

## Case Study on Agritourism Business Management: A New venture at Baramati District India

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### Abstract

Agritourism represents a significant form of strategy that supports rural communities and enhancing sustainable rural development. Over the years, technology has changed the nature of business transactions between the consumers and suppliers of goods and services. As within any other industry, changes driven by technology pose a major challenge in agritourism especially to farmers that do not have access to and knowledge about available technologies in agritourism. Agritourism is a business venture located on a working farm, ranch, or agricultural enterprise that provides an “experience” for visitors while generating supplemental income for the owner.

The study was conducted in Baramati District, of Maharashtra using a field survey and some group discussions with farmers and respective state officials of these districts. Results revealed that there are several possibilities for the establishment of agritourism in the country.

**Keywords:** Agritourism Business Management, Agriculture, Agro-products etc.

## INTRODUCTION

Agriculture is a most important occupation in the India including in Maharashtra but today it has becomes unprofitable due the irregular monsoon, prices fluctuations of Agro-products and some internal weakness of the agriculture sector. Hence, there is need to do some innovative activities in the agriculture, which will help to farmers, rural peoples.

The history of agri-tourism dates back to the late 1800's when people began leaving the city to come to farms to visit relatives for short stays to escape the city life. After the invention of the automobile in the 1920's it became easier for people to travel to the rural areas. In the 1930's and 1940's, the Great Depression and World War II gave rise to the first significant interest in rural recreation. In the 1960's and 1970's horseback riding and farm petting zoos became popular. In the 1980's and 1990's, farm vacations, overnight stays at bed and breakfasts, and commercial farm tours became popular.

Today, the demand continues to grow for agri-tourism. Agritourism has the potential to change the economic face of traditional agriculture. The benefits of agritourism development are manifold are as follows:-

- Employment opportunities to the farmers including farm family members and youth.
- Additional income source for the farmers to protest against income fluctuation.
- Cultural transformation between urban and rural people including social moral values
- Farmers can improve their standard of living due to the contacts with urban people.
- Benefits to the urban people; they can understand about the rural life and know about the agricultural activities.
- It supports for rural and agricultural development process.

Help to the reduce burden on the other traditional tourist centres.

## BENEFITS OF AGRI TOURISM

Agri-tourism can provide many benefits to the agricultural producer.

It can provide:

- Cash flow during the off season.
- Opportunity to sell the “experience” of your agricultural venue.
- Opportunity to sell products grown and harvested in your agricultural operation.

Reviewing literature about the tourism sector demonstrates the changes in traveling attitude; decrease in the seasonality feature of tourism and ‘active holidays depending on culture; nature; traditional way of life have become the objectives of new tourists’ (Tezcan; 2004) and the economic; social and environmental impacts on the area where the tourism activity taking place in. Increase in tourist demands on nature-based areas leads to be served more tourism activities day by day and this situation leads the governments benefit from this increasing actual tourism tendency in a conservative manner; because the demand causes damages on the nature; in other words on the tourism products. Since tourism sector is one of the crucial instruments for the economic growth; especially in the developing countries; it tends to describe and develop various types of tourism activities; and plan them whether at global; national or regional

At present Agri Business may involve either an input or a produce or service and encompasses items such as:

1. Productive resources (feed; seed; fertilizer; equipment; energy; pesticides; machinery; etc.)
2. Agricultural commodities (raw & processed commodities of food and fiber)
3. Facilitative services (credit; insurance; marketing; storage; processing; transportation; packing; distribution; consultancy; soil testing etc.).

Agritourism can also be explained as a holiday concept of visiting an agribusiness operation for the purpose of enjoyment; education or involvement in the activities of the operation. Therefore; agritourism may be any form of farm-based tourism operation that provides economic benefit to the farm owner(s) and provides on-farm entertainment; activity; or product for the visitor. Normally; agritourism is small-scale; low-impact and in most cases; it is mainly focused on education (Wicks; and Merrett; 2003; Wall; 2006).

## RESEARCH METHODOLOGY

Agritourism is recognized as an important strategy for agricultural development through diversification of farming activities and providing opportunities to rest, relax, enjoy and study about farming for the visitors. At present, agritourism is promoted by most of the countries in the world aiming at sustainable rural development. Since Maharashtra is an agricultural state in India, it is the time to analyze the potential of this strategy under local conditions.

Agritourism has received increasing attention in academic literature as it has been widely promoted both in developed and in developing countries like India.

Based upon an empirical study in a rural village in Baramati District, Maharashtra State, this study examines the management of agritourism on an ethnic community and discusses the challenges faced by residents who are attempting to improve their livelihoods through tourism.

Agritourism has not only provided a supplementary income and new employment opportunities to the rural community, but has also increased the conservation of the environment and appreciation of minority cultures and rural lifestyle.

However, the development of agritourism is facing a number of challenges, and government aid is needed to support farming families establishing and operating tourism enterprises.

## SIGNIFICANCE & SCOPE

Promotion of Agri-Tourism enables preservation of family farms and they are the backbone of rural India. Early in our history, this country was a land of farmers, settling from coast to coast while providing food for their families. Through the years the number of farmers has decreased, and the number of families fed per farmer has increased.

## RESEARCH PHILOSOPHY

Research philosophy refers to "The development of the research background, research knowledge as well as its nature" (Saunders, Lewis & Thornhill, 2007:107). It can also be defined with the help of a research paradigm. According to Cohen, Manion and Morrison (2000), research paradigm is a framework comprising of perceptions, beliefs and understanding of theories and practices used to conduct research. However, through the use of an appropriate research philosophy and paradigm these factors can be eliminated.

## RESEARCH OBJECTIVES

The broad objective of this study was to determine the possibility of agritourism development in Bharamati District.

The specific objectives were assessment of the important information on farming population and farm lands, identify the profile of farming community and identify the attractive features of the area for tourists. Conducting a SWOT analysis for agritourism sector of the country to study the important factors for the agritourism development was also another specific objective of this study.

(A) **Nature of the study:** Exploratory research.

(B) **Sample Design**

(i) **Sampling units / Population:** Baramati District, Maharashtra State

(ii) **Sampling type:** Stratified Random Sampling.

(iii) **Sample size:** The total sample size with the tourist perception was 310.

(iv) **Data collection:** The data to be collected from Primary sources as well as Secondary sources:

**Primary sources:** For Primary source a questionnaire will be prepared and this questionnaire will be filled by and scheduled interviews / personal observations and different three sources of evidence that Yin (2003) discusses were used in this study i.e. Interview, Documentation and Archival Records.

**Secondary sources:**

Data collected from internet, journals, magazines, text books etc. A sample of typical secondary source can be seen as per selected bibliography & references.

### RESEARCH ANALYSIS AND INTERPRETATION

Respondents were with the view for influencing factors that affect the agribusiness are lack of training & skills, changes in weather conditions, the business man's attitude, the size of the farm, poor telecommunication and network infrastructure as well as poor landscaping profiles.

<i>What are the factors that influence the Agritourism business</i>	% of Respondents
Lack of Training & Skills	24
Changes in Weather Conditions	18
Businessman's Attitude	8
Size of the farm	19
Poor Telecommunication and Network	21
Poor Infrastructure and poor landscaping profiles.	10

Interpretation: Lack of Training and Skills i.e. 24% is the most important factors that influence the Agritourism business. Only 8 % Businessman's attitude is influence for the agritourism business.

Chi square tests indicated that the two groups did not differ significantly in any of the months of operation except June.

For that month, financially successful agri-tourism operations were significantly more likely to be open than the financially less successful agri-tourism operations.

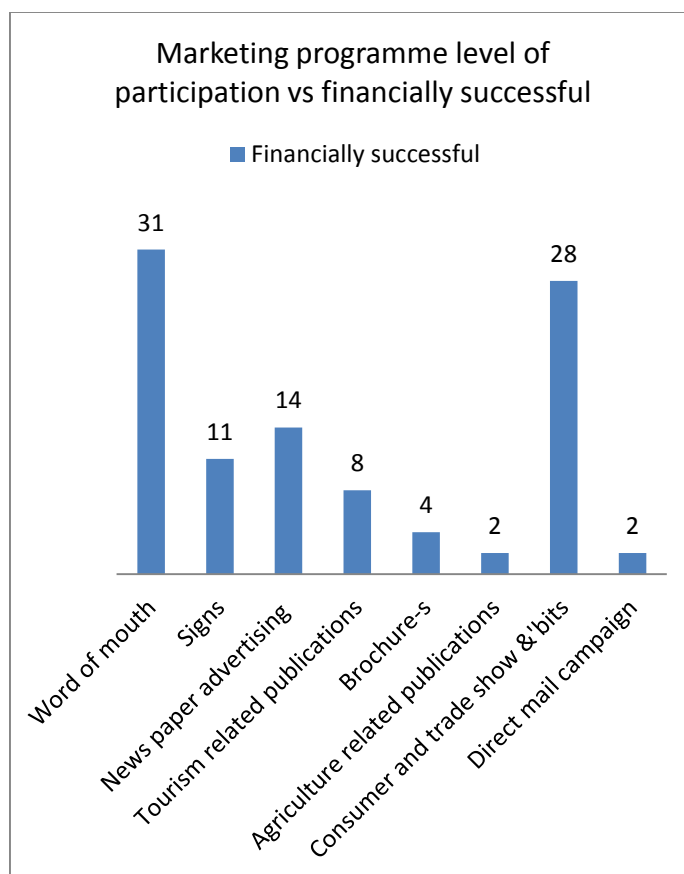
Month	% of Tourist	Financially Less Successful	Financially successful	Chi Sq.	Sign
Jan	3	29.3	29.2	0.0009	0.99
Feb	5	29.3	33.33	0.145	0.7
Mar	5	32.9	33.3	0.004	0.97
April	8	40.2	45.8	0.23	0.625
May	16	46.3	66.7	3.06	0.027
June	15	59.8	87.5	6.37	0.012
July	17	85.4	91.7	0.64	0.42
Aug	14	81.7	87.5	0.44	0.5
Sept	5	80.5	87.5	0.62	0.43
Octo	4	74.4	87.5	1.82	0.177
Novr	4	53.7	62.5	0.58	0.44
Dec	4	47.6	54.2	0.32	0.56

### MARKETING PROMOTION

All of the financially successful farm operations used word of mouth as a marketing technique. Financially successful agri-tourism operations used the following marketing promotions: signs (**11%**), newspaper advertising (**14%**), tourism related publications (**8%**), brochures (4%) and agricultural related publications (2%). Direct mail marketing (2%) was the **least** used marketing tool.

<i>Marketing Programme Level of participation</i>	Financially successful
Word of mouth	31
Signs	11
News paper advertising	14
Tourism related publications	8

Brochure-s	4
Agriculture related publications	2
Consumer and trade show &'bits	28
Direct mail campaign	2



**CONCLUSION**

The Baramati district of Maharashtra was selected for the study has lots of potential for the introduction of agritourism industry, which could have positive effect on the development of local people. Out of the total population, there are significant number of farmers with farm lands and some other facilities that are important in agritourism development. Most of the farmers also have basic knowledge and skills required for farming. Further, different important features of these areas are able to attract visitors in a great deal. Also, the extent of agritourism will never overlap with other rural tourism operations.

When agritourism studies of India is concerned, only a few can be identified. The aim of the study was to formulate the best strategies to innovate and build up agritourism. Based on the study, it was found that increase in income of agritourism farmers and job opportunities for local residents, creating networks to strengthen regional or local structures, multiplier effects for small-scale direct investments, diversity increment of economic activities, stimulating physical infrastructure development, increasing the awareness of the importance and value of an area, such as its nature and culture, landscape and the economic potencies and also developing the infrastructure in order to bring about opportunities for other economic development activities.

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