Investment opportunities in agri-tourism in India

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ABSTRACT
Indian tourism industry is growing at the rate of 10 per cent which is 2½ times more than the growth rate at global level. By introducing Agri-tourism concept, not only present growth rate is sustained but also this value addition contributes to further growth. The tourism sector in India had witnessed an increase in employment numbers from 44.7 million to 51.1 million during the period 2004-05 to 2006-07. However, tourism also promotes national integration, international understanding and supports local handicrafts and cultural activities. India’s share in the world tourism market during the year 2005 was 0.49 per cent, foreign exchange earnings during the year 2005 were Rs. 25,172 crores. Agri-tourism is the latest concept in the Indian tourism industry, which normally occurs on farms. Agricultural tourism is the Holidays concept of visiting a working farm or any agricultural, horticultural, or agribusiness operations for the purpose of enjoyment, education, or active involvement in the activities of the farm or operation. In general, Agri-tourism is the practice of attracting travelers or visitors to an area or areas used primarily for agricultural purposes. With the introduction of Agri-tourism farmers have reaped the benefit and attracting more tourists to their farms by providing all the basic necessities with hygienic condition. Agri-tourism is all about unraveling various facets of village life. Agri-tourism is now growing in a big way. However, it may take some time before it starts to grab a major share of the revenue generated from tourism-related activities. There is a huge scope of developing various pockets of agri-tourism in the country, as India is a country of extreme diversity.

KEY WORDS: Agri-tourism, Investment opportunities, Employment

Rs. 21,828 crores in 2004. Turnover in domestic tourism is much more than this. To promote the domestic tourism, thrust areas identified by Government of India are development of infrastructure, product development and diversification, development of eco-adventure sports, cultural presentations, providing inexpensive accommodation, streamlining facilitation procedures at airports, human resource development, creating awareness and public participation and facilitation of private sector participation. In this process, important stakeholders are state and central department of tourism, Indian Institute of Tourism and Travel Management, Tourism Development Corporations, foreign embassies, Travel Agents Association of India (TAAI), Indian Association of Tour Operators (IATO), Tourists, Transport Operators Association, Indian convention promotion bureau and Pacific Asia Travel Association (PATA).

Agri-tourism is the latest concept in the Indian tourism industry, which normally occurs on farms. It gives the opportunity to experience the real enchanting and authentic contact with the rural life, taste the local genuine food and get familiar with the various farming tasks during the visit. It provides a welcome escape from the daily hectic life in the peaceful rural environment. It gives a chance to relax and revitalize in the pure natural environment, surrounded by magnificent setting.

Agro-tourism is when a native person or local of the area offers tours to their agriculture farm to allow a person to view them growing, harvesting, and processing locally grown foods, such as coconuts, pineapple, sugarcane, corn, or any produce the person would not encounter in their home country. Often the farmers would provide a home-stay opportunity and education.

**Agri-tourism opportunities in India:**

Indian tourism industry is growing @10.10 per cent. The world tourism organization has estimated that the tourism industry is growing at the rate of 4 per cent a year and that by the year 2010 there will be more than one billion tourists visiting various parts of the world. But Indian tourism industry is growing at the rate of 10 per cent which is 2½ times more than the growth rate at global level. By introducing Agri-tourism concept, not only present growth rate is sustained but also this value addition contributes to further growth.

India has entered amongst the top 10 tourist destinations list. India is already established as one of the top tourist destinations in the world. Value addition by introducing novel products like Agri-tourism would only strengthen the competitiveness of Indian tourism industry in global market.

India has diverse culture and geography which provide ample and unlimited scope for the growth of this business. India has diverse Agro-climatic conditions, diverse crops, people, culture, deserts, mountains, coastal systems and islands which provide scope for promotion of all season, multi-location tourism products.

There are an increasing number of tourists preferring non-urban tourist spots. Hence, there is scope for promotion of non-urban tourist spots in interior villages by establishing Agri-tourism centres. But, adequate facilities and publicity are must to promote such centres.

Government initiatives and policies in tenth five year plan, allocation has been increased from 525 crore to 2900 crores. Increased financial allocation reaffirms the government commitment. The increased financial allocation by six times could be used for capacity building of service providers, creation of infrastructure and publicity.

**Scope for agri-tourism:**

An inexpensive gateway:

The cost of food, accommodation, recreation and travel is minimum in Agri-tourism. This widens the tourist base. Present concept of travel and tourism is limited to urban and rich class which constitutes only small portion of the population. However, the concept of Agri-tourism takes travel and tourism to the larger population, widening the scope of tourism due to its cost effectiveness.

**Curiosity about the farming industry and life style:**

The urban population basically which has roots in villages always has curiosity about sources of food, plants, animals, raw materials like wood, handicrafts, languages, culture, tradition, dresses and lifestyle. Agri-tourism which revolves around the farmers, villages and agriculture has the capacity to satisfy the curiosity of this segment of population. Agri-tourism provides scope for re-discovering the rural life which is rich in tourism.

**Strong demand for wholesome family oriented recreational activities:**

Villages provide recreational opportunities to all age groups i.e. children, young, middle and old age, male, female, in total to the whole family at cheaper cost. Rural games, festivals, food, dress and the nature provide variety of entertainments to the whole family.

**Health consciousness of urban population and finding solace with nature friendly means:**

Modern lifestyle has made the life stressful and average life span has comedown. Hence, people are in constant search of pro-nature means to make life more peaceful. Ayurveda which is pro-nature medical approach has roots in villages. Indigenous medical knowledge of villagers is respected. Organic foods are in greater demand in urban areas and foreign countries. In total, health conscious of urban population is...
looking towards pro-nature villages for solutions.

Desire for peace and tranquility:
Moden life is the product of diversified thinking and diversified activities. Every individual attempts to work more, in different directions to earn more money to enjoy modern comforts. Hence, peace is always out of his system. Tourism is the means for searching peaceful location. Peace and tranquility are inbuilt in Agri-tourism as it is away from urban areas and close to nature.

Interest in natural environment:
Busy urban population is leaning towards nature. Because, natural environment is always away from busy life. Birds, animals, crops, mountains, water bodies, villages provide totally different atmosphere to urban population in which they can forget their busy urban life.

Disillusionment with overcrowded resorts and cities:
In resorts and cities, overcrowded peace seekers disturb each other’s peace. Hence, peace is beyond cities and resorts. Even though efforts are made to create village atmosphere in the sub-urban areas through resorts, farm houses, it looks like a donkey painted with tiger colour. Artificiality is highlighted and not satisfying.

Nostalgia for their roots on the farm:
Cities are growing at the cost of villages. Villagers are migrating to cities in search of jobs and seeking comforts of modern life. Hence, yesterday's villagers are today's urbanites. Deep in the heart of urbanites lies the love and respect for their ancestors and villages. Hence, visit to villages satisfies their desire. This is also expressed through the hatredness of urbanites to flat culture and love for farmhouses located in the outskirts of cities. Any opportunity to visit villages and spend time with family is dream of any urbanite. But, minimum decent facilities are always problem. Agri-tourism attempts to overcome this problem.

Rural recreation:
Villages provide varieties of recreation to urbanites through festivals and handicrafts. Villagers (farmers) lifestyle, dress, languages, culture / traditions which always add value to the entertainment. Agriculture environment around farmers and the entire production process could create curiosity among urban taught. Places of agriculture importance like highest crop yielding farm, highest animal yielding farm, processing units, farms where innovations tried, add attraction to the tourists. Agriculture products like farm gate fresh market, processed foods, organic food could lure the urban tourists. As result of this Agri-atmosphere in the villages, there is scope to develop Agri-tourism products like Agri-shopping, culinary tourism, pick and own your tree / plot, bed and breakfast, pick and pay, bullock cart riding, camel riding, boating, fishing, herbal walk, rural games and health (Ayurvedic) tourism.

Educational value of Agri-tourism:
Agri-tourism could create awareness about rural life and knowledge about agriculture science among the urban school childrens. It provides a best alternative for school picnics which are urban based. It provides opportunity for hands on experience for urban college students in Agriculture. It is a means for providing training to future farmers. It would be effectively used as educational and training tool to train agriculture and line department officers. This provides unique opportunity for education through recreation where learning is fun effective and easy. Seeing is believing, doing is learning and most importantly experiences are USP of Agri-tourism.

Basic principles of Agri-tourism:
Agri-tourism should ensure the following three basic principles:
- Have something for visitors to see - Animals, birds, farms and nature are few things which Agri-tourism could offer to the tourist. Apart from these, culture, dress, festivals and rural games could create enough interest among visitors in Agri-tourism.
- Have something for visitors to do - Participating in agricultural operations, swimming, bullock cart riding, camel riding, buffalo riding, cooking and participating in the rural games are few activities to quote in which tourists can take part and enjoy.
- Have something for visitors to buy - Rural crafts, dress materials, farm gate fresh agriculture products, processed foods are the few items which tourists can buy as memento for remembrance.

Elements of Agri-tourism:
Farmer:
Majority of the cases, farmer is less educated, less exposed and innocent. For farmer, any outsider is a guest and treated wholeheartedly without any commercial motive. Treating guest is pleasure for them than pain. He entertains the guest while entertaining himself in the process. He is not like an exploitative natured businessman which itself facilitates a clean tourism atmosphere.

Village:
Village, which is located far from the city lacks urban facilities, but blessed with natural resources. The investment is made by nature in the form of water bodies, fields, forest, mountains, deserts and islands. Community is more homogenous and treating a guest is part of their culture rather
than a profession leading to natural environment required for urban tourist.

Agriculture:

Rich resources in agriculture namely land, water and plants are unique from place to place bringing diversity and creating curiosity. Each field is unique which adds to the attraction of tourists. The way of cultivation and the products are great attraction to the urban population. Indigenous knowledge of rural people is a wealth, which adds to novelty and curiosity of urban population.

Combination of farmer, village and agriculture creates a wonderful situation which provides unlimited satisfaction to the tourist especially from urban areas.

Innovative income generating activity for enterprising farmers:

The Agri-tourism activities include:

Farm stay:

To get that very special experience of the rural ambiance and to enjoy the rural life, Indian tourism provides the opportunity to stay right away in the farms houses along with the other villagers and experience the difference, to witness the unique lifestyle of the villagers and to learn about their age old traditions and culture, which they resume till date. Converse with the housemates and feel how warm hearted and simple they are. Along with them, spend time playing the pleasing rural games such as taash (cards) and kho kho etc. There are interesting bull fight and wrestling matches held on various occasions in the village. On the tour to the village what attract the most is the colorful costumes of the villages. Women are seen wearing the ghagra choli (skirt and top) or the saris. While men are donned up in the traditional kurtas and turbans. Both men and women are seen wearing the various jewelry items.

Venturing into agricultural farms:

Roam into the vast spreaded acres of agricultural lands along with the group of villagers who provides the better insight of the village. As in entering into the fields, feel the smell of the Indian soil, which gives you the real flavour of India. Enchant with the farmers working hard in the fields and can take the view of the bulls ploughing the fields. The wells, other water bodies, mountains and forests are the added attraction for the tourists.

Animal rides:

Apart from all this, holidays on farms provide the complete entertainment. Ride on the bullock carts along with the villagers into the agricultural fields. See them carrying fodder for animals into the buggies. The camel ride can be taken to explore the village and the surrounding areas.

Cow milking:

Cow milking is real exciting activity, which can’t be escaped. Practice the art of cow milking from the villagers. Feed the cows with the fodder and chapattis. One can observe how rural women cook food on the chulas made of mud. Taste the authentic rural cuisine and drink fresh milk of the cow.

Village fairs and festival:

Villages are expert in making the handicrafts; it is something which is passed on from their one generation to the other. You can carry some of the items back to the home as the momentum.

Advantages of Agri-tourism:

- To improve quality of life for visitors and residents and farmers alike.
- To preserve farm land and open spaces in rural India.
- To create and preserve sources of fresh locally grown food.
- To create a place for families to experience agriculture and develop respect for the profession.
- It brings major primary sector agriculture closer to major service sector tourism. This convergence is expected to create win-win situation for both the sectors.
- Agriculture sector has the capacity to absorb expansion in tourism sector.
- Income and employment generation for the rural mass.

Market mix strategy:

The proposed market mix strategy for the promotion of Agri-tourism concept is as follows:

Product:

The product in Agri-tourism is seeing, believing and ultimately experiencing. This experience is unique and unmatched. The experience of climbing a tree, buffalo riding in the pond and enjoying the sugarcane juice in the field itself are unique and none of the million dollar tourist centres can create and offer such experiences.

Price:

Customer segment pricing:

Domestic and foreign tourists could be priced differently as the capacity to pay is different. For a bullock cart riding, a foreign tourist can pay one dollar where as a domestic tourist can pay only one fourth.

Location pricing:

Pricing in Agri-tourism depends upon the location and importance. Agri-tourism which just offers agriculture and rural
life as attraction can charge normal pricing. Where as Agri-tourism spots which are very close to established tourism centres like temple towns, hill stations, around big cities can go far little bit higher charging due to added value. As the pricing in established tourism places are high, it works out to be cheaper for tourist to stay and enjoy in Agri-tourism spots.

**Time pricing:**

Agri-tourism units can charge higher in peak season *i.e.* November to January and change less during rest of the period. During rural festivals or at the time of important events Agri-tourism units can charge more, even though it is during off season.

**Place:**

The places where tourists are accommodated also influence the pricing. If the tourists are accommodated in villages itself with the farmer, the charging can be less whereas accommodation in farms cost high, because, exclusively for tourist purpose infrastructure is created in farm whereas existing facilities are used in farmers house in village.

**Promotion:**

Promotion of Agri-tourism and strategic alliance can take place at three levels.

Alliance with airlines, tour operators and foreign embassies: This alliance brings foreign tourists and upper middle class urban tourists into Agri-tourism fold. It may not be possible for individual farmers to take up this task. Government can assist the Agri-tourism units through promotion and co-ordination activities through central and state tourism departments.

Alliance with hotel industry: Large number of domestic tourists can be attracted through alliance with hotel industry. The hotel industry can be used to promote Agri-tourism concept.

Promotion by Agri-tourism units: Basically the promotion takes place through mouth to mouth and local publicity given by Agri-tourism units. As the absorption capacity of each unit is very less, direct marketing with little aggressive mode is enough for a Agri-tourism units to survive. They can go for combined publicity on cost sharing basis and also publics the Agri-tourism potential in other part of the country. But, promotion of this group approach needs initial government interventions.

**Policies:**

Some of the policy initiatives of urban government would surely help promotion of Agri-tourism. They are:

- Building brand identity, just as incredible India.
- Budget for promoting brand.
- X five year plan budget increased from Rs. 525 to 2900 crores.
- The states are encouraging private public partnership in tourism sector.
- An allocation of Rs.50 lakhs per village for village tourism has been proposed.

**Positioning:**

Ultimately Agri-tourism concept has to be positioned in the minds of tourists as come, pluck a fruit, smell a flower, run in the fields, lie on the hay and be lost in rural India.

**Entertainment Agri-tourism:**

Agri-tourism involvement in agricultural operations creates joyful experience to the tourists. Agri-tourist involvement in milking, harvesting competitions, tree climbing, edible adventure, bullock cart race, buffalo race in wet fields namely, Kambala in Karnataka, shooting a coconut target, fishing etc. could generate enormous joy at least cost. There is enough scope to charge entry fee to farm, providing feed and accommodation on payment basis and charging the participation of Agri-tourist during rural games would also generate income to the farmers.

Agri-tourism is a viable income generating activities in many developed counties which would provide lead to promote the same with modifications suiting to our conditions. They are:

- Wineries with Friday happy hours
- Arts and crafts demonstrations
- Farm Store: Exhibition of farm equipments
- Roadside stand selling fresh farm products and craft items
- Processing of farm products and sale
- Demonstration of Agri-activities
- Sheep rearing
- Wool processing
- Fishing / hunting
- Farm vacations
- Bed and breakfast
- Farm tours

**Conclusion:**

Indian tourism industry is growing at the rate of 10 per cent which is 2½ times more that the growth rate at global level. By introducing Agri-tourism concept, not only present growth rate is sustained but also this value addition contributes to further growth. The tourism sector in India had witness an increase in employment numbers from 44.7 million to 51.1 million during the period 2004-05 to 2006-07. However, tourism also promotes national integration, international understanding and supports local handicrafts and cultural activities. India’s share in the world tourism market during the year 2005 was 0.49 per cent, Foreign exchange earnings during the year 2005 was Rs.
25.172 crores. Agri-tourism is the latest concept in the Indian tourism industry, which normally occurs on farms. It is the Holidays concept of visiting a working farm or any agricultural, horticultural, or agribusiness operations for the purpose of enjoyment, education, or active involvement in the activities of the farm or operation. In general, Agri-tourism is the practice of attracting travellers or visitors to an area or areas used primarily for agricultural purposes. With the introduction of Agri-tourism farmers have reaped the benefit and attracting more tourists to their farms by providing all the basic necessities with hygienic condition. The employment and income generation in the rural areas has enhanced in the state of Maharashtra with the concept of Agri-tourism, supported by the government with tax free and the same model may be replicated in the rest of India and more investment opportunities through private players may be initiated in these areas.

Agri-tourism is all about unraveling various facets of village life. Agri-tourism is now growing in a big way. However, it may take some time before it starts to grab a major share of the revenue generated from tourism-related activities. There is a huge scope of developing various pockets of Agri-tourism in the country, as India is a country of extreme diversity.

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