management (IHMs) where technical training for the hospitality industry is provided. The Indian Institute of Tourism and Travel Management, Gwalior, its Eastern Regional Centre in Bhubaneswar, and its various "Chapters" located throughout the country offer tourism training to people interested in working in the travel and tourism industry. Tourism service providers may be found in both the approved/organized and unorganized sectors. The IHMs and FCIs primarily serve the organized sector, namely hotels and restaurants. At the same time, there are a great number of people working in the unorganized sector, such as tiny hotels, roadside dining establishments,

ticketing/travel agencies, dhabas, and so on. There is a subset of tourism service providers that work in different fields yet come into touch with tourists. These individuals include bus/railway station employees, police officers, airport immigration officials, coolies, taxi/coach drivers, monument workers, guides, and so on. The visitors connect with numerous service providers, and it is their interaction with the cutting edge that dictates their experience of India as a tourist destination.

As a result, it was deemed important that this vast number of service providers be provided with specific inputs that may enhance their behaviour and service levels. As a result, a scheme was developed in which these unorganized sector service providers are provided specific inputs to improve their behaviour and service abilities. The instruction covers topics such as health and personal hygiene, cleanliness, fundamental service procedures, cooking techniques, garbage disposal, etiquette and basic manners, and basic dietary values. The training programmes also address energy conservation and fundamental tourist knowledge, communication skills, behavioural skills, first aid, client handling and behavioural skills, and so on. The course lasts anywhere from four to six days. The training programs/modules have been designed with flexibility by the implementing agency. General parameters, however, have been set.

Under this arrangement, institutions deliver training on their premises utilizing their own infrastructures or on the sites of service providers. Faculty and students are often employed in the case of IHMs and FCIs. Because many service providers are situated near tourist attractions, such individuals must be taught at their workplace.

### **Maharashtra Tourism Development Corporation (MTDC) Directorate of Tourism**

The Directorate of Tourism, Maharashtra Tourism's flagship agency, is in charge of executing and promoting different tourism initiatives, promotions, and advertising to enhance tourism in the state. Since the establishment of the Directorate of Tourism, Government of Maharashtra, the state has achieved major milestones and innumerable successes via a variety of projects.



**Figure 3.4 Logo of MTDC**

## Highlights of MTDC

- 1. *Implementation of single-window clearance for licensing to increase the convenience of doing business in the hospitality sector:*** To boost and revitalize tourism in the state, Maharashtra has implemented a single-window license clearance system to enhance the convenience of doing business in the hotel industry. Leading the way to strengthen the tourist industry, Maharashtra would need just 10 licenses for hospitality businesses, rather than 70. In addition, the decision to combine the application form and self-declaration removed the need for a permission letter. This translates to less paperwork.
- 2. *First state in the nation to grant hospitality industry status:*** Maharashtra accords 'industry status' to the hospitality sector after reducing pre-establishment permits from 70 to 10, which would provide much-needed help to hotels. Hotels may seek Industry status. The application procedure for obtaining Industrial status for their properties is now available on the official website of Maharashtra Tourism. This designation qualifies companies for a slew of state perks and privileges, including industrial-rate tariffs and levies on energy and water, as well as property, development, and non-agricultural taxes. In the first phase, hotels designated under the Ministry of Tourism may get 'industrial status,' after which all other hotels can obtain the advantage.
- 3. *The state that is the first to develop an agritourism policy:*** Maharashtra, being the first state in India to develop an agro-tourism strategy, serves as an enabler for individuals wishing to visit and experience the rural outdoors. The agro-tourism strategy will energize the "rural sector and agricultural practitioners" while giving people a reliable basis of substitute employment and income via tourism. A non-agricultural certificate will not be required for the construction of up to 8 rooms including a kitchen on five acres of land.
- 4. *After Goa, Maharashtra is the only state to carry out its beach shack strategy:*** To enhance beach and coastal tourism, the state has adopted the 'Beach shack' policy, which allows for the establishment of up to ten beach shacks and beach facility centers along the Konkan coast. The 'Beach Shack Policy' would encourage communities living along Maharashtra's coastline to establish beach shacks that will serve as local hangouts/restaurants for visitors. As a pilot project, eight beaches along the Konkan coastline have been chosen for the construction of beach shacks: Varsoli and Diveagar in Raigad, Guhagar and Aare Ware in Ratnagiri, Kunkeshwar and Tarkarli in Sindhudurg, and Kelwa and Bordi in Palghar. The shacks will be open from 7 a.m. to 7 p.m., and CCTV will be required in each.



5. ***With an autonomous office, the Directorate of Tourism assumes complete responsibility:***  
The Maharashtra government has established an autonomous office of the Directorate of Tourism (DoT), the flagship organization of Maharashtra Tourism, to execute and promote different tourism programmes, promotions, and publicity to improve tourism in the state.
6. ***Investment MoUs of Rs. 3000 crores to create over 6000 job opportunities:*** Furthermore, to assist the industry and business in regaining its footing following the pandemic's setback, the Department of Tourism announced an investment of Rs. 3000 crores to generate over 6,000 job opportunities in the tourism sector in Maharashtra through various mutual tieups and Memorandum of understanding (MoUs). Following the gradual return of people's lives to normalcy and the lifting of the state's lockdown, the Department of Tourism announced a new digital festival in Mumbai in collaboration with Young Entrepreneurs, with the signing of MoUs, the announcement of the 'Videography Contest,' and the launch of 'The Mumbai Festival' in January 2021.
7. ***According to India Today magazine, Maharashtra is the best all-year destination in the 'Major State category:*** Adding another feather to its head, Maharashtra was named the No. 1 year-round vacation destination in the Major State category by India Today, one of India's premier tourism publications.
8. ***Successfully executed the internet campaign 'Discover Maharashtra' to showcase offbeat sites in Maharashtra:*** DoT successfully executed #DiscoverMaharashtra- a strong digital campaign including a myriad of subjects such as Medical Tourism, Eco-Tourism, Wellness Tourism, Safe and Responsible Tourism, Experiential Tourism, Heritage Tourism, and MICE- to mention a few.
9. ***Implementation of the caravan policy as a new experience tourism vertical:*** To enhance tourism in the state, the Maharashtra government approved the Caravan Tourism Policy, which would enable private players to get cars for tourism and set up caravan parks in public and private areas. The strategy was enacted to increase tourism in unusual locations as well as to facilitate, promote, and popularise the tourist directorate. Its goal is to promote safe travel, provide incentives to tour operators, and increase job prospects in the travel industry. For them to register and profit from all of the policy's advantages, an application form has been prepared.
10. ***New strategy for Maharashtra Tourism properties to attract greater investment and hence create luxury accommodation:*** Maharashtra Tourist signed a memorandum of understanding (MoU) with the “Indian Hotels Company Ltd (Taj Group)” to transfer 54.40

hectares of land for the establishment of a five-star tourism center on a 90-year lease in Mauje Shiroda Velagar, Taluka Vengurla, in Sindhudurg district. The first phase of this project would need an investment of Rs 100 crore.

### **Recent work by MTDC**

MTDC also signed MOUs with online travel agencies MakeMyTrip and Goibibo to promote MTDC properties, and with M/s SkyHigh India to launch skydiving and adventure sports activities. A memorandum of understanding was also signed with the “Maharashtra State Institute of Hotel Management and Catering Technology” in Pune for the annual training of MTDC employees.

### **Under the MTDC some forms of tourism are**

***Bollywood tourism:*** Tourists will learn about Bollywood culture through Bollywood tourism. It facilitates comprehension of the industry's grandeur as well as its complexity. It resulted in several work chances. It has played an important role in promoting tourism to filming locations and locations, thereby contributing to the region's economic development.

***MICE:*** Meetings, incentives, conferences, and exhibitions (MICE tourism) are forms of business travel. It is held in one location by gathering a group of people who are all working towards the same goal or participating in the same activity. It allows a company's client base to grow while keeping the existing market intact. MICE activities help to accelerate sales and revenue, generate innovative ideas, and motivate employees to achieve better results for the company while being effectively rewarded for it. Maharashtra is all about hospitality and professionalism. It has a plethora of MICE destination offerings.

***Culinary tourism:*** Culinary tourism promotes a destination's local delicacies and drinks based on its history, culture, and heritage. It aids in the exploration of food in the pursuit of a memorable eating and drinking experience. Maharashtra has a wide variety of cuisines with distinct flavours. The taste of food in Maharashtra varies dramatically from street food like vada-pav, kande bhajis, and pav bhaji to zunka bhakar, missal pav, and chat delicacies.

***Agritourism:*** Farmers in Maharashtra maintain high standards of household and farm hygiene, providing tourists with a heartwarming experience. Tourists may purchase farm-fresh products during nature, experience farming with a twist, and create new ideas for growth.

***Ecotourism:*** The State is an absolute delight for ecotourism, with 15, 732 square kilometres of protected forest, a land rich in biodiversity found in its thick evergreen tropical rainforest, wetland, grassland, and magnificent mountain ranges that offer diverse flora and fauna that can be found at such scale nowhere else.

**Caravan tourism:** Caravan tourism provides a low-cost vacation option with strong safety and sanitary standards and little human interaction. In Maharashtra, there are now two kinds of caravans: tiny minivans and huge campers.

**Social tourism:** Social tourism is an effort that aims to provide economic advantages to both the host community and the visitors. It generates employment and consequently accelerates the destination's economic operations.

**Wellness tourism:** Wellness tourism refers to the pursuit of a condition of health that includes a feeling of well-being. It provides the chance to maintain and enhance one's overall health. Tourists may enjoy a variety of wellness resorts in Maharashtra.

**Heritage tourism:** Heritage tourism assists in learning and comprehending the cultural heritage of a location, increasing cultural interchange, and enabling peace and understanding among people. The following are the many historical tourist options provided by the state: Fort tourism is popular in Raigad, Shivneri, Pratapgarh, and Sindhudurg, to mention a few. As you ascend to the top of the fort, listen to the history of its architects and conquerors. Cave tourism chooses from the state's stunning rock-cut caverns. Heritage walks are available in Mumbai and Pune, highlighting the cities wonderfully designed architectural masterpieces. Visit during a big festival and be enchanted by the grandeur of the celebration. Pilgrimages to temples or groups of temples, such as Shirdi or Ashtavinayak, consists of eight Ganpati temples. Maharashtra provides one-of-a-kind history and cultural experiences.

### **Agritourism in Maharashtra**

This study particularly focuses on Maharashtra and its agritourism policy. To know about prevailing agritourism in Maharashtra and its policy, this study was carried out.

In order to fulfill the objectives of this study, well-functioning agritourism farms under different categories were selected. They are

- ✚ *Agri and Eco-Tourism, Agricultural Development Trust, Baramati- Trust-owned farm*
- ✚ *Baramati Agritourism Centre, Maharashtra- Private owned farm*
- ✚ *Nisar Sangit Agritourism, Morgan- Private-owned farm*
- ✚ *Sahyadri Farms, Nashik, Maharashtra- Farmer Producer Company owned farm*



**Figure 3.5 Map showing Agritourism Locations in Maharashtra**

### **Data Collection**

The primary data required for the study was collected from the sample respondents in the selected agritourism farm during the month of December 2022.

The customers were contacted in person with a comprehensive pre-tested questionnaire and the required information was collected from them. In each agritourism farm, 30 customers were randomly selected. The background of the study was briefly explained to the customers to help them understand better and ensure their co-operation. Following that, agritourism farm managers also assisted in collecting relevant information from visiting customers to their farm. Further, questionnaires addressing farm details, guest information, employee information, price, activities and services offered in the resort, environmental management, loan facilities and their expectations from the government towards agritourism from farm resort owners were also collected.

The data were collected to understand the general characteristics of the sample respondents, and their preferences toward agritourism. The secondary data, such as the number of tourists visiting farms, were collected from the government of Maharashtra's tourism department. Further, the overall statistical report on tourism in India was collected from the World Tourism Organization (UNWTO) and the Ministry of Tourism, Government of India.

### **Tools of Analysis**

The collected data were coded, processed, classified and organized to facilitate the analysis for meaningful inferences. Various tools of analysis employed are discussed in the following section.

### **Descriptive Analysis**

The collected data were subjected to descriptive analysis and percentage analysis. The percentage analysis was used to study the general characteristics of customers, which included gender, age, education, occupation, family size, annual family income, tour frequency, tour preference, the purpose of the trip, customer's agricultural attachment, agritourism experience, the preferred occasion for agritourism, their length of stay, resorts classification star category and ownership. Meaning full conclusions were drawn from such simple statistical measures.

### **Garret Ranking Technique**

This technique was employed to rank the customers preferences toward activities on the farm. The order of merit given by the customers was transformed into scores. For converting the ranks assigned by the customer, percent position was worked out for each rank using the formula (given by Garret,1969)

$$\text{Percent position of each rank} = \frac{100(R_{ij} - 0.5)}{N_j}$$

$R_{ij}$ = Rank given for  $i^{\text{th}}$  constraints by  $j^{\text{th}}$  individual

$N_j$ = Number of constraints ranked by  $j^{\text{th}}$  individual

The percent position was converted into scores by referring to the Garrett table. Then for each preference, the scores of individual customers were added together and divided by the total number of customers whose scores were added.

## **Chapter IV**

### **Results and Discussion**

## AGRITOURISM AND ECOTOURISM, AGRICULTURAL DEVELOPMENT TRUST

### Economic Appraisal of agritourism with case studies

#### Outline of selected case study-I

<b>Name of the farm</b>	Agritourism and Ecotourism, Agricultural Development Trust
<b>Location</b>	Baramati, Maharashtra
<b>Year of Commencement</b>	2004
<b>Ownership</b>	Trust
<b>Area (ac)</b>	110
<b>Visitors/year</b> <i>Students (in numbers)</i> <i>Tourists</i>	3000 1000
<b>Number of employees (in numbers)</b>	8
<b>Offering activities</b>	Bullock cart ride, farm operations, livestock experience, honeybee keeping, fishing in farm pond, modern agricultural practices visit, rural market visit and food processing units
<b>Food</b>	Local food
<b>Accommodation</b>	Dormitories & cottage
<b>Amount (Rs.) including food &amp; stay</b>	1000/customer
<b>Returns (2021-22) (Rs.)</b>	23,80,000

#### **Agricultural Development Trust**

In the year 1890 when Baramati was in severe famine people were starving for food and water and started famine riots. To fulfill their hunger, British rulers started building the Nira left Bank Canal, Khadakwasla Canal in Pune and Krishna Canal near Karad. In later time Britishers constructed Loyed Bhatghar Dam on the Nira River in 1930. The Nira left bank canal provided water to twenty-two villages in Baramati tehsil. As an agrarian economy basically, Indian people are at the mercy of the monsoon and agricultural harvest. Baramati region is in the rain shadow and is one of the areas with the lowest rain. This situation of Baramati, a rain shadow and lowest rain area somewhat changed in twenty-two villages after the construction of Veer Dam by the British government in 1930 benefitting agriculturists of these villages. The Nira left bank canal divided Baramati tehsil into two parts – 22 villages reaped the bounty of nature

while the remaining 43 villages were looking at the sky for a drop of water. People from these villages were poverty stricken and had to move for work to the richer parts of Baramati tehsil. Meantime, two Australian ladies from Church Auxiliary for Social Action (CASA), Miss. Hessel Skues and Miss Edna Wazar started humanitarian work in the region by distributing free wheat and oil to the famine-stricken people.

In 1965, 'Son of the Soil,' Sharad Pawar, a young graduate working for the people of this region realized the need for water for irrigation to change the drastic situation. He found that due to the geographical condition, it was difficult to irrigate the land from alternate sources. A survey revealed that about 200 streams were flowing in the region during the rainy season but they would dry up soon. So, Sharad Pawar thought to construct percolation tanks in some of the villages but there was no source of money for this work. In these circumstances, he convinced Miss Skues and Miss Wazar to distribute wheat and oil to the local people under the scheme of 'Food for Work'. Under this scheme, the first percolation tank was constructed at Tandulwadi near Baramati in the year 1967. Sharad Pawar did commendable work in the region without the assistance of the government. He helped in the construction of eighty percolation tanks in the villages. Due to these percolation tanks, the free-flowing water during the monsoon was stored.

In the seventies, the whole Baramati tract was drought-prone and agriculture was dependent on the vagaries of Monsoon. Saving and utilizing every drop of water was the only way to save crops and cattle. Water conservation was the need of the hour for subsistence and sustenance of livelihood. Training the farmers to adopt scientific packages and practices in rainfed agriculture and dry land horticulture was also the imminent need to overcome the natural adversities. Considering all these factors Sharad Pawar decided to establish Agricultural Development Trust in 1971.

He approached Christian Missionary Lurheron World relief U.S.A., Christian Aid London and Teredes Home, Germany for financial assistance with a bank guarantee for the farmers. The Central Bank of India issued loans to the farmers for digging wells against the guarantee of the Trust and it increased the number of wells in this region. Sharad Pawar persuaded Kirloskar Oil Engines Company to donate oil engines to the farmers. Kirloskar Oil Company had given sixty engines at the beginning to the farmers at half the price. The work started picking up in the region and the Trust constructed nearly 289 percolation tanks in these forty-three villages. The scenario in the villages started changing. Sharad Pawar got elected as

an MLA from the Baramati constituency in 1967 for the first time. He became Minister of State for Agriculture and Food Supplies in 1972 in the government of Maharashtra.

Later Sharad Pawar's elder brother Appasaheb Pawar came forward and share the responsibility of the trust as a chairman and look into all activities of the trust. Appasaheb Pawar started working in the trust in 1976.

The brothers dreamed to bring a change in the region and to bring a smile to the faces of poverty-stricken farmers of Baramati tehsil. Appasaheb's visit to Israel in 1970 proved to be a turning point in the field of agriculture. His first-hand experience of irrigation practices in Israel inspired him to apply the same in Baramati and change the lives of the farmers. The Trust got the barren land of 110 acres near Malegaon village. The Pawar brothers started work on the farm and within ten years this barren land was converted into a lush green area. They started educating the farmers about various crops, horticulture, irrigation practices, fertigation, organic farming, etc. Farmers from various parts of the state flocked to the demonstration farm for learning. Thousands of farmers took lessons and inspiration from the Trust farm and implemented these experiments on their farms.

The Trust expanded its activities beyond agriculture to Dairy, Poultry, Goat farming, Nursery, Agri processing, Agritourism, etc. Due to hybrid cows and quality fodder, the production of milk increased and the villagers started supplying milk to the cities like Pune and Mumbai. Ample money flowed in and improved the standard of living of the farmers. They were assured of a square meal and good sleep. Mechanization of agriculture was the next phase. The farmers could purchase tractors, electric pump sets and other modern farm equipment for agriculture and this improved agricultural yield. The Trust helped the farmers by supplying quality seeds, seedlings and fertilizers. Brothers did not confine their work only to agriculture but they started developing the Baramati region. The Trust assisted the people to start entrepreneurship, industries and agri-allied small businesses like poultry, dairy, agri produce processing. This provided a regular source of livelihood to the farmers.

After 2000, the trust diversified its activities in various fields like environment, education, food processing, new experiments in agriculture, Self Help Groups for women, Srujan- the cultural youth festival, Bhimthadi Jatra- a fair for the sale of articles of Self-Help Groups and new methods of water conservation. The trust has started Agricultural College with various international degree programme in agriculture and veterinary in collaboration with the Van Hall Larenstein Institute, Netherlands. UC Davis-California, Asian Institute of



Technology-Bangkok, Yunan Agri University China, etc. The Trust is a torch bearer in all spheres of the lives of the people in this region.

### **Krishi Vigyan Kendra (KVK), Baramati, Pune**

Krishi Vigyan Kendra, Baramati is a district-level Farm Science Centre established on 1<sup>st</sup> August 1992 under the affiliation of the Indian Council of Agricultural Research (ICAR), New Delhi at Agricultural Development Trust Baramati District Pune. KVK Baramati is a Model, Hi-tech & National Award winning KVK of India working for the farming community for 24 years for the development of sustainable agriculture. The operational area of this Krishi Vigyan Kendra is up to the 7 tehsils of the Pune district. Krishi Vigyan Kendra aims to reduce the time lag between the generation of technology at the research institutions and its transfer to the farmer's field for increasing production, productivity and income from the agriculture and allied sectors on a sustained basis.

### **Infrastructure**

This Kendra & host institute farm is situated 6 kilometres west of Baramati city. This center has an area of 20 ha of land required for the technology assessment & demonstration while 24 ha belongs to the host institute. From this total 44 ha land, the total land under cultivation and demonstration is 30.03 ha, dairy 1.6 ha, nursery 1.4 ha, poly house 0.40 ha, KVK and host institute Buildings have occupied 3.4 ha, well & water storage tanks 2.4 ha & roads 4.77 ha of land. The demonstration farm is used for the on-farm testing of new technologies. It is also used for the genesis of good-quality seed and seedlings.

### **The farm**

The Krishi Vigyan Kendra possesses 110 acres of land that is fully under cultivation of crops relevant to the area. The main purpose of the farm is to demonstrate the latest agricultural practices. It also acts as a tool to do applied research on agricultural technologies & undertake trials before their transfer to farmers. Farms have the mother plants of horticulture crops such as Mango, Sapota, Guava, Anola, custard apple, pomegranate, etc. Agronomical crops like soybean, onion, cotton, rice, sugarcane and wheat, etc are grown. In the year 2012, KVK established an automation & fertigation unit through which water & fertilizers are provided to all crops on the farm.



**Figure 4.1 Farms in ADT**

### **Polyhouse**

The Krishi Vigyan Kendra has constructed two greenhouses that are naturally ventilated. They are meant for the cultivation of Gerbera flowers over a 0.10 ha area. The Krishi Vigyan Kendra has three shade houses for nursery purposes.





**Figure 4.2 Polyhouse cultivation in ADT**

### **Agritourism in ADT**

Agricultural Development Trust’s Agri and Eco-Tourism, where one can see the beauty of nature and experience, first-hand what farming is all about. One can stay in their luxury tents or their simple shared guest rooms, sure there will be a guaranteed tranquil and different experience. Simple home-cooked vegetarian meals, friendly staff, traditional Maharashtrian folk performances, campfires, winery visits, and farm visits are a few of the things that were offered under agritourism.

### **Delicious Food**

They offer homemade Maharashtrian food throughout the stay. They have an open to all kitchen, where one can have a look at our food being cooked. Traditional food items like Bhakari (bread cooked from jowar or bajra flour), Pithla (Semi liquid food item cooked from gram flour), Thecha (Green Chilli and garlic paste), etc regularly feature on our menu. The restaurant is open and airy with aesthetically designed cane wood furniture. The floors of the restaurant are regularly coated with the traditional and medicinal cow dung coating which helps in keeping away mosquitoes and has many more medicinal qualities.

The Menus are fixed (shown in Table 4.1) and no suggestions from the guests will be entertained. They are providing guaranteed clean and delicious food.

**Table 4.1 Food Menu served in ADT**

<b>Time</b>	<b>Plan</b>	<b>Items</b>
9.00 to 11.00 am	Break Fast	Tea, poha
1.00 to 2.30 pm	Lunch	Chapatti/Bhakari, rice, dal, vegetables, papad, pickle, onion, lemon and sweets
4.30 to 5.30 pm	Evening Snacks	Tea/coffee & pakoda



8.00 to 9.30 pm	Dinner	Chapatti/Bhakari, rice, dal, vegetables, papad, pickle, onion, parotta and sweets
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### Cultural events and day trips for groups at extra cost

For cultural events, they are offering various entertainment-related activities with some fixed cost. They are presented in Table 4.2.

**Table 4.2 Events offered by ADT**

Event/ Trip	Rate/ Group
Jagran Gondhal (Folk/religious singing)	Rs. 2000
Bharud (Folk/Religious Singing and dancing)	Rs. 2000
Gaja Nritya (Shepherd's folk dance)	Rs. 8000
Kambad Nritya (Tribal Dance) is a fascinating 1.5-hour dance performance by 22 Tribals from the Bhandardara Forest Reserve along with the Campfire	Rs. 18000
Backwater bird watching for a group of ten people	Rs. 5000
Individual	Rs. 500
Waterfalls around the area for a group of ten people	Rs. 3000
Individual	Rs. 300
Supa wildlife sanctuary for a group of ten people	Rs. 3000

### Accommodation

Customers can experience the joy of staying in luxury tents, surrounded by tall Palm trees. With no television and contact with the outside hectic world, customers will be in their paradise. The tents are clean and comfortable. The rates include breakfast, lunch, snacks, and dinner. There are 6 tents with a maximum capacity of 3 each. A group of 18 people can stay comfortable on a shared basis.



**Figure 4.3 Accommodation in ADT**

### **Shared Guest House**

The shared guest house has facilities such as

- ✚ Shared, dormitory-type rooms with max 4 beds/ room
- ✚ Max capacity of 48 individuals
- ✚ Washroom facilities
- ✚ The rates include breakfast, lunch, snacks, and dinner
- ✚ The rates also include guides to show around the farm

### **Trips**

ADT offers field trips using bullock carts. They also took customers to processing units and nearby progressive farmers' fields.





**Figure 4.4 Farm activities carried while during agritourism**

### **Types of visitors**

Most of the visitors belong to the student category followed by farmers and tourists. Every year the farm has visitors of about 3000 students and 1000 farmers and general tourists. The farm serves for imparting agricultural education and not for family functions and business trips.

### **Earning while learning**

The farm offers an internship programme and it trains ten students every year who belongs to agricultural background. The students were trained for fifteen days in hospitality services and to guide tourists. Once the training was over students were allotted to farm based on the tour schedule.

Students act as farm guides and they take tourists to various farm activities in agritourism farms. They also teach farming practices such as sowing, intercultural operations, and harvesting to the tourists.

### Costs incurred for agritourism, ADT

Cost includes a fixed and variable costs (shown in Table 4.3). Fixed cost includes cottage and dormitory construction, dining room, swimming pool/farm pond, cattle shed rural games unit and farm machinery.

**Table 4.3 Costs incurred for agritourism**

<b>Fixed Cost</b>	<b>Cost (Rs.)</b>	<b>Variable Cost</b>	<b>Cost (Rs.) for 240 days</b>
Cottage (6 Nos.) @ Rs.5,00,000*6	30,00,000	Staff (8 Nos.) @ Rs.400/day	3200*240 = Rs. 7,68,000
Dormitory (1 Nos.) @ Rs.3,00,000*2	10,00,000	Repair & maintenance- Rs.1000/day	1000*240= Rs.2,40,000/-
Dining room	3,00,000	Others (including food, customer services)	Rs. 6,20,000
Farm pond	2,00,000		
Cattle shed	2,00,000		
Rural games unit	2,00,000		
Farm machinery (Note: Land cost has been not included)	16,00,000		
<b>Total (Rs.)</b>	<b>65,00,000</b>	<b>Total (Rs.)</b>	<b>16,28,000</b>

All these fixed costs accounted for the sum of Rs.65 lakhs, whereas variable costs such as staff, repair and maintenance, and other customer services accounted for the sum of Rs.16,28,000.

### Returns

Returns were calculated based on seasonal days (shown in Table 4.4). Here the seasonal days are about 240 days.

**Table 4.4 Returns from agritourism**

<b>Type of accommodations</b>	<b>Food &amp; Accommodation Charges</b>
Dormitories (For 1 No.)	<b>Food</b> Rs.350 per head/day*8 persons/dorm= Rs.2800 <b>Accommodation</b> Rs.700 <b>Total</b> Rs.2800 + Rs.700 = Rs.3500; Rs.3500*1 dorms = Rs.3500 per day; Rs.3500 per day*240 days= Rs.8,40,000
Cottages (For 6 Nos.)	<b>Food</b> Rs.350 per head/day*4 persons/cottage= Rs.1400 <b>Accommodation</b> Rs. 800 <b>Total</b> Rs.1400+Rs.800 = Rs.2,200; Rs.2200*6 cottage= Rs.13,200 per day; Rs.13,200 per day*240 days= Rs.31,68,000
<b>Total</b> (Dormitories Cottages)	+ <b>Rs. 40,08,000</b>

*Note: Total revenue earned in the peak season (240 days) from agritourism*

Table 4.4 shows the revenue generated from the ADT agritourism farm. Establishing an agritourism model with 1 dormitory and 6 cottages shows that the generation of revenue is about Rs.40,08,000. This total revenue can be earned in the peak season of about 240 days of agritourism. **Net income**

Net income from ADT agritourism can be calculated using total revenues and total expenses.

Net income= Total revenues – Total expenses

Net income= 40,08,000 – 16,28,000= Rs.23,80,000

Net income of Rs.23,80,000 shows that breakeven can be achieved within 2.5 years to compensate for a fixed cost.



### **Reinvestment**

Agricultural development trust is reinvesting its profit for next calendar year's operations. However, during Covid 19 pandemic there were no operations from agritourism and year by year agritourism returns are growing from 10 to 15 percent.

### **Other facilities**

The trust started agritourism with the view of educating customers regarding agritourism. This was the main motivation behind their starting agritourism. The trust has the following facilities as

- ✦ The primary health center is located nearby a farm and also it has an ambulance facility
- ✦ A rainwater harvesting system is available

### **Interactions with customers**

To know about the customer's preferences, 30 customers were randomly selected. The selected customers were asked for their preferences in agritourism.

### **General characteristics of sample respondents**

- ✦ The gender of sample respondents revealed that 56.50 percent of the sample respondents were female and the remaining 43.50 percent were male respondents. It was understood that a greater number of females were visiting ADT than males.
- ✦ The minimum age of the sample respondents was 18 years and the maximum age was 58 years. An overall average mean value of age was 34 years. Hence it could be concluded that the majority of the respondents were young, and had more interest in exploring agritourism.
- ✦ A major share of the respondents were undergraduates (60.50 percent) followed by postgraduates (30.25 percent). About three percent of the sample respondents had a high school level of education. It indicated that most of the sample respondents were well-educated.
- ✦ The majority of the sample respondents were students (52.75 percent) followed by an employee (23.00 percent) and housewives (14.75 percent).
- ✦ The majority of respondents were lower-middle-income group range with an annual family income between 5 lakhs to 10 lakhs (38.50 percent) followed by the middleincome group range with an annual family income from 11 lakhs to 15 lakhs (32.25 percent).

- ✦ Family sizes with 2 to 3 members (40 percent) were the most visiting customers to farms followed by family sizes with 4 to 5 members (38.50 percent). So, they could fit under small and medium families and not a large family.

### **Customers preferences toward agritourism**

- ✦ Farming and its linkage with relative or close friend farm connection customers (44.75 percent) were mostly visiting agritourism than customers with no connection (32 percent). Evidence suggested that natural resources, rural scenes with old structures and a combination of both are becoming more appealing to customers and stimulate agritourism participation. So, the farming and linkage revealed that farm resort owners have to maximize the farm with more nature-oriented features.
- ✦ Most of the customers visit agritourism sometimes (39.50 percent) followed by rarely (32.75 percent) and often (11.50 percent).
- ✦ The majority of customers preferred a weekend (44.25 percent) as their preferred occasion, followed by vacation (30 percent) and seasonal festivals (13 percent). The weekend is the available occasion for every customer and based on that, farm resort owners have to develop a plan and as well as to offer packages in agritourism.
- ✦ Except for accessibility from metropolitan cities (15.75 percent) there was no major difference existed between locations such as accessibility from towns (28.75 percent), remote places (28 percent) and famous tourist spots (27.50 percent). Hence, the customers preferred mostly locations with easy accessibility from towns, remote places and famous tourist spots. Preference for remote places showed that customers were seeking pleasure, and a calm and natural environment.
- ✦ The majority of customers preferred to have local and traditional food (44.50 percent) followed by the availability of both western and local food (38.50 percent). The customer's important motivation for travelling is to identify traditional dishes specific to a particular place.
- ✦ Most of the customers preferred working farms, offering accommodation and food with active participation in farm activities (66 percent) followed by working farms offering accommodation and food (25.50 percent).
- ✦ Customers preferred to stay 2 to 3 days (63.50 percent) on an agritourism site. It was followed by 4 to 5 days (25.75 percent) and less than five days (10.75 percent). Most of the customers preferred cottage (72 percent) as their accommodation type followed by dormitories (28 percent).

‡ In terms of preferred activities in agritourism, entertainment was ranked first by customers with a mean score of 58.06 followed by hospitality services, educational services and on-farm direct sales. Therefore, farm resort owners must concentrate more on providing various entertainment activities to customers.

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## **BARAMATI AGRICULTURE & RURAL TOURISM DEVELOPMENT CENTRE**

### **Economic Appraisal of agritourism with case studies**

#### **Outline of selected case study-II**

<b>Name of the farm</b>	Baramati Agri & Rural Tourism Development Centre
<b>Location</b>	Baramati, Maharashtra
<b>Year of Commencement</b>	2003
<b>Ownership</b>	Private
<b>Area (ac)</b>	27
<b>Visitors/year</b>	3000
<b>Number of employees (in numbers)</b>	6
<b>Offering activities</b>	Bullock cart ride, farm operations, livestock experience, honeybee keeping, fishing in farm pond, modern agricultural practices visit, rural market visit and food processing units
<b>Food</b>	Local food
<b>Accommodation</b>	Dormitories & cottage
<b>Amount (Rs.) including food &amp; stay</b>	2000/customer
<b>Returns (2021-22) (Rs.)</b>	53,57,000

#### **Baramati Agritourism Centre**

Maharashtra is the pioneer State to develop and promote Agri Tourism in the country. Baramati Agritourism Centre was incorporated in 2003 and owns the pilot Agri tourism project of 28 acres in Baramati, 70 km from Pune city. The main activities include operating its agritourism center encouraging more farmers to take up agritourism, and conducting training and research programs.

### **Agritourism Development Company (ATDC)**

This center also owns the Agritourism Development Company. This is an umbrella platform wherein most of the tourist reservations are booked and then tourists are sent to different centers. This saves on the marketing cost of the farmers. They may themselves also take the bookings. ATDC only provides a helping hand. ATDC the umbrella organization for the Agri





**Figure 4.5 Baramati Agritourism**

Tourism, practices what is preached, by successfully operating its owned pilot Agri tourism project.

In 2007, ATDC launched training and skills development programs with Maharashtra State Agritourism Vistar Yojana, first 52 farmers were selected in Maharashtra for the training program. This Agritourism model has been replicated in 328 Agri tourism centers across 30 Districts in Maharashtra, which has helped to conserve and enhance the village environment, village traditions and culture, customs, village arts and handicrafts. The agritourism model gives authentic experiences to the visitors by showcasing village culture, agriculture, and traditions that have helped gain sustainable supplementary income sources and generated local employment.

The concept of agritourism under ATDC is very simple, whereby the urban tourists go to the farmer's home; stay like a farmer, engage in farming activities, experience the bullock cart, tractor ride, fly kites, eat authentic food, wear traditional clothes, understand the local culture, enjoy the folk songs and dance, buy fresh farm produce and in turn the farmer maintains home and farm hygiene, greets new tourists, sells his farm produce at a better price, earns a livelihood all year round.

The ATDC survey in 2014, 2015, and 2016 shows that 0.40 million, 0.53 million, and 0.7 million tourists have visited these centers respectively totally generating 35.79 million Indian rupees for farmer's families, generating jobs for women and youth in the rural communities.

This created a win-win situation for not only the farmers or the tourists but also the government. Not only farmer was happy to stay on the farm and the tourist satisfied to buy farm fresh produce, then the government accepted them with open arms as agritourism and it was given a major boost in Maharashtra Tourism Policy, 2016.

### **Aim of the ATDC project**

- ✚ To develop and promote agritourism, through ATDC's projects, training and support as a potential vehicle for diversifying and stabilizing rural economies.
- ✚ Creating jobs, increasing farming community income, providing a broader market base, opportunities for on-farm employment and so they do not have to migrate to urban areas.
- ✚ Agritourism income helps to improve farmer's livelihoods, traditional forms of art and music in rural areas
- ✚ Increasing awareness of local agricultural products, enhancing understanding of the importance of maintaining agricultural lands thereby strengthening the long-term sustainability of small farms. **Partners in promoting ATDC**
- ✚ Tourism Policy 2016 initiative that has included Agritourism as the major focus area to help small farmers – Tourism Department - Government of Maharashtra. One important policy decision taken is the “compulsory educational tour to agritourism centers” for fifth to tenth-standard school students.
- ✚ Marketing and promoting agritourism under “MAHABHRAMAN SCHEME” - Maharashtra Tourism Development Corporation.
- ✚ Helping small farmers get financial support through banks to develop agritourism centers - NABARD (National Bank for Agriculture and Rural Development) acts as an apex bank in developing rural India.

### **Services provided by ATDC**

The following services are provided by ATDC. They are

- ✚ Feasibility study for starting an agritourism
- ✚ Collaborating with the local farmers and villagers
- ✚ Agritourism sensitization workshop
- ✚ Training & skill development
- ✚ Land survey for the tourism destination
- ✚ Infrastructure layout, design and execution plan
- ✚ Civil infrastructure development
- ✚ Product design for agritourism
- ✚ Marketing and sales planning designing
- ✚ Internet marketing planning, designing
- ✚ Communication strategy designing



- ✦ Affiliation/ permission certificate from respective authorities
- ✦ Licensing under agritourism

### **Person behind ATDC**

Agritourism Development Company was started by Pandurang Taware. He is the first person to talk about agritourism in India. He laid the pathway for agritourism by rendering his valuable services. Given how dependent farmers are on the vagaries of monsoon, government policies and various other external factors, it has become extremely important for them to find ways of supplementing their income. With the introduction of agritourism, he claims to have helped over 628 farmers earn Rs. 58 crores in the pre-covid.



**Figure 4.6 Interaction with Pandurang Taware**

He says, “I grew up in a joint family, where everyone was involved in farming. I went on to study computer science and worked in the tourism industry for close to 20 years before coming back to my village.”

“In a sense coming back to farming was a way of fulfilling my father’s dream. He had wanted me to pursue a degree in agriculture but back then my score was not good enough for it. Having enjoyed my stint in the tourism sector I wanted to find a way of merging both,” says Pandurang. He is also known as the ‘Father of the Agritourism Concept in India.’

For Pandurang, returning to farming seemed like a natural step. However, he mentions how the decision and the move were not easy for his wife.

“For my wife, Vaishali Taware, who had grown up in the city, coming to the village and starting from scratch was not an easy move. While there was reluctance in the beginning, over the last 19 years she has become my biggest supporter and cheerleader,” he says.

Pandurang also speaks about how when he got married to Vaishali, he was drawing a salary of Rs 470 and says that life was difficult financially. “Coming back to the village also meant coming back to our own house,” he says.

“I was 32 years old when I decided to move from a well-paying job to agritourism,” he adds. Agritourism, as a concept, has been prevalent in Europe for a long time and has many takers as well. Pandurang says that he saw potential in establishing a similar concept in India as well and in 2002 he moved to his village to find ways of starting agritourism.



**Figure 4.7 International tourists visit Baramati Agritourism**

Before formally launching the agritourism concept in Maharashtra, Pandurang says that he spent 2003 in a market sample survey and that data helped in structuring the entire concept. This market sample was done with a sample size of 2,440 participants, he adds. Armed with this data, in 2005, Agri Tourism Development Corporation (ATDC) was launched from Maharashtra.

“Along the way, we learned about what would work and how best we could curate an experience for those who visited the farm,” says Pandurang. The idea behind the venture was not just to host urban dwellers but to make sure that they experienced the life of a farmer. Along with this Pandurang says that the fresh produce from the farm is also available for purchase and this also boosts the income of the farmers.





**Figure 4.8 Farm activities in Baramati Agritourism**

### **Family Experience**

Speaking about his own family experience with farming, Pandurang says, “My grandfather Baburao Tawade owned 13 acres of land. He had six children, four sons and two daughters. While the farming activities gave them money twice a year the expenses of maintaining the land and tending to it came in all year round. The mounting expenses and the dwindling income from it was one reason why other than my father, none of my uncles ventured into farming.”

Pandurang also adds here that the initial confidence of seeing this concept work made him invest close to Rs 6 lakh into the venture. These were his savings from his tourism job and unfortunately, the first year after the launch did not see much traction with tourists. “I put in a lot of the money into advertisements and despite spending a large chunk of money on it, for the first fortnight, we got zero calls. After a few grueling months of wait time, in October 2005 we got our first customer.”

Pandurang recalls the first pilot tour that he conducted and speaks fondly of how he took down the booking details, took the group around the farm for the visit, explained to them how things worked and served them food. It was an experience, I will never forget and one that launched our venture, so to say.” The next three months, October to December continued to be a lull for the venture. In the next 18 months, the venture hosted close to 13,000 tourists at the farm.

Krishna Padtare, a farmer from Nasrapur in the Bhor taluka associated with the venture and Pandurang for over six years now says, “With the kind of inflation we are experiencing, expecting to run our households on the income just out of our agricultural produce alone is not

enough. In collaborating with ATDC we have experienced almost 5 times increase in our income.” Before joining ATDC, Krishna says that he tried his hands at various business ideas – from poultry farming to dairy farming but unfortunately none of them yielded good results.

“Without sounding like an advertisement, I must say that agritourism gave me and my family a great boost to our income,” he adds. “I also learn from the tourists who come and visit the farm. There is so much to learn from every tourist,” says Krishna.

Pandurang adds, “The concept is simple — stay like a farmer, engage in farming activities, experience the bullock cart, tractor ride, fly kites, eat authentic food, wear traditional clothes, understand the local culture, enjoy the folk songs and dance, buy fresh farm produce and in turn help the farmer maintain him home and earn an additional income.”

To experience this life for one day will cost you Rs. 1000 per person, which includes two major meals; breakfast, lunch and evening tea with snacks. For those who wish to spend the night on the farm, the cost increases to Rs. 2000 which will include all meals.

These include two national awards in 2008-2009 for introducing the most innovative tourism product in the country and for promoting responsible tourism in 2013-2014.



**Figure 4.9 Taware receiving an award from the Former President of India**

Pandurang was also instrumental in drafting the policy on agritourism in Maharashtra and this policy mandates schools to ensure that students from Class 5 to Class 10 spend time visiting a farm for one compulsory educational trip every year. “That is a total of almost 1 crore school students from various aided and unaided schools in Maharashtra. Catching them young will help make a far stronger impact,” he says.



**Figure 4.10 School students in agritourism**

‘*Sevarth madhe parmarth*’ — meaning do something that will benefit not just you but those around you — with this philosophy in mind, Pandurang has managed to make life immensely comfortable and successful for himself and more than 600 other farmers in Maharashtra. “We managed to make over Rs. 50 crores pre-COVID via sales of farm produce and the tours we conduct. This amount helped over 600 farmers who are associated with us,” says Pandurang. He is now working on taking the agritourism concept to various other parts of the country.

*(The author acknowledges that part of the conversation is excerpted from the ‘Better India’ portal written by Vidya Raja in 2022).*

### **Educational Agritourism**

Agritourism imparts agricultural education to school and college students. In this context, Baramati agritourism offers various activities and sessions to school students.

**Educational Activities:** Farm visit with guide, fruit plantation, vegetable plantation, flowers plantation, water storage tank, vermi wash project, goat farm, poultry farm, cow farming and organic farming.

**Entertainments Activities:** Children’s Park, boating, rain dance, bullock cart ride, horse cart ride, music system, Burma bridge, rural games and outdoor games.

**Sightseeing:** Sugar industry, jaggery making, Morgan Ganesh temple and dairy industry.

**Table 4.6 Charges for Educational Agritourism**

<b>Class</b>	<b>Charges per students (Rs.)</b>	<b>With transport (Rs.)</b>
1 <sup>st</sup> to 4 <sup>th</sup>	300	550
5 <sup>th</sup> to 7 <sup>th</sup>	325	575
8 <sup>th</sup> to 10 <sup>th</sup>	350	600
11 <sup>th</sup> to 12 <sup>th</sup>	450	700
College students	500	750
For teachers (Three teachers accompanying with every 50 students will be free)	400	650

*Note: Transport charge starts from Pune city*

### **Costs incurred for agritourism, ADT**

Cost includes fixed and variable costs. Fixed cost includes cottage and dormitory construction, dining room, swimming pool/farm pond, cattle shed, rural games unit and farm machinery shown in Table 4.7.

**Table 4.7 Costs incurred for agritourism**

<b>Fixed Cost</b>	<b>Cost (Rs.)</b>	<b>Variable Cost</b>	<b>Cost (Rs.) for 240 days</b>
Cottage (10 Nos.) @ Rs.4,15,000*10	41,50,000	Staff (6 Nos.) @ Rs.400/day	2400*240 = Rs. 5,76,000
Dormitory (2 Nos.) @ Rs.3,00,000*2	6,00,000	Repair & maintenance- Rs.700/day	1000*240= Rs.1,68,000
Dining room	3,80,000	Others (including food, customer services)	Rs. 7,15,000
Farm pond	1,00,000		
Cattle shed	1,50,000		
Rural games unit	80,000		
Farm machinery	8,00,000		
(Note: Land cost has been not included)			
<b>Total (Rs.)</b>	<b>62,60,000</b>	<b>Total (Rs.)</b>	<b>14,59,000</b>

All these fixed costs accounted for the sum of Rs.62,60,000, whereas variable costs such as staff, repair and maintenance, and other customer services accounted for the sum of Rs.11,59,000.

### Returns

Returns are calculated based on seasonal days. Here the seasonal days are about 240 days.

**Table 4.8 Returns from agritourism**

<b>Type of accommodations</b>	<b>Food &amp; Accommodation Charges</b>
Dormitories (For 2 Nos.)	<p><b>Food</b> Rs.550 per head/day*8 persons/dorm= Rs.4,400</p> <p><b>Accommodation</b> Rs.800</p> <p><b>Total</b> Rs.4400 + Rs.800 = Rs.5200; Rs.5200*2 dorms = Rs.10,400 per day; Rs.10,400 per day*240 days= Rs.24,96,000</p>
Cottages (For 10 Nos.)	<p><b>Food</b> Rs.550 per head/day*4 persons/cottage= Rs.2,200</p> <p><b>Accommodation</b> Rs. 800</p> <p><b>Total</b> Rs.2200+Rs.800 = Rs.3000; Rs.3000*6 cottage= Rs.18,000 per day; Rs.18,000 per day*240 days= Rs.43,20,000</p>
<b>Total</b> <b>(Dormitories + Cottages)</b>	<b>Rs. 68,16,000</b>

*Note: Total revenue earned in the peak season (240 days) from agritourism*

Table 4.8 shows the revenue generated from the Baramati agritourism farm. Establishing an agritourism model with 2 dormitories and 10 cottages shows that the generation of revenue is about Rs.68,16,000. This total revenue can be earned in the peak season of about



240 days of agritourism. Here the returns from day visitors have been not included because day visitors are not treated as actual customers. Day visitors are mostly from schools and colleges.

### **Net income**

Net income from ADT agritourism can be calculated using total revenues and total expenses.

Net income= Total revenues – Total expenses

Net income= 68,16,000 – 14,59,000= Rs.53,57,000

Net income of Rs.53,57,000 shows that breakeven can be achieved within 1.5 years to compensate for fixed costs.

### **Reinvestment**

Baramati agritourism is reinvesting its 25 percent of profit for next calendar year's operations. However, during Covid 19 pandemic there were no operations from agritourism and year by year agritourism returns are growing from 10 to 15 percent.

### **Other facilities**

The trust started agritourism with the view of educating customers regarding agritourism. This was the main motivation behind their starting agritourism. It has the following facilities as

- ✦ The primary health center is located nearby a farm and also it has an ambulance facility
- ✦ A rainwater harvesting system is available
- ✦ Wastewater treatment facility also available

### **Interactions with customers**

To know about the customer's preferences, 30 customers were randomly selected. The selected customers were asked for their preferences in agritourism. **General characteristics of sample**

#### **respondents**

- ✦ The gender of sample respondents revealed that 52.50 percent of the sample respondents were female and the remaining 47.50 percent were male respondents.
- ✦ The minimum age of the sample respondents was 15 years and the maximum age was 62 years. An overall average mean value of age was 28 years. Hence it could be concluded that the majority of the respondents were young, and had more interest in exploring agritourism.
- ✦ A major share of the respondents were school students (60.50 percent) followed by graduates (30.25 percent).
- ✦ The majority of the sample respondents were students (54 percent) followed by an employee (23.00 percent) and remaining housewives.

- ✦ The majority of respondents were lower-middle-income group range with an annual family income between 5 lakhs to 10 lakhs (34 percent) followed by the middle-income group range with an annual family income from 11 lakhs to 15 lakhs.

### **Customers preferences toward agritourism**

- ✦ Farming and its linkage with relative or close friend farm connection customers (46.15 percent) were mostly visiting agritourism than customers with no connection. Evidence suggested that natural resources, rural scenes with old structures and a combination of both are becoming more appealing to customers and stimulate agritourism participation. So, the farming and linkage revealed that farm resort owners have to maximize the farm with more nature-oriented features.
- ✦ Most of the customers visit agritourism sometimes (38.45 percent) followed by rarely (33.20 percent) and often (28.35 percent).
- ✦ The majority of customers preferred a weekend (50.25 percent) as their preferred occasion, followed by vacation (28.45 percent) and seasonal festivals (21.30 percent). The weekend is the available occasion for every customer and based on that, farm resort owners have to develop a plan and as well as to offer packages in agritourism.
- ✦ Except for accessibility from metropolitan cities (17.35 percent) there was no major difference existed between locations such as accessibility from towns (25.65 percent), remote places (22 percent) and famous tourist spots (35.00 percent). Hence, the customers preferred mostly locations with easy accessibility from towns, remote places and famous tourist spots. Preference for remote places showed that customers were seeking pleasure, and a calm and natural environment.
- ✦ The majority of customers preferred to have local and traditional food (48.50 percent) followed by the availability of both western and local food (51.50 percent). The customer's important motivation for travelling is to identify traditional dishes specific to a particular place.
- ✦ Most of the customers preferred working farms, offering accommodation and food with active participation in farm activities (68 percent) followed by working farms offering accommodation and food (22.30 percent).
- ✦ Customers preferred to stay 2 to 3 days (61.40 percent) on an agritourism site. It was followed by 4 to 5 days (23.64 percent) and less than five days (14.96 percent). Most of the customers preferred cottage (68 percent) as their accommodation type followed by dormitories (32 percent).

✦ In terms of preferred activities in agritourism, entertainment was ranked first by customers with a mean score of 54.56 followed by hospitality services, educational services and on-farm direct sales. Therefore, farm resort owners must concentrate more on providing various entertainment activities to customers.

## NISARG SANGIT AGRITOURISM

### Economic Appraisal of agritourism with case studies

#### Outline of selected case study-III

<b>Name of the farm</b>	Nisarg Sangit Agritourism
<b>Location</b>	Morgaon, Maharashtra
<b>Year of Commencement</b>	2012
<b>Ownership</b>	Private
<b>Area (ac)</b>	18
<b>Visitors/year</b>	2500
<b>Number of employees (in numbers)</b>	7
<b>Offering activities</b>	Bullock cart ride, farm operations, livestock experience, honeybee keeping, fishing in farm pond, modern agricultural practices visit, rural market visit, jaggery making and food processing units
<b>Food</b>	Local food
<b>Accommodation</b>	Dormitories & cottage
<b>Amount (Rs.) including food &amp; stay</b>	2500/customer
<b>Returns (2021-22) (Rs.)</b>	31,65,000

#### **Nisarg Sangit Agritourism**

Nisarg Sangit Agritourism is located in Morgaon, Maharashtra. “Individuals have turned out to be more inspired by how their nourishment is created. They need to meet farmers and processors and chat with them about what goes into sustenance generation. For some individuals who visit ranches, particularly youngsters, the visit denotes the first occasion when they see the wellspring of their nourishment, be it a dairy cow, an ear of corn developing in a field, or an apple they can pick ideal off a tree”, says Suresh Khopade owner of the farm. This agritourism center consists of facilities such as



- ✚ Village tour
- ✚ Zoo Park
- ✚ Traditional farm equipment's
- ✚ Bullock cart rides
- ✚ Fishing
- ✚ Children's Park

### **Village tour**

To take a break from your city life and dig deep into the heart of rural India where a land of peacefulness, farming and ancient customs still exists. Customers can witness the unspoiled beauty of the country and its rich culture, traditions and simple lifestyle by travelling to agritourism centers that have managed well to preserve all of it. Further, customers can breathe in the fresh air, walk on the lush green grounds and be spellbound by the stunning landscape.

### **Zoo Park**

India is famed for its rich and abundant wilderness, and wildlife sighting is a must when on a trip to this beautiful land. Wildlife tours bring customers close to different sorts of vegetation which make their holidays in India more appealing and adventurous. This agritourism zoo park combines magnificent wildlife and picturesque landscape so that customers can indulge the maximum time of the tour in the famous national parks being accompanied by experienced guides.

### **Traditional farm equipment**

Utilizing traditional farming methods and tools involves setting aside current farming technology such as tractors and combines in favour of hand-powered or horse-drawn machinery. Traditional farming tools can include any number of hand tools, as well as cultivators and seeders. This center offers several illustrations of hand tools such as plows, pitchforks, insecticide sprayers, rakes, and rollers.

### **Bullock cart ride**

A bullock cart or ox cart is a two-wheeled or four-wheeled vehicle pulled by oxen (draught cattle). It is a means of transportation used since ancient times in many parts of the world. They are still used today when modern vehicles are too expensive or the infrastructure does not favour them. A common means of transportation in ancient times, bullock cart riding has revived customer's use. Beautifully decorated carts donning plush colorful mattresses and pillows along with traditional fanfare are used to create an unforgettable and exhilarating

experience for young and old alike. Other activities such as fig farming, cow milking, etc. allow customers to experience rustic village life at the center.

### **Fishing**

Provides an authentic and unique experience into the lives of local fishing communities and the marine environment of the local area. Such activities when implemented and undertaken successfully reduce the risk of traditional fishing methods being lost or forgotten. Services were provided depending on customers' requests including accommodation, and preparation of traditional fish recipes.

### **Children's Park**

They are providing a lot of fun and educational experiences and activities for children. Playful Park featuring jungle gyms, slides & swings, along with whimsical sculptures.

### **Farms in agritourism**

Their farm tours are for people who want to see the goats and want to know about goat farming. If customers wish to start goat farming or related business, this farm is providing enough details.

In terms of poultry farming, they are actively engrossed in offering a wide gamut of Kadaknath Poultry Chicken. Counted among the famous business names of the industry, they are engaged in offering the highest quality array of Kadaknath Breed.

Agritourism is the joining of tourism and agriculture where tourists visit private agricultural areas to learn more about sustainable and organic farming, conservation and local produce. This is a great way for farmers to supplement their income while educating visitors about the importance of organic produce and local farming practices in a fun and entertaining way. Many of these activities are targeted at children, so they are great family-friendly activities, which will keep the kids entertained for hours! With over half the world's population living in cities, travellers are seeking to get back to nature and escape the urban city sprawl. Visiting an organic farm allows customers to reconnect with nature for a few hours, a day or even a week or two.



**Figure 4.11 Activities in Nisarg Sangit Agritourism**

### Costs incurred for agritourism, ADT

Cost includes fixed and variable costs. Fixed cost includes cottage and dormitory construction, dining room, swimming pool/farm pond, cattle shed, rural games unit and farm machinery shown in Table 4.9.

**Table 4.9 Costs incurred for agritourism**

<b>Fixed Cost</b>	<b>Cost (Rs.)</b>	<b>Variable Cost</b>	<b>Cost (Rs.) for 240 days</b>
Cottage (5 Nos.) @ Rs.4,15,000*5	20,75,000	Staff (6 Nos.) @ Rs.400/day	2400*240 = Rs. 5,76,000
Dormitory (1 Nos.) @ Rs.3,50,000*1	3,50,000	Repair & maintenance- Rs.700/day	1000*240= Rs.1,68,000
Dining room	3,60,000	Others (including food, customer services)	Rs. 6,15,000
Farm pond	1,20,000		
Cattle shed	1,30,000		
Rural games unit	60,000		
Farm machineries	9,00,000		
(Note: Land cost has been not included)			
<b>Total (Rs.)</b>	<b>39,95,000</b>	<b>Total (Rs.)</b>	<b>13,59,000</b>

All these fixed costs accounted for the sum of Rs.39,95,000 whereas variable costs such as staff, repair and maintenance, and other customer services accounted for the sum of Rs.13,59,000.

### Returns

Returns are calculated based on seasonal days. Here the seasonal days are about 240 days.

**Table 4.10 Returns from agritourism**

<b>Type of accommodations</b>	<b>Food &amp; Accommodation Charges</b>
Dormitories (For 1 No.)	<b>Food</b> Rs.450 per head/day*8 persons/dorm= Rs.3,600 <b>Accommodation</b> Rs.500 <b>Total</b> Rs.3600 + Rs.500 = Rs.4100; Rs.4100*1 dorms = Rs.4100 per day; Rs.4100 per day*240 days= Rs.9,84,000
Cottages (For 5 Nos.)	<b>Food</b> Rs.550 per head/day*4 persons/cottage= Rs.2,200 <b>Accommodation</b> Rs. 750 <b>Total</b> Rs.2200+Rs.750 = Rs.2950; Rs.2950*5 cottage= Rs.14,750 per day; Rs.14,750 per day*240 days= Rs.35,40,000
<b>Total</b> <b>(Dormitories + Cottages)</b>	<b>Rs. 45,24,000</b>

*Note: Total revenue earned in the peak season (240 days) from agritourism*

Table 4.9 shows the revenue generated from the Nisarg Sangit agritourism farm. Establishing an agritourism model with 1 dormitory and 5 cottages shows that the generation of revenue is about Rs.45,24,000. This total revenue can be earned in the peak season of about 240 days of agritourism. Here the returns from day visitors have been not included because day visitors are not treated as actual customers. Day visitors are mostly from schools and colleges.

### **Net income**

Net income from ADT agritourism can be calculated using total revenues and total expenses.

Net income= Total revenues – Total expenses

Net income= 45,24,000 – 13,59,000= Rs.31,65,000

Net income of Rs.31,65,000 shows that breakeven can be achieved within 1.5 years to compensate for fixed costs.

### **Reinvestment**

Sangit agritourism is reinvesting its 20 percent of profit for next calendar year's operations. However, during Covid 19 pandemic there were no operations from agritourism and year by year agritourism returns are growing from 10 to 15 percent.

### **Other facilities**

The trust started agritourism with the view of educating customers regarding agritourism. This was the main motivation behind their starting agritourism. It has the following facilities as

- ✦ The primary health center is located nearby a farm and also it has an ambulance facility
- ✦ A rainwater harvesting system is available
- ✦ Wastewater treatment facility also available

### **Interactions with customers**

To know about the customers' preferences, 30 customers were randomly selected. The selected customers were asked for their preferences in agritourism. **General characteristics of sample respondents**

- ✦ The gender of sample respondents revealed that 54.50 percent of the sample respondents were female and the remaining 45.50 percent were male respondents.
- ✦ The minimum age of the sample respondents was 17 years and the maximum age was 60 years. An overall average mean value of age was 26 years. Hence it could be concluded that the majority of the respondents were young, and had more interest in exploring agritourism.
- ✦ A major share of the respondents were school students (58.40 percent) followed by graduates (41.60 percent).
- ✦ The majority of the sample respondents were students (52.00 percent) followed by an employee (25.00 percent) and remaining housewives.
- ✦ The majority of respondents were lower-middle-income group range with an annual family income between 5 lakhs to 10 lakhs (34 percent) followed by the middle-income group range with an annual family income from 11 lakhs to 15 lakhs. **Customers**

### **preferences toward agritourism**

- ✦ Farming and its linkage with relative or close friend farm connection customers (48.75 percent) were mostly visiting agritourism than customers with no connection. Evidence suggested that natural resources, rural scenes with old structures and a combination of both are becoming more appealing to customers and stimulate agritourism participation.

So, the farming and linkage revealed that farm resort owners have to maximize the farm with more nature-oriented features.

- ✦ Most of the customers visit agritourism sometimes (42.45 percent) followed by rarely (31.50 percent) and often (26.05 percent).
- ✦ The majority of customers preferred a weekend (53.55 percent) as their preferred occasion, followed by vacation (26.25 percent) and seasonal festivals (20.20 percent). The weekend is the available occasion for every customer and based on that, farm resort owners have to develop a plan and as well as to offer packages in agritourism.
- ✦ Except for accessibility from metropolitan cities (17.35 percent) there was no major difference existed between locations such as accessibility from towns (25.65 percent), remote places (22 percent) and famous tourist spots (35.00 percent). Hence, the customers preferred mostly locations with easy accessibility from towns, remote places and famous tourist spots. Preference for remote places showed that customers were seeking pleasure, and a calm and natural environment.
- ✦ The majority of customers preferred to have local and traditional food (45.50 percent) followed by the availability of both western and local food (54.50 percent). The customer's important motivation for travelling is to identify traditional dishes specific to a particular place.
- ✦ Most of the customers preferred working farms, offering accommodation and food with active participation in farm activities (65 percent) followed by working farms offering accommodation and food (35 percent).
- ✦ Customers preferred to stay 2 to 3 days (61.40 percent) on an agritourism site. It was followed by 4 to 5 days (23.64 percent) and less than five days (14.96 percent). Most of the customers preferred cottage (68 percent) as their accommodation type followed by dormitories (32 percent).
- ✦ In terms of preferred activities in agritourism, entertainment was ranked first by customers with a mean score of 56.42 followed by, educational services, hospitality services and on-farm direct sales. Therefore, farm resort owners must concentrate more on providing various entertainment activities to customers.

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## **SAHYADRI FARMS AGRITOURISM**

### **Economic Appraisal of agritourism with case studies**

#### **Outline of selected case study-IV**



<b>Name of the farm</b>	Sahyadri Farms Agritourism
<b>Location</b>	Nashik, Maharashtra
<b>Year of Commencement</b>	2022
<b>Ownership</b>	Private
<b>Area (ac)</b>	45
<b>Day Visitors/year</b>	3000
<b>Number of employees (in numbers)</b>	6
<b>Offering activities</b>	Food processing unit, farm operations, livestock experience, honeybee keeping, modern agricultural practices visit, rural market visit and cotton spinning
<b>Food</b>	Local food and western food
<b>Accommodation</b>	Dormitories
<b>Amount (Rs.) including food &amp; stay</b>	5000/customer

### **Sahyadri Farms**

Sahyadri Farmer Producer Company is known for its value. Sahyadri's vision was to build people, processes and practices to enable and empower smallholder Indian farmers to compete with the best by cultivating the highest quality fresh produce. Since its inception, Sahyadri remains fully committed to helping farmers overcome the barriers to finance, technology adoption and product value addition.

In time, Sahyadri's self-contained infrastructure encompassed an agro-advisory team, a world-class pack-house, cold storage facility and a technology backbone to help achieve scale meaningfully. Soon enough, Sahyadri Farms became a hub of value addition by building and operating an agri-value chain that was efficient, expedient and innovative.

While building Sahyadri Farms, there was an acute realization that post-harvest losses not only imply wastage of food but also represent a colossal waste of human labour, agri-inputs, financial investments and scarce resources like water.

The ultra-modern campus of Sahyadri Farms helps farmers access the latest technology and processing infrastructure, follow global best practices and offer the highest quality fresh and processed products to discerning consumers globally.





**Figure 4.12 Integrated Value Chain**

### Value chain in Sahyadri Farms

The model of a small land-holding farmer being independent and self-sufficient is very difficult to achieve. Climate change and the overuse of fertilizers over the past few decades have worsened this. Also, the entire value chain is disparate, broken and fragmented.

With this in mind, Sahyadri Farms started its journey to solve the issue of scalability, farmer sustainability and consumer benefit. It's 100% owned by farmers alone.

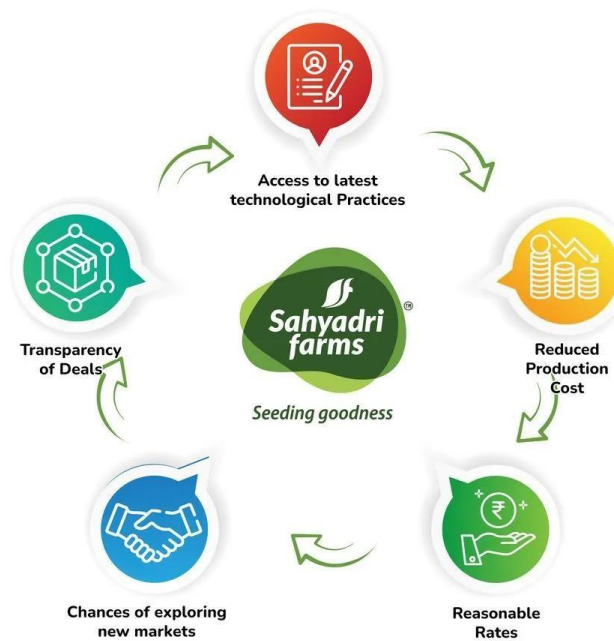
The intent was to build a sustainable, scalable and profitable agri-enterprise anchored by marquee Indian and global investors. It would provide a holistic solution to farmers so that farming becomes a profitable activity for all the smallholder and marginal farmers associated with Sahyadri Farms.

They believe that it's possible to ensure sustainable income for the small and marginal farmers in developing economies thus ensuring a life of dignity for them and their families. They intend to achieve this without putting the burden on our end-consumers.

By removing unnecessary middlemen, offering better logistics, reducing post-harvest losses and providing trust and transparency to consumers, they achieved sustainability for the farmers and provide quality and assurance to consumers.



**Figure 4.13 Aerial view of Sahyadri Farms**



**Figure 4.14 Cyclical view of Sahyadri Farms Activities**

### **Sahyadri Farms Agritourism**

Sahyadri Farms sow goodness and create happy smiles. They have excelled in establishing this location where people can enjoy and connect with nature. Moreover, they have tried to develop people's understanding and appreciation of farming.

The main goal is to educate everyone about the immense potential of farming methods. The journey of Sahyadri Farms includes a thrilling experience with nature. They offer visitors the opportunity to witness India's largest integrated fruits and vegetable processing and packaging company in action.

Sahyadri Farms offers visitors a chance to connect with nature as well as agriculture for a day. People can also advance their knowledge of agriculture by talking with our leading agricultural experts.

Sahyadri Farms has offered a chance for individuals to calm down for a day with nature as well as agriculture, where people may also advance their expertise with leading agricultural resources.

Sahyadri Farms is offering agritourism only for day visitors free of cost. In order to develop agritourism, last November they constructed four cottages for customers to stay in. Each cottage cost valued 7 lakhs and they going to charge Rs.5000 per family for 24 hour's stay.







**Figure 4.15 Activities of Sahyadri Farms Agritourism**

**Observations made while during the visit**

Sahyadri farms are cultivating change in farmers' life and work based on 'of the farmers, by the farmers and for the farmers. Sahyadri Farms had 25 crop-wise and zone-wise farmerproducer companies. Apart from procuring, packing and storing produce at the farm level, it is also responsible for providing technical and financial support to farmers.

**About the Farm:** New concepts and projects are always tried out. Nursery, food processing plant, fruit orchards, spice plantation. The total spread of 110 acres and around 75 acres devoted to research and development.

**Eco-friendly development:** Natural attractions around add value to the product.

**Local Scenario:** This farm provides more returns to farmers than market price because there is no involvement of traders or middlemen involved in the procurement process. They buy directly from the farmers.

**Economic Implication:** Increase in local employment with food processing units and nurseries. Even training programmes for local people are conducted at this farm for fruit processing which leads to the multiplier effect.

**Seasonality and activities:** Prevailing tropical climate leads to a suitable environment for tourists. The farm is paying more attention to agricultural activities. Rather than it allows visitors for day time to know about the fruit processing, procurement and packaging process.

**Guest Facilities:** Food and accommodation at a reasonable price. Can accommodate up to four families for overnight stay. Cottages were available for night stay.

Guest rooms with modern amenities are also available. The farm has good connectivity by road with enough water facilities.

**Marketing Strategy:** Relying on word-of-mouth publicity. Does not want aggressive marketing. Does not want a commercial activity. Satisfied with the limited number of guests because guests are mostly from schools and colleges as day visitors.

**Guest Segments Aimed:** Schools, colleges and families.

**Other tourist attractions:** Temples, beaches, caves and hot water springs (value addition to the product)

## Chapter V

### Suggestions and Policy recommendations

Based on the study objectives and interactions with various stakeholders, suggestions and policy recommendations were made for sustainable agritourism development. Under the different setups, agritourism is practiced in Maharashtra. For example, here agritourism farms were selected based on different criteria such as privately owned, trust owned and farmer producer company owned. Each agritourism farm offers various agricultural activities and after the unveiling of the Maharashtra agritourism policy, each agritourism farm holds specific criteria. Maharashtra's agritourism policy strengthens agritourism in financial and marketing regulations. It also governs the features such as holding land, accommodation and food units and as well as including entertainment activities.

Based on agritourism farm manager's and the customers' perspectives suggestions and policy recommendations are discussed in this chapter. **Suggestions (for agritourism farms)**

- ✦ Farm resorts have to include more natural features to attract more customers. In the same, they have to plant more native plants and flowers.
- ✦ To attract more male customers, farm resorts have to include more gender-oriented features. Including a variety of farm implements collection will also enhance the male customers visit.
- ✦ Customers most preferred occasion was the weekend. So the farm resorts have to offer more weekend packages.
- ✦ Entertainment was one of the most preferred activities among customers. Hence, entertainment activities like harvesting, fishing, horse riding, bullock cart riding, swimming in the farm pond, farm festivals celebration and farm demonstration practices have to be included and followed for keeping customers engaged in agritourism.
- ✦ Traditional farming techniques were one of the most influencing variables. Including more region-oriented traditional farming practices will influence more interest in agritourism.
- ✦ Customers' preference for an excellent ecological environment, excellent service landscape and good accommodation were more. So farm resorts have to concentrate more on these features while implementing agritourism.

## Policy recommendations

- ✚ State Government has to form a separate agritourism development committee for sustainable agritourism development. Under these measures, the guidelines may include not serving prohibited materials and having to provide the utmost safety needs to customers.
- ✚ Though State tourism department is providing a separate license under agritourism to be eligible for availing of loans and tax benefits. In this connection, cooperative societies may be included in providing loan facilities to develop agritourism.
- ✚ Local administrations such as village panchayats can help in the co-ordination and facilitation of agritourism because village panchayats have a strong influence on local communities and their support is important to the success of agritourism.
- ✚ The State tourism department has to organize seasonal festivals along with agritourism farms for a wide reach.
- ✚ The State government has to facilitate the adoption of digital technologies and platforms for agritourism through some measures like enabling internet infrastructure facilities in rural areas.
- ✚ Rural youths can be trained for agritourism by offering diploma/certified courses in a wide manner. It improves their skills and understanding of agritourism.
- ✚ Awareness of agritourism has to be increased through online and social media platforms because tourists are highly influenced by social media. Greater emphasis needs to be placed on social media and other online portals for popularizing agritourism as a tourism product. Incredible India and Unlimited Maharashtra digital platforms can be utilized for promoting agritourism. In addition, digital platforms for listing agritourism farms for booking and finding customers can be utilized. Further, state tourism departments may also highlight agritourism in their campaigns.
- ✚ Marketing may be in partnership with the travel trade and online platforms to benefit from their network and marketing expertise.
- ✚ Agritourism farms can improve their hospitality services by undergoing professional training which would impact their success in the long run. The State government has to organize training workshops to enrich the hospitality skills of the farm resort owners and local communities of the region to ensure a better experience for the customers.



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