

From Agriculture to Agri-Tourism

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**CENTRAL
OKANAGAN**

ECONOMIC
DEVELOPMENT
COMMISSION

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From Agriculture to Agri-tourism

Opportunities for Agri-Tourism in the Central Okanagan

Introduction

The Central Okanagan Region has benefitted from an increasingly diverse economy, with growth and investment in technology, manufacturing, health care and post-secondary education rounding out the traditional reliance on agriculture and tourism. These latter two sectors remain vital to the economy, however. Tourism has grown significantly as a result of strategic branding and marketing, increased collaboration between tourism stakeholders and the development of niche-market opportunities. It is key to developing the Region's profile internationally and attracting talent and investment.

The Thompson Okanagan region has long been a major centre for agriculture production in the province. Agriculture also has important links to tourism - the rural landscapes, locally grown products and authentic experiences provided by our agricultural heritage and culture attract visitors to the region, and enhance the exceptional quality of life that the Okanagan is known for.

Over the last 30 years, however, agriculture throughout British Columbia has been challenged by several factors that greatly impact traditional farm operators' abilities to derive income from their land. These range from the need to adopt new technology and competition from growers around the world, to the increasing age of farmers and insufficient numbers of new entrants to the industry to meet future workforce needs.

Agri-tourism development is an economic development strategy that has been demonstrated in a number of countries as a way for farmers to add value to their farm businesses. A major tourism trend focuses on a new type of visitor looking for sustainable, environmentally conscious holidays and authentic travel experiences – experiences that fit well with many agri-tourism activities.

The Environment for BC Farmers Today

In British Columbia, agriculture represented \$2.4 billion in sales in 2010 and an estimated 31,800 people were employed in primary agriculture (2009). The province leads the nation in sales of a number of crops including sweet cherries and grapes, the majority of which are grown in the Okanagan.



Major areas for agriculture production in the province are Thompson-Okanagan, Nechako, Kootenay, Cariboo, Mainland South Coast, North Coast, Peace River and Vancouver Island-Coast regions. The largest number of farms – over 5,700 – is located in the Thompson-Okanagan. Fruit production continues to be a major part of the industry; the Okanagan and southern Ontario are the two largest areas for wine production in Canada. Within the regional boundaries of the Central Okanagan, a significant number of businesses are engaged in nursery and greenhouse production and there are a small number of poultry producers. Dairy and beef farming have become less prevalent with the land giving way to more intensive agriculture and other uses, including ventures into agri-tourism.

While agriculture is immensely important to the economic and cultural fabric of the Central Okanagan, the Institute of Chartered Accountants of British Columbia reported in its 2012 BC Check-Up that the Thompson Okanagan Development Region saw 1,400 job losses related to agriculture in 2011. This was also the third year of decline in apple and grape harvests, wine production and stagnant farm cash receipts. Farmers in the region, as with other areas of BC, have been severely impacted by a number of issues:

Lower production costs in other parts of the world enable fresh produce to be imported from many other countries at less cost than local growers can produce it for.

Farmers are getting older and the need for succession planning is critical. The average age of Okanagan farmers is 56 years and many are looking to retire in the next few years. Fewer people are entering the industry than in the past.

The high cost of agriculture land in the Central Okanagan is a deterrent to new entrants to the industry.

The seasonal nature of agriculture means large numbers of workers are needed in the spring planting season, during the peak summer months and for the autumn harvest. Due to the seasonality of the industry, approximately one-third of workers are temporary employees.

Several factors have contributed to a reduction in farm income requiring farmers to look at new sources of income. Agriculture has become industrialized, driven by changing consumer demands, opportunities for increased profits and new technology. Commodity based farming is more challenging than in the past; this has resulted in a decline in the number of farms and an increase in the average size of farms in most Canadian provinces including BC. In 2006 the total farm area in the province had grown from 3.5 million acres in 1931 to 7 million acres and the average farm size had increased from 136 acres to 353 acres. In the Regional District of Central Okanagan, between 1986 and 2006, the average farm size increased from 58 acres to 66 acres, or approximately 14%.

To ensure a viable living, **more orchardists are working off-farm** in order to support the farm. According to the 2006 census, 59% of BC farm operators reported working in a non-farm main occupation, an increase from 57.1% in 2001. Another option for farmers to increase their income is using their farm assets to diversify into agri-tourism.

Trends in Tourism and Opportunities for Agriculture



Following the global downturn in 2009, the Canadian tourism industry has rebounded considerably with total tourism revenue rising by 6.5% in 2010 to \$74.1 billion. The sector generated \$13.3 billion to the BC economy representing 4.7% growth over 2009. In the Thompson Okanagan region, while tourism declined in 2009, it began climbing back up in 2010, generating \$1.7 billion

to the regional economy or 13% of total provincial tourism revenue. The trend continued in Kelowna, the hub of the Okanagan which welcomed an estimated 1.5 million visitors in 2010, up 26.9% from 2006. With continuous improvements to air and highway links, diverse accommodation choices and strategic marketing, tourism stakeholders are very positive about the future of tourism in the Central Okanagan.

Domestic markets are most important for the region's tourism industry - both the Thompson Okanagan Tourism Association (TOTA) and Tourism Kelowna report the large majority of visitors come from elsewhere in Canada, most from other parts of BC and Alberta. The United States, United Kingdom, Germany, Australia and the Netherlands are key secondary markets. China, South Korea, Taiwan, India and Brazil are considered emerging markets for Okanagan tourism.

Wherever visitors originate from, tourism trends the world over point to a new type of visitor in the 21st century: consumers seeking experiential, life-enriching vacations that involve culture, nature, the outdoors and learning. The Canadian Tourism Commission (CTC), in its 2012-2016 Corporate Plan, identifies key segments of the tourism market and what tourists look for in choosing a vacation. Thirty-five percent of the global tourism market is described by the CTC as “Learners” – tourists interested in history, connecting with their roots, and seeking out cultural and historical aspects of their destinations. These visitors want what Small Business BC refers to in its Guide for Tourism Business Entrepreneurs as, “authentic experiences that focus on local culture and foods, allowing them to engage all of their senses. They want to get ‘behind the scenes and be enriched by the people and places they visit.’ ”

In its 10-year Tourism Strategy for the Thompson Okanagan Region, TOTA uses the Canadian Tourism Commission's (CTC) Explorer Quotient segmentation tool which characterizes 36% of key global markets as "Learners." The Region is targeting *Free Spirits*, *Cultural Explorers* and *Authentic Experiencers* – many of whom seek experiences that are off-the-beaten-track, provide an opportunity to connect with locals, have an educational component and include dining at restaurants offering local ingredients, visiting farmers' markets and local artisans. The TOTA strategy has identified five regional experiential-based themes: *Identifying the Iconic*, *Enriching Local Flavours*, *Revealing the Story*, *Expanding Personal Horizons* and *Building Authenticity* - themes that will underlie product development and marketing, and fit well with the agri-tourism focus of this project.

What Assistance do Farmers Need in Transitioning to Agri-tourism?

BC farmers are adapting to some of the challenges facing their industry including finding new ways to get their products to consumers, focusing on growing new types of crops, incorporating organic growing methods, and adapting crop and livestock production to evolving consumer tastes and increased interest in culinary tourism. Changing consumer eating habits have spawned an interest in purchasing locally-grown foods, knowing where their food comes from and how it is produced. The “100-mile diet” (purchasing only foods that have been grown within a 100-mile radius of home) is contributing to increased business at farm stands and farmers’ markets.



The economic benefits of agri-tourism have been demonstrated in a number of countries around the world. The United Kingdom, Australia and New Zealand, Switzerland, France, the Netherlands, the United States (Tennessee, Washington State, Western Oregon, Pennsylvania, Vermont) are countries where significant agri-tourism activity is occurring. In Europe, agri-tourism is often done out of economic necessity and is largely supported by government programs; similar large scale programs do not exist in the United States and Canada, however. Another major challenge for traditional farmers venturing into agri-tourism is the need for entrepreneurial business skills that most farmers do not have.

The successful agri-tourism operator must determine the type of opportunity best suited to the tourism opportunities, geography and climate of the area where he or she will operate. Consideration must also be given to local zoning and by-laws which may define what constitutes a permissible agri-tourism operation in that community, as well as long-range planning goals defined in Official Community Plans.

Given the current economic and business climate in Canada, ***for an agri-tourism business to be self-sufficient and sustainable, it needs to be approached as an entrepreneurial venture based on market research and strategic business planning.*** Since 2002, the Central Okanagan Economic Development Commission, through its Business Enhancement Program, has conducted over 2,900 on-site interviews with Central Okanagan businesses, gaining insight into the challenges entrepreneurs in all sectors face. The ability to create and implement a sound business plan including a strategic marketing plan has consistently been one of the greatest challenges to our predominantly small business community.



Information on the needs of agriculturalists specifically has been obtained through research and one-on-one support to farm operators provided through the Commission's Agricultural Support Program, in place since 2006. Additional insight resulted from approximately 70 interviews with operators of farms and agriculture-related businesses in the region through the 2011-2012 Labour Market Partnership Program coordinated by the Okanagan Valley Economic Development Society. Of these agriculture-related respondents, 62% were interested in expanding and diversifying their businesses to include value-added processing. At the same time, 59% of respondents said they required assistance with market research to include processing as part of their farm business; 51% said they needed helping with developing a marketing plan, 49% with an overall business plan and 46% with securing financing.

While there are a handful of established agri-tourism businesses in the Central Okanagan that have sustained themselves, there are many others that struggle due to a lack of skills and access

to resources needed to plan and grow their business. A 2012 report developed by the COEDC's Agricultural Support Program developed in cooperation with Community Futures of the Central Okanagan presented several strategies for improving the environment for value-added agriculture in the Central Okanagan:

- **Diversification and innovation** – a move away from traditional commodity products into highly value-added artisan agricultural and food products;
- **Assurance of Originality, Quality and Authenticity:** Products that match consumer demands for authentic, locally produced and of the highest quality.
- **Conducive regulation:** A regulatory environment that is transparent and does not inhibit agriculturalists from taking advantage of current and emerging opportunities.
- **Incubation and facilitation:** An environment that nurtures and supports innovation, creativity and its commercialization.
- **Infrastructure:** An environment that provides the necessary infrastructure including transportation, communications, natural resources and financial resources, and expertise for establishment and sustainability.

By developing a model that provides a foundation for agri-tourism businesses to succeed in the Central Okanagan, the COEDC offers business planning resources and assistance for farms to become agri-tourism operations. The model considers both general tourism industry trends and the specific interests of visitors to the region. It identifies the business skills needed by farmers in converting to agri-tourism and how best to assist agri-tourism entrepreneurs in developing these skills. It offers practical guidance for planning a business that must operate within the regulatory environment of the Central Okanagan and at the same time, may open the door to regulatory change that will build the agri-tourism sector as the benefits of this form of value-added agriculture are demonstrated.

Defining “Agri-Tourism”

The term “agri-tourism” is often used to refer to any tourism activity occurring in rural areas where agricultural production and farming occur, including farmers markets, agricultural fairs, and culinary tourism (food festivals or harvest celebration events).

In many European countries, agri-tourism consists primarily of lodging and meals on the farm, often referred to as “farm holidays” or “farm inns.” Development of the North American wine industry has resulted in wineries – including a number in the Central Okanagan – putting on festivals, concerts and weddings, venturing into a type of agri-tourism. Dude ranches, pumpkin

farms, corn mazes, u-pick fruit operations, nature study, fishing, bird-watching – conceptually the range of activities that could be defined as agri-tourism is extensive, and zoning regulations for specific communities including those in the Central Okanagan provide their own definitions of what constitute agri-tourism operations.



In the 2010 Report, “*A Profile of Canadian Agri-tourists and the Benefits They Seek*” conducted out of the University of Waterloo, “*Rural Tourism*” is used as an umbrella term which includes five types of tourism: *Agri-tourism, Heritage Tourism, Nature Tourism, Rural Sports Tourism* and *Adventure Tourism*. The Waterloo study defines agri-tourism as “the act of visiting a working farm or any agricultural, horticultural, or agri-business operation for enjoyment, education or active involvement in the activities of the farm or operation.”

In Canada, Ontario, the Maritimes and Alberta are some areas where agri-tourism is taking place to a significant extent. ***It is important to note, however, the size of the overall rural tourism market in Canada compared to other types of tourism, and how small the agri-tourism sub-sector may actually be.*** This is suggested by the Canadian Travel Activities and Motivation Survey (TAMS) conducted in 2006. The survey concluded that of the approximately 22,683 travelers who responded, 3,861 were considered rural tourists, and just 182 were agri-tourists. In other words, agri-tourism represented the smallest of the rural tourism niche market with 4.7% of travellers – slightly less than 1% of the total travel market in Canada.

What is the State of Agri-Tourism in the Central Okanagan?

In the absence of recent, large scale empirical research into agri-tourism in the Central Okanagan, numerous interviews were conducted with tourism and agriculture industry stakeholders during July, August and September, 2012. These include organizations involved in tourism marketing and financing of agriculture-related businesses, industry associations, and representatives of Chambers of Commerce and farmers markets in Peachland, Kelowna, Lake Country and West Kelowna. Case studies of local agri-tourism operators who have run sustainable businesses well as exit interviews with businesses that have closed provided valuable insight into best practices and lessons learned. The regional perspective was also developed through review of formal studies on agri-tourism taking place in countries where it has been practiced for some time. (*An appendix of research sources and interview subjects is provided on pages 19 and 20.*)

Interviews with local stakeholders – including front line tourism staff – suggest that unless visitors go to an agri-tourism venue as part of a group tour, ***agri-tourism is generally not what directly attracts visitors to our region. Rather, agri-tourism venues are “discovered” once visitors are here and out sightseeing,*** or re-visited by returning visitors who had a previous positive experience. Consequently, there is little direct marketing of agri-tourism businesses. The marketing that is done includes information provided by tourism front line staff, paid advertising in publications such as the Kelowna Visitors Guide, and Studio and Farm Tour brochure, and some cross promotion by agri-tourism operators themselves. ***Increased collaborative marketing of agri-tourism venues including those in close geographic proximity to one another would be beneficial.***



A distinctive characteristic of a number of established ***agri-tourism operations in the Okanagan is that they were started out of a passion or hobby and not primarily to create essential income for the farm operator.*** Recognizing the business opportunity as they went along, several of these operators had sufficient funds to design and evolve their facilities to the professional “tourism ready” standards that are expected and sought out by seasoned tourists and tour operators. While farmers may already own the land they wish to use for agri-tourism, many do not have the ability to operate as a hobby or go without a profit for an indefinite period of time which again, points to the need for a strategically planned operation.

Statistically, ***the sector contributes substantial dollars to the local tourism industry and is definitely part of the Central Okanagan’s heritage and culture.*** Representatives of both Tourism Kelowna and the Hotel Motel Association expressed concern about the closure in 2010 of a local farm tour operation, one of the most popular agri-tourism facilities that has operated in the Region. With the closure, a major tour company that regularly brought bus groups to the business eliminated one night from its Kelowna tour and added a second night in another city. This resulted in a significant loss of tourism dollars for the community.

While domestic markets have the largest direct economic impact on the Region's tourism industry followed by the United States, United Kingdom, Germany, Australia and the Netherlands, emerging markets are represented by China, South Korea, Taiwan, India and Brazil. Proprietors of facilities such as u-pick cherry operations, wineries and the owner of a recently closed farm tour operation described the importance of Asian bus tours to their businesses in terms of sales, and the interest from foreign visitors in Okanagan agriculture and locally grown products. Further development of these secondary markets through agri-tourism provides an added opportunity to expand the profile of the Region internationally.

There is considerable interest in culinary tourism as an area for development in the Region. There is also the sense that work needs to be done to develop a cohesive tangible strategy that involves growers, restaurant owners and chefs, wineries, educational facilities and other stakeholders to realize the potential for culinary tourism.



Key Success Factors for Agri-Tourism Operators

Agri-tourism can provide a valuable educational tool to help the public gain a greater understanding and appreciation of what agriculture is about while adding to the tourism draw of a region. Research shows, however, that the decision by farmers to move into agri-tourism is usually based on the need to provide additional income for the farm family and not formal market research. Virtually all studies on agri-tourism emphasize that the ***personality, attitude, business experience and physical stamina of the agri-tourism entrepreneur are*** among the most important factors in determining their success; there is a major difference between overseeing farm production, and managing an agri-tourism business on the farm.



Modern farmers are already stressed by the demands for new skills, time and energy challenging the way they have traditionally farmed and operated their businesses. Adding a tourism component to this environment eliminates the privacy from the general public the farmer and his or her family have enjoyed, increases the need to address regulatory and liability issues, and requires diverse management and customer service skills that are new to the nature of most traditional farmers. These may include conducting market research and preparing a business plan for their agri-tourism operation, knowing how and where to access professional advice, and having distinct accounting systems for their agri-tourism and original farm businesses. As well, agri-tourism businesses tend to be seasonal, operating for four to six

months, seven days a week with peak operational times overlapping with traditional planting and harvest times. The operator must be extremely honest about their reasons for going into agri-tourism and his or her ability to succeed.

The following traits are consistently identified as essential to success, and corroborated by the local agri-tourism operators and industry representatives interviewed:

- Ability to manage multiple components of the business including ***financial management, accounting, personnel, operations, marketing, safety, customer service and legal considerations.***
- Also required are the soft skills that are of benefit to any entrepreneur: ***ability to take risks, consider oneself a lifetime learner, independent, patient, efficient, resourceful, determined, goal-oriented, self-confident, creative, perseverant, objective, proactive, a strong leader and effective communicator, know own limits.***
- **Personality plus** – liking of people and working with the public; character and entertainment ability that adds to the visitor experience. Ability to inspire and lead staff, set an example of how to treat customers, exude enthusiasm.
- **Physical energy** to farm the land, conduct tours and manage the business 7 days a week, 10 hours a day for four to six months and possibly longer.



An in-depth study , “*Exploring Entrepreneurial Skills and Competencies in Farm Tourism*” out of the London South Bank University in 2012, analyzed the range of skills and competencies that farmers in the Northwest of England identified as important when adopting a diversification strategy to farm tourism. In addition to the personal skills mentioned above, certain “higher order skills” were also identified including:

- ***Creating and evaluating a business strategy;***
- ***Networking and utilizing contacts;***
- ***Recognizing and realizing opportunities;***
- ***Personal maturity skills such as accountability and emotional coping;***
- ***Critical thinking ability;***
- ***Persuasive negotiation skills.***



Factors that Established Agri-Tourism Operators in the Central Okanagan Attribute to their “Success”

The LMPP survey data shows that the vast majority of farms and agri-tourism businesses interviewed in the Central Okanagan make significantly less than \$100,000 year, however some are making enough to support their hobby or interest and enjoy what they are doing. Reasons shared for their “success” include:

- The agri-tourism operators ***owned the land and didn't buy it in order to start the business***. One exception is a unique facility that combines the manufacture of jams, a restaurant and retail component in one venue. When the owner bought the land, he had a vision and business plan for what he eventually created although he was close to two years in achieving appropriate zoning approvals.
- The agri-tourism operators were not dependent on their land and/or the new agri-tourism business for essential income.
- ***Good operators are ‘business people first’ whose business happens to be farming.*** They ***have*** previous business experience and felt they knew how to identify markets and create an effective marketing plan; knew how to budget and manage costs; knew how to source financing if needed and negotiate with bankers, and had the skills to hire, manage and retain good staff. *(The operator of a successful honey farm locally ran a property management business in Alberta before moving to the Okanagan. A local farm owner with a farm-stay type of accommodation previously managed an adventure tourism business in Ontario. The entrepreneur who started the facility designed around jam production had a previous career with the Federal Government.)*
- The businesses have ***professionally designed buildings and educational displays and signage***; are attractively landscaped, have ample parking and public washrooms, knowledgeable staff, appealing retail displays with well-chosen products, efficient restaurants – they are “tourism ready” and meet the needs and expectations of tourists and tour operators.



- The businesses include ***diverse revenue streams*** i.e. *manufacturing, restaurant and retail, live music and hosting of weddings.* The operators are ***continually adding and refining*** their products, services and activities *such as a gift shop, a fresh juice bar, a children's play area.*)
- While most operators had some challenges associated with zoning and signage, they demonstrated the ***persistence and negotiation skills*** needed to achieve their goals.
- ***Entertainment factor*** - the owners/staff are part of the entertainment. The owner of a popular farm tour business was well known for the colour and humour he added to tours; his staff became part of the education and entertainment during the tour, coming down off ladders to talk with people, showing them how fruit is picked, etc.



- The ***staff is customer-focused and like dealing with the public.*** The owners are comfortable with tourists coming on to their land and flexible in accommodating visitors and the media.
- The operators tend to be ***high energy people*** who enjoy being active with the ability and inclination to work seven days week. Many have support from family members to meet the need for extra staffing and allow them to take breaks or holidays.
- The facility offers a relatively ***unique, Okanagan experience*** i.e. can walk through the orchard and talk with the workers about how they farm; pick and eat cherries or apples off the tree; eat honey from the comb; show their children where the food on the table comes from.
- Not only do the operators have business plans, they ***understand the importance of strategic target marketing and how to budget for marketing.*** They stay apprised and are open to new marketing vehicles that might work for them such as social marketing; they work with the media to attract them to special events (*i.e. Shearing Day at a local alpaca farm*) and are responsive to the requests of travel writers. They consciously cross-market other agri-tourism businesses near them *i.e. the same alpaca farm does email marketing for a major annual art event where they also have an alpaca product display gallery.*

- The operators ***see themselves as members of the community*** – serving on boards, as business award judges, etc. They actively maintain good relationships with municipal representatives, tourism marketing organizations and tour operators.



- **The operators understand that unlike traditional farming, “Your land is not your own” in agri-tourism, “You always have to be ‘on’.**”

- ***Paying and treating staff well is very important*** and the operators constantly refer to their “team.”



- Where the agri-tourism operators sell products produced from their land, they ***try to sell as much product as possible on-site*** rather than having to engage distributors, or incur other costs associated with getting the product to market. *(A local business that manufactured fruit preserves and condiments on their farm cited distribution costs and systems as a major expense and business challenge.)*

- They have a ***location that is within 15-20 minutes of major highways/roadways*** and consider this the most people will go out of their way to visit a specific facility.
- They ***augment seasonal business*** by conducting online sales, hold special events to celebrate harvest times and/or market their land as a location for weddings and/or community fund-raising events.

In contrast, the struggling agri-tourism operators we interviewed offered consistent comments about the challenges they are experiencing:

- *“We never know what kind of advertising to spend our money on - there’s always someone knocking on the door wanting to sell you advertising.”*
- *“We can’t afford to hire more people”; “Nobody wants to work these days, you can’t get good help.”*

- *“We started to look into a bank loan but nobody wants to finance a farm these days.”
“We don’t really know who we’d go to for financing.”*
- *“If the tourism marketing agencies would just do more to promote us we’d be fine.” “I can’t afford \$800 to go into a marketing brochure.”*
- *“It’s impossible to deal with the City or the ALR.”*
- *“I’m too old to try that” i.e. social marketing as marketing method.*
- *“It’s really my wife’s business; I really don’t want to do this.”*
- *“We don’t have enough money to fix up the barn – we need more customers first.”*

What Tourism Stakeholders and Their Customers Want

Local, educational, experiential and professional sum up the type and calibre of experience Central Okanagan tourism industry stakeholders look forward to promoting:

- Experiences that reflect ***Okanagan products, geography and our agriculture industry.***
- Some mention was made about the opportunity for ***First Nation*** venues in local agri-tourism, but this did not come up often in our interviews.



- ***Educational*** – self-guided and/or guided tours. Professionally designed displays and seating galleries for presentations (i.e. bee watching or talks.) There is increasing interest by families wanting their children to learn how food is grown. At the same time, an educational experience has to hold a child’s interest – or there needs to be something else for younger children to do.
- The ***age and background of the visitors need to be considered.*** Older visitors are often interested in seeing old equipment on a farm for nostalgic reasons, for example. Visitors

from different countries spend different amounts of time at a venue i.e. a local farm tour operator said visitors from the UK stayed longer and bought less while Asian bus tour groups had to be “in and out in 40 minutes” and spent considerably more on gift items.



- **Experiential and transformational** – people can walk through the orchard, gardens or on-farm manufacturing area and pick cherries off the tree, eat honey directly from the comb, or participate in a workshop on making cheese or jam. They can enjoy a tractor ride, sleigh ride or go horseback riding, help shear an alpaca, pick pumpkins – all in a beautiful agricultural setting.

- **Ability to purchase items made from locally grown products** such as apple cider or a fruit pie – take home a memento of their experience.



Specific comments were offered about the **location and physical facilities of the venues**. They should be:

- **Accessible from main roadways but located in a rural setting;**
- **Professionally landscaped and well maintained** areas;
- Able to **accommodate large tour buses and provide ample parking** overall;
- Ensure the comfort of visitors with **plenty of inviting places to sit, have lunch;**
- **Sufficient numbers of well- maintained washrooms;**
- Maintain **consistent hours of operation**, seven days a week during peak seasons.



- Despite the awareness and interest in the Okanagan wine industry, tourism stakeholders also told us **tour operators will usually not take their groups on more than two winery tours** and like to include experiential, educational, intimate and unique experiences.

Best Opportunity Areas for New Agri-tourism Operations as Viewed by Tourism Industry Stakeholders:

- **“We need another working farm tour!”** Diversified working farm tour with entertainment during the tours, ability to walk into the orchard, touch/pick the fruit, talk with the farmer and their staff. Learn about the farm without getting dirty, opportunity to buy mementos of the experience.



- **Berries are reported by farm market operators as being very popular.** The manager of one farmers market felt there was potential for local farm tour businesses or u-pick operators to include more educational experiences around berries.



- **Cheese producers with educational tours.** Chefs and restaurants are responding to increased consumer interest in different types of cheese and the art of cheese making. A local artisan cheese facility can host small groups, and visitors like to see the goats there as well as how cheese is made. This facility also sells its products to some local restaurants and in food/wine specialty shops. As an agri-tourism facility, it is limited in its ability to accommodate large groups/tour buses, however, and there is scope for other facilities.
- There was some mention of agri-tourism opportunities around **heritage vegetables** (also called heirloom vegetables) – showing how many varieties most people have never seen are grown, and building on the interest they might add to a menu.
- **More activities for small children** (solution may not totally be in agri-tourism).

Other types of agri-tourism businesses with potential for development in the Central Okanagan, provided they are well researched, planned and managed may include:

- Farm stays
- Facilities providing skill development in outdoor recreational sports;
- Environmental field studies (i.e. come to study heirloom vegetables);
- Self-discovery and wellness (healing therapy retreats);
- Centres for culinary studies (cheese-making, charcuterie).

Summary

In the Central Okanagan, agri-tourism fits well with current trends such as interest in better health, preserving the environment, eating less processed foods and locally grown foods and the increasing demand within the tourism industry for authentic, quality experiences. The greatest opportunities within the region range from variations on the experiential farm tour to businesses that focus on special interest products or crops (i.e. lavender, bees and honey.) There are, no doubt, other areas with potential for development such as opportunities related to First Nations heritage and culture, and regional cuisine. There are common requirements for professionally designed, staffed and strategically located facilities, and the skills, experience and attitude of the agri-tourism operator are paramount.

Even for the best planned agri-tourism business, land use regulations and other zoning issues may be a challenge; however determined entrepreneurs have demonstrated that where regulating bodies see value in the proposed use of the land, regulations can potentially be changed or modified. Agri-tourism has surfaced as a key product and marketing message for Tourism Kelowna and programs have been designed to further develop the Kelowna brand – which benefits businesses throughout the Central Okanagan – as one known for excellent and authentic agri-tourism experiences.

An element of risk is inherent to any new business venture and new trails need to be blazed to evolve agri-tourism in the Central Okanagan. At the same time, with assistance available to help new agri-tourism operators understand the risks involved and proceed based on well thought out business planning, agri-tourism has an important place in expanding the Region's tourism industry and overall economy.



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Paper presented at the NeXT Tourism Entrepreneurship Conference at Wilfred Laurier University, Waterloo, Ontario in April 2010

A Profile of Canadian Agri-tourists and the Benefits They Seek

University of Waterloo, published in the *Journal of Rural and Community Development*, 2010

Ontario's Southwest Agri-Tourism Tool Kit/Business Planning Guide

Southwest Ontario Tourism Corporation, 2011

Agri-tourism: Cultivating Tourists on the Farm

Washington State University, 2008

Agri-Tourism in Focus – A Guide for Tennessee Farmers

University of Tennessee, 2005

Agri-Tourism – Report and Business Plan Guidelines

Virginia Tech Polytechnic Institute and State University, 2001

Agricultural Business Profile on Agri-Tourism

Prince Edward Island Department of Agriculture & Forestry, 2000

In-person interviews:

Tourism organizations and representatives: Thompson Okanagan Tourism Association, Kelowna Hotel Motel Association; Tourism Kelowna (management and front line tourism staff); Lake Country Chamber/Tourism; Peachland Chamber/Tourism, COEDC Agriculture Support Officer.

Labour Market Partnership Program 2011/2012

70 farm operator and agriculture-related interviews

Repeat/additional interviews from a tourism perspective with several diverse agri-tourism operators previously interviewed during the 2011/2012 LMPP study

Exit interviews with two agriculture/agri-tourism businesses that have ceased operation

Farm Market Managers in Lake Country, Peachland and Kelowna

Addition agri-tourism business visited outside Central Okanagan in Vernon and Agassiz, BC

Financing organizations for agriculture-related businesses:

Community Futures, Business Development Bank of Canada, Grant Thornton, Farm Credit Canada.