

## AGRI-TOURISM: A BEST OPTION TO ACCELERATE GROWTH OF TOURISM IN THE POST-PANDEMIC ERA

**\*Sreereshma S R, \*\*Dr. A S Dileep, \*\*\*Dr. V S Santhosh**

### Abstract

Agriculture's global significance and deep cultural roots in India make it a primary livelihood source and a vital economic contributor to the Indian economy, while tourism enhances the economy through various means, including revenue generation, job opportunities, foreign exchange earnings, regional development, and cultural promotion, thereby promoting economic diversification and growth. Agri-tourism, a relatively new segment in the agriculture sector, connects agriculture and tourism, opening up a wide range of potential for both industries. The importance of agri-tourism has surged in the post-pandemic era, as businesses have redirected their focus towards rural, eco, and nature tourism, alternative farming, heritage preservation, and agricultural education. Integrating agri-tourism into the sector could boost agriculture's contribution to GDP and farmer incomes. This descriptive study aims to analyse agri-tourism's strengths, weaknesses, opportunities, and threats, while also exploring their market segments and seasonal trends.

**Key words:-** Agri-tourism, Agriculture, Tourism Industry, nature tourism, heritage tourism

*A*gri-tourism may be defined as agricultural production and/or processing with tourism to draw guests to a farm, ranch, or other agricultural enterprises with the purpose of amusing

and/or educating the guests while producing revenue. This branch of tourism has gained importance in the scenario of declining profitability of agricultural production and deterioration of rural people's quality of life and a need

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to introduce a new scope for the farmers' revenue generation.

Sergo and Tomcic point out that "the development of agri-tourism is primarily stimulated by true adventure need of modern consumers to stay in the country area, to experience regional dishes, to experience deep contrast of life in the big city and small traditional environment by seeking inner spiritual harmony and lost integrity." The global agri-tourism industry was worth \$42.46 billion in 2019 and is projected to grow at a CAGR of 13.4 per cent from 2020 to 2027, reaching \$62.98 billion. According to the 2019 Business Economics study, India's agri-tourism revenue is expanding at a 20 per cent annual growth rate.

The term 'agri-tourism' is alternatively used as agro-tourism, farm tourism, agricultural tourism, and agritainment and is viewed as a part of rural tourism. Throughout the past few decades, agri-tourism has been pushed as a key factor in the development of rural areas around the world in places with diverse terrain and high biodiversity. It is thought to have a good impact on sociological, economic, environmental, and demographic factors. The successful implementation of agri-tourism depends on the co-operation of the agri-tourism network involves the agricultural sector, healthcare facilities, transportation, security measures, media and communication, travel agencies, and the hospitality sector.

Agri-tourism typically includes features like separate lodging at farmers' homes; activities related to upheld family traditions and customs; and the ability for visitors to have a comfortable stay away

from the noise, experience the friendliness of the locals, and take in the tranquillity of nature. The products and services offered by agro-tourism include accommodation, entertainment, therapies at farms, farm retailing, catering, and participatory mode of farming. Because of the numerous services that it offers, agri-tourism is more than just a tourist commodity. It's a method of interpreting the trip as a novel experience or constructive conduct in light of the surroundings, the locals, and their culture. In many locations, the growth of agri-tourism is viewed favourably as a chance for local communities to invest, enhance profits and responsibilities, and safeguard the environment. In simple words, agri-tourism is a hugely profitable leisure activity.

The establishment of the Agri Tourist Development Corporation (ATDC) in Baramati, Maharashtra, by Pandurang Taware, an entrepreneur from the rural community, in 2004 was the initial step in sowing the seeds of agri-tourism in India.

### **Statement of the Problem**

India's agriculture has been challenged by rising input costs, unstable yields, climate threats, land fragmentation, and other factors. Farmers have moved from rural to urban areas or other industries in search of alternate livelihoods and income diversification. With the promotion of agri-tourism, the "hollowing out" effect of rural decline can be addressed, and farmers' faith in agriculture and ecosystem-based services can be restored can create a win-win situation for both agriculture and tourism industries. So good planning and understanding of

management practices and implementation of skilled advisory services make them understand the importance and create a desire to diversify their agricultural businesses into agri-tourism to provide value-added products and services that meet the needs of tourists. Hence the study is entitled “Agri-tourism: The Best Option to Accelerate the Growth of Tourism in the post-pandemic era”

### Significance of the Study

The agricultural sector contributes roughly 16 of the total GDP. If revenue-generating sectors like agri-tourism are given due significance in the current agricultural sector, agriculture’s contribution to the national GDP would surely increase. Agri-tourism, which was formerly a little niche, is growing quickly and receiving significant support from the Ministry of Tourism. Agri-tourism is currently growing in popularity as farmers emphasize agricultural diversification and an increase in profit; urban tourists prefer travelling to rural areas to experience the tranquillity of the countryside. In recent years, many travellers have preferred farm tours, farm stays, and trail visits to experience something different from the usual sightseeing at tourist destinations. By allowing visitors from urban areas access to farms, agri-tourism gives them a taste of rural life.

Agri-tourism combines tourism elements with activities based on agriculture to bring tourists to farms, where they can enjoy themselves while on vacation and learn about and appreciate the work done by the farmers, giving them the chance to maximise their income and employment opportunities from selling

farm-related goods and services. In the tourism sector, this phenomenon of non-agricultural activities is a specialist and developing market. Hence it is significant to conduct a theoretical study to understand these basic concepts in agri-tourism.

### Objectives of the Study

The important objective of this study is to analyze the key strengths, weaknesses, opportunities, and threats of agri-tourism. Additionally, it seeks to investigate various categorizations within the agri-tourism market and its seasonal patterns.

### Methodology of the Study

The present study is descriptive and conceptual and is based on secondary data. The secondary data were used to gain background information about Indian agri-tourism and to understand its benefits, opportunities challenges strategies for improvement etc. The data were collected from various published sources. This consists of data collected from previous studies, Government reports on the agriculture sector in India, Ministry of Agriculture and Farmers Welfare, Government of India and Kerala etc. In addition, journals, magazines, newspapers and seminar papers were also used for completing this study.

### Principles Essential to Agri-Tourism

**1. Provide something for tourists to see** - Agri-tourism might provide tourists with opportunities to observe animals, birds, farms, and the natural world. In addition to this, visitors may become sufficiently interested in agri-tourism through culture, attire, festivals, and rural games.

**2. Provide activities for guests to enjoy** - A few examples of what visitors can do include partaking in agricultural activities, swimming, riding camels, riding bullock carts, riding buffalo, cooking, and playing rural games.

**3. Provide goods for visitors to purchase.** A few items that tourists can purchase as a memory for remembrance are processed foods, farm gate fresh agricultural products, and rural crafts.

**SWOT Analysis of Agri-tourism**

**Strength**

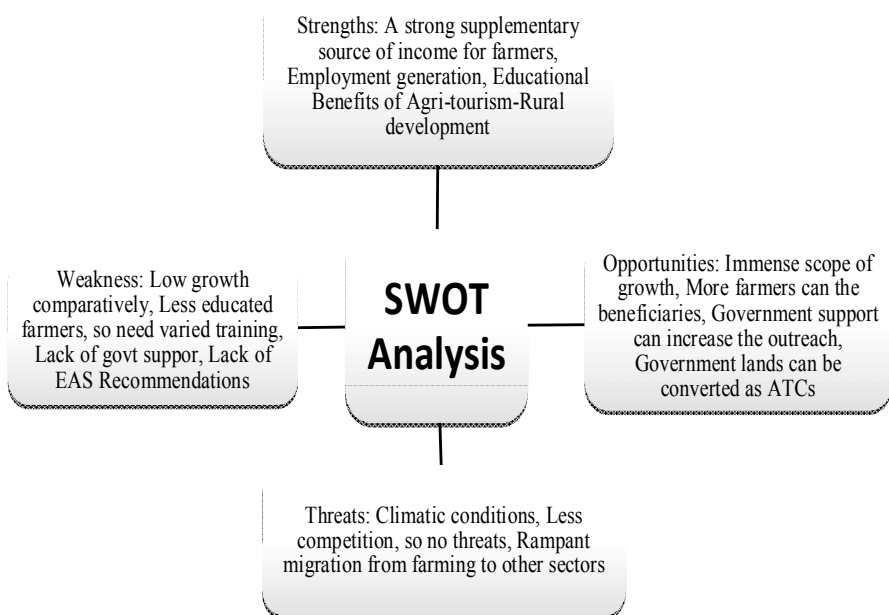
Agri-tourism has a favourable impact on the rise in young employment and income levels and also contributes to the preservation of the rural ecosystem since it serves as the foundation for the industry. It is the source of supporting incomes of farmers from these non-agricultural

activities. This increases farm earnings by creating new consumer market niches that are more conscious of local agricultural products. From the perspective of the tourism sector, agri-tourism can be a way to diversify the range of tourism goods and services that are offered to travellers, increase tourism flows into attractive rural areas, extend the season during typically slow business times, and position rural areas in distinctive ways in important tourism markets.

**Weakness**

Agri-tourism often depends on specific seasons and weather conditions, limiting its potential for year-round revenue generation. Some farms might not have the facilities and infrastructure needed to comfortably house visitors. For agri-tourism businesses, complying with zoning, health, safety, and permit rules can

**SWOT Analysis of Agri-tourism**



be difficult and time-consuming. It may also be difficult to promote and reach the target audience for agri-tourism because many potential tourists may not be aware of the options. The policies and rules governing agri-tourism, if any exist at all, are not well-known or understood by farmers.

### **Opportunities**

Agri-tourism is well-positioned to draw visitors looking for genuine experiences owing to a growing interest in sustainable and regional activities. Collaboration with nearby restaurants, craftspeople, and other tourist destinations can improve the whole agri-tourism experience and attract more tourists. Agri-tourism experiences that incorporate agricultural advancements and technologies might draw in tech-savvy travellers and highlight contemporary farming techniques.

### **Threats**

Economic changes may have an impact on tourists' propensity to spend money on leisure activities, making agri-tourism vulnerable. Unpredictable weather patterns, natural calamities, or climate change might affect tourist numbers and interfere with agri-tourism initiatives. Agri-tourism has competition from traditional tourist locations, thus it could be difficult to draw visitors away from well-liked cities or beach resorts.

### **Policy and regulation challenges facing the agri-tourism industry**

There is a paucity of knowledge about how current laws and policies affect agri-tourism activities at all levels of government and there are no policies

or rules governing the size of facilities or the usage of land for agri-tourism operations. Policies are thought to have been created without consulting farm owners or considering how they would affect agri-tourism enterprises. Government administrators' interpretation of regulations is also inconsistent. The policies and rules governing agri-tourism, if any exist at all, are not well-known or understood by farmers.

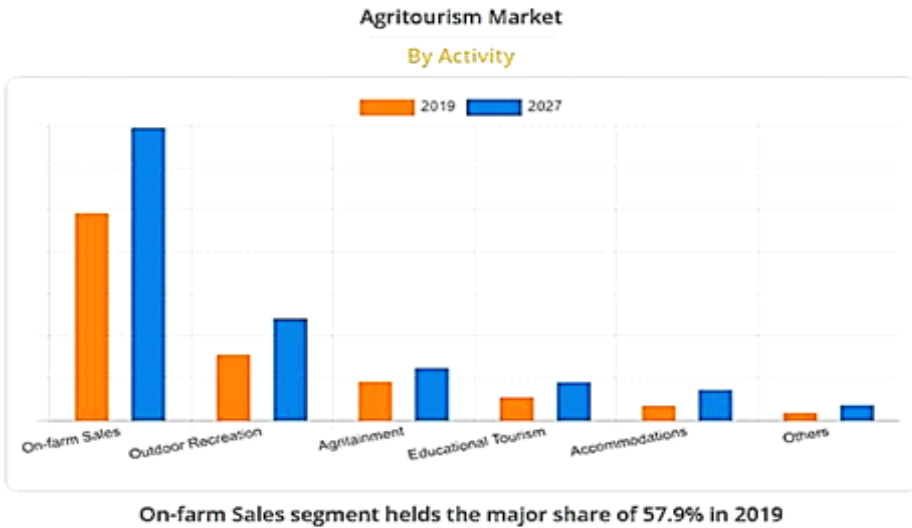
### **Classification of the Agri-tourism market based on various attributes**

#### **Background data**

Based on the activities, such as farm sales, outdoor recreation, agricultural entertainment, educational tourism, lodging, and others, activities are categorised in the diagram. It is clear from this data that the on-farm sales category, which includes goods like grapes, apples, goats, and other livestock, accounted for around one-third of the global agri-tourism market share. Additionally, it is expected to hold onto its position until 2027. As a result, it is clear that the on-farm sales sector is important and a key source of revenue for tourism centres because it gives visitors the chance to hold fresh, unadulterated farm products in their hands. Additionally, until 2027, the proportion of each activity is unchanged.

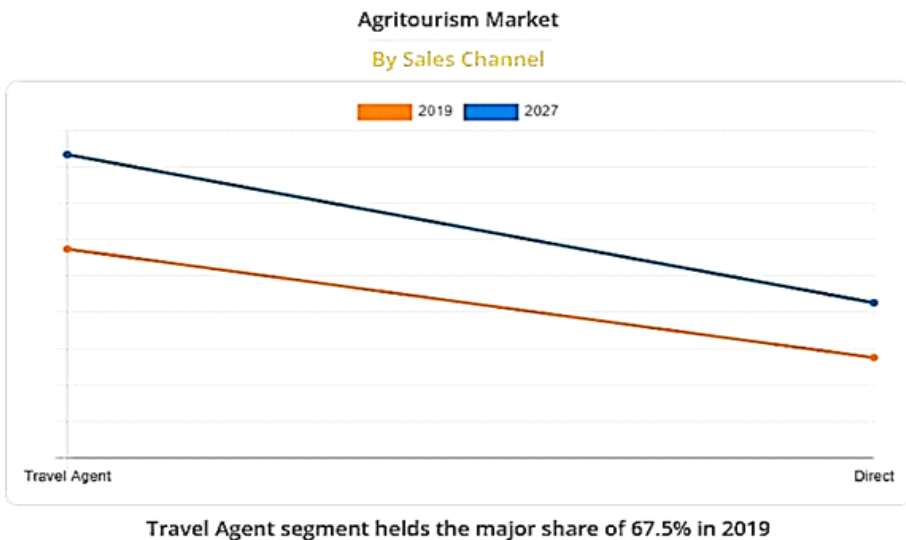
According to the survey, travel agencies are used by 67.50 per cent of agri-tourists to get to their destination. According to trends in the worldwide agri-tourism business, the travel agents category had a value of \$28,678.3 million in 2019 and is projected to increase to \$41,657.9 million by 2027, with a CAGR

**Figure 1**  
**Activity-based classification of the agri-tourism market**



Source: Allied Market research: Agri-tourism market report

**Figure 2**  
**Sales channel-based classification of the agri-tourism market**



Source: Allied Market research: Agri-tourism market report

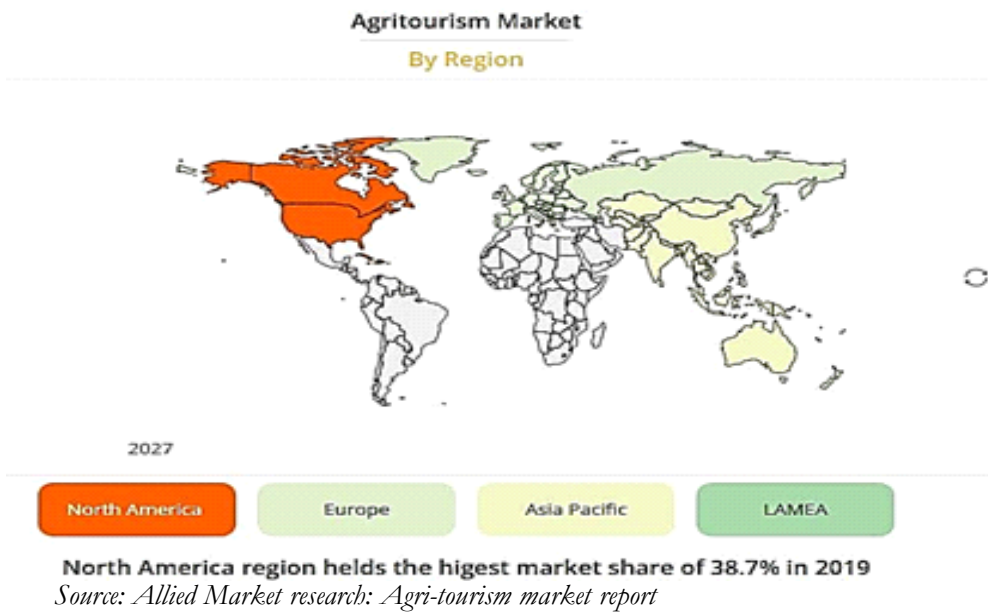
(compounded annual growth rate) of 13.10 per cent. While few people are familiar with agri-tourism, ecotourism,

and similar topics; travel agents are playing a crucial role in the promotion and sales of agri-tourism packages.

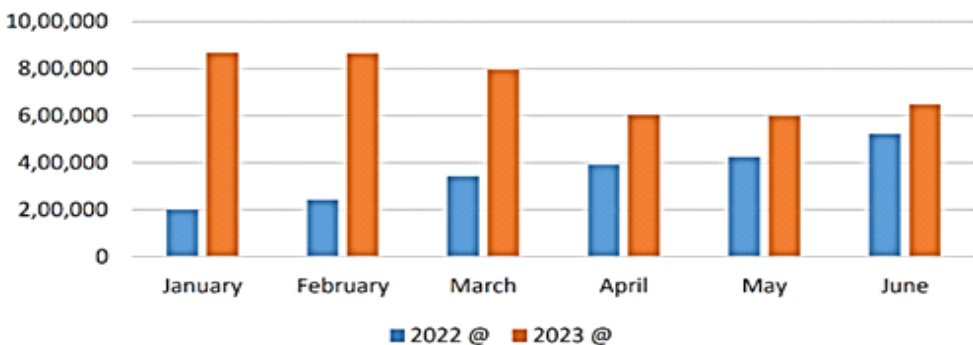
North America dominated the global agri-tourism market in 2019, and it is predicted that it will continue to do so throughout the industry’s forecast period. Farmers in the area are discovering complementary businesses and additional money in addition to their regular farm

activities, which is one of the main drivers fuelling the expansion of the agri-tourism market in the area. As a result, American farmers are inviting tourists to visit their farms and agro-based businesses, teaching them how they are run, and giving them hands-on experience.

**Figure 3**  
**Region-based classification of the world agri-tourism market**



**Figure 4**  
**Month-wise Foreign Tourist Arrivals in India (FTAs)**  
**Month wise FTAs during 2023**



*Source: Ministry of Tourism, Government of India*

**Table 1**  
**Purpose-wise percentage share of FTA in India**

Purpose	Percentage share from January to June 2023	Percentage share during June 2023
Business and Professional	11.01	10.70
Indian Diaspora	24.69	30.98
Leisure Holiday and Recreation	46.51	40.68
Medical	6.36	7.19
Others	11.01	10.70

*Source: Ministry of Tourism, Government of India*

The number of FTAs (Foreign Tourist Arrivals) in India for the period of January to June 2023 reached 4,380,239. This figure marks a notable increase of 106.2 per cent when compared to January-June 2022, which had 2,124,118 FTAs.

Based on the above data, it's evident that a significant portion of tourists in 2023 visited for leisure holidays and recreation, indicating substantial potential for agri-tourism. Furthermore, the percentage increase for leisure holidays and recreation surpasses that of any other purpose.

**Major Findings**

Agri-tourism holds the promise of delivering a fulfilling experience to both travellers and farmers alike. To ensure long-term success in a constantly changing and competitive tourism industry, it is imperative to tackle any shortcomings and make the most of available opportunities. The major findings of the study are:

1. On farm sales segment (products like grapes, apples, goats etc.) accounted for around one-third of the global agri-tourism market share in the world. On-farm sales segment held the major share of 57.90 per cent in the world agri-tourist market. Forecasted to maintain its position till 2027 and the proportion of each activity remains the same.
2. 67.5 per cent of agri-tourists reached their destination through travel agents. According to global agri-tourism industry trends, the travel agents category was valued at a CAGR (compounded annual growth rate) of 13.10 per cent. This shows that the agents are playing a crucial role in marketing and selling the agri-tourism packages.
3. North America dominated the agri-tourism market size in 2019 and is expected to sustain its dominance throughout the agri-tourism market



forecast period. Farmers in the U.S. are opening their farms and agrobased companies for visitors showing them how they produce it and inviting them to take experience on the farm.

4. Reports state that Foreign Tourist Arrivals (FTAs) in India during March 2022 were 342,308 with a positive growth rate of 177.90 per cent as compared to 123,179 in March 2021. FTAs during the period January- March 2022 were 784,750 as compared to 3,06,641 in March 2021 registering a positive growth of 155.9 per cent. (*Source: Ministry of Tourism GoI*). This growth rate also shows the immense opportunities for agri-tourism in India, which can benefit the country if proper marketing strategies are adopted to attract these tourists to agri-tourism destinations.
5. According to the 2019 Business Economics study, India's agri-tourism revenue is expanding at a 20 per cent annual growth rate.
6. Tourism Supporting Organizations in Kerala like District Tourism Promotion Councils (DTPCs), Kerala Tourism Development Corporation (KTDC), Kerala Tourism Infrastructure Limited (KTIL), Kerala Institute of Tourism and Travel Studies (KITTS) also takes initiatives to support agri-tourism.
7. India has experienced a recent surge in foreign tourist arrivals (FTAs), particularly for leisure and recreation

in 2023. This suggests promising opportunities for agri-tourism, with leisure tourism showing the highest growth rate among all purposes of visit.

### **Selective strategies to promote Agri-tourism**

Farmers who want to succeed in agri-tourism, a non-agricultural business activity, must have a commercial attitude and be familiar with the fundamental marketing methods used to gain attention through media outlets like the newspaper, television, radio, internet, and others. This will enable them to connect with schools, colleges, NGOs, clubs, unions, organizations etc. Farmers should receive training to develop their business skills and expertise to welcome and accommodate agri-tourists and satisfy their needs. This will enable them to understand their needs and expectations by making proper use of local resources for the entertainment/service to tourists. When a visitor departs, they should be encouraged to provide feedback on the experience as well as suggestions for service improvement; thereby building a strong relationship with the visitor to facilitate future business and chain publicity.

A good management strategy should be formed to ensure that the farm can provide essential services like parking, transportation, customer service, education, and roads with enough staff and infrastructure. It is the farmers' responsibility to maintain their land and facilities and to make sure they abide by zoning, health, food safety, and environmental laws. To ensure long-term viability, business strategy is to be assessed

regularly and appropriately add value to the services, products, and experiences. Countries can take inspiration from the USA as it is the top agri-tourism destination and take appropriate developmental strategies.

The government can also implement various policies to promote agri-tourism, as it strengthens the economic, cultural, and ecological resilience of rural areas while providing revenue for farmers. It is crucial that the government deal with the problem of small or insufficient land to support agri-tourism. To create business settings that support agri-ecosystem-based services, state agencies can take into account how dependent farmers are on farming and how popular agri-tourism is seen to be. Depending on the stage of the business and the business strategy; social or impact investors may mobilise private equity into agri-tourism. The ATDC can persuade start-ups and impact investors to capitalise on the commercial possibilities of India's agri-tourism industry. It is also important to note that conceptual alignment with rural tourism, ecotourism, health tourism, adventure tourism, and culinary adventures is necessary for the promotion of agri-tourism. A thorough review of ICT projects and promotional tools is essential to improve Tourism's design and implementation of novel and creative

digital platforms and campaigns to attract tourists is also essential.

### Conclusion

Agri-tourism must be a crucial component of all packages accessible for travellers, and strengthening its promotion in India will help to boost both the national economy and the rural economy. By combining elements of the tourism and agricultural sectors, agri-tourism has a special opportunity to provide tourists, farmers, and communities with a range of economic, educational, and social benefits. Farmers turn their farmland into a favoured tourist destination so that visitors can have a variety of unique experiences, from staying in a rural setting and enjoying the environment to learning and educating themselves through participation and enjoyment. Agri-tourism stakeholders confront several obstacles that can be managed and solved by the government and farmers themselves by implementing successful, effective and efficient strategies. Due to the rapid effects of climate change and tourism-related pollution levels, demand for natural and rural places as tourist destinations is on the rise, which might help mainstream eco-friendly tourism activities like agri-tourism that boost interregional, intercultural understanding and cooperation.

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