



University of
Massachusetts
Amherst

From Homesteads to Hospitality: A Study of Agritourism Evolution in Montana

Item Type	Presentation
Authors	Bigart, Elena A.;Weddell, Melissa
DOI	10.7275/mcbc-f704
Download date	2025-05-23 03:16:08
Link to Item	https://hdl.handle.net/20.500.14394/54704

From Homesteads to Hospitality: A Study of Agritourism Evolution in Montana

Introduction

In recent years, the agritourism sector has experienced rapid growth and transformation (Quella et al., 2023; Whitt et al., 2019; Chase et al., 2018). This industry empowers farmers and ranchers to supplement their income through tourism, recreational or educational activities, including farm tours, dude ranch experiences, and "U-pick" flower, fruit, and vegetable programs. Particularly for small to mid-size farms, agritourism serves as a pivotal strategy to diversify revenue streams and maintain competitiveness. Moreover, it holds promise in rejuvenating rural economies, preserving agricultural heritage, and fostering public understanding of farming practices (Whitt et al., 2019).

The 2022 Census of Agriculture showed that agritourism and recreational services on U.S. farms are growing, with 28,617 farms engaging in these activities and generating \$1.26 billion in income (USDA NASS, 2024a). This represents a slight increase from 28,575 farms that reported agritourism and recreation in 2017, but an over 30% jump in revenue from these services since then (USDA NASS, 2019). It is evident that for many farmers and ranchers, agritourism serves as a diversification strategy and a valuable supplementary income source (Whitt et al., 2019; Chase et al., 2018). The continued growth in agritourism participation and income underscores its increasing importance.

Montana's economy has long leaned on agriculture as its cornerstone (Montana State University Extension, 2020). Montana presents a distinctive landscape characterized by its vast expanses and sparse population, with only 1.1 million people (Haggerty, 2018). For reference, the largest city, Billings, boasts a population of around 110,000 people, followed by Missoula, with approximately 75,000 residents, and the state capitol Helena, with 33,000. With numerous small towns and wide-open spaces, it embodies a quintessential rural setting. The state's rural regions are marked by agricultural dominance, with over 93 million acres (about the area of California) of land, of which approximately 62% is dedicated to farming and ranching activities (Montana State University Extension, 2020; USDA NASS, 2024b). However, while agriculture remains integral, the state has witnessed a shift in recent years. Sectors such as tourism have steadily gained significance, diversifying and contributing substantially to Montana's economic landscape. With this shift, tourism is also an increasingly important sector of Montana's economy – 12.5 million visitors to the state spent \$5.82 billion in 2022 (Weddell, 2023). Rural Montana's strong cultural identity is deeply rooted in its distinctive landscape, rich agricultural heritage, and connection to nature (Haggerty, 2018). This unique blend forms the fabric of the region, creating an ideal setting for the development of agritourism opportunities and initiatives. The 2022 Census of Agriculture revealed that 638 farms across the state of Montana provide agritourism and recreation opportunities (USDA NASS, 2024a).

In the past, the Institute for Tourism and Recreation Research (ITRR) conducted two studies investigating a trend in the tourism industry where farms and ranches were partnering with recreation. Both studies aimed at finding out the details about agritourism and recreation businesses taking place on farms and ranches in the state of Montana, including how many farmers and ranchers were involved in agritourism and recreation business, why they chose to do that, what activities they offered, main barriers they encountered, where the visitors were coming from, etc. A 1996 survey among farmers and ranchers in the state revealed that 5% were engaged in some form of agritourism and recreational business, with an additional 7% planning to incorporate such activities by 2001 (Black & Nickerson, 1997). Contrastingly, by 2007, a significant shift occurred: 63% of respondents were actively running an agritourism and recreational business, while nearly 18% intended to do so within the subsequent five years, marking a substantial growth within a decade (Rademaker et al., 2007).

Since those two studies were completed, there have been many political, economic, social, and environmental changes nationally and locally in Montana. Current research seeks to comprehensively understand the landscape of agritourism and recreation business activity in Montana by addressing several key inquiries. First, it aims to delineate the current operational status of agritourism businesses while projecting their trajectory over the upcoming five years. Additionally, it intends to create a detailed inventory of the activities presently offered by farms and ranches involved in agritourism while also investigating their plans for future offerings. Furthermore, this research will seek to understand the motivations compelling farmers and ranchers to venture into agritourism and the barriers they encounter when initiating and sustaining such enterprises. Moreover, it seeks to identify the perceived challenges in managing agritourism activities and how participating farmers and ranchers foresee changes in land use patterns, as well as look into Montana agritourism visitor experiences. Finally, the study aims to provide an insightful retrospective analysis of the evolution of agritourism in Montana, examining its transformational journey over the past 15 years since the last ITRR report.

The study critically examines agritourism in Montana from multiple perspectives—providers, local experts, and visitors—and aligns with two key themes of the conference: "Residents and Community" and "Visitor Experience and Value." By analyzing these diverse viewpoints, the study aims to promote the sustainable growth of agritourism within the state and advance understanding of agritourism in general, using Montana as an example.

Literature Review

Defining Agritourism

There are numerous labels and definitions for agritourism in the literature (Phillip et al., 2010; Lamie et al., 2020) and disagreement regarding its boundaries and characteristics, including the setting, authenticity, and types of experiences (Streifeneder, 2016).

Agritourism was first recognized and defined in Italy in 1985 when the Italian National Legal Framework for Agritourism was passed - the law encouraged overnight farm stays, or agritourism, as a way for Italian farmers to diversify their income (Chase et al., 2018). It became increasingly popular in Tuscany, Italy, and other places worldwide. Today, agritourism and several related terms and concepts refer to various definitions and practices (Lamie et al., 2020), with a different emphasis on the authenticity of the experience and where activities take place. Various labels can be found in the literature, such as agritourism, agrotourism, farm tourism, farm-based tourism, rural tourism, and countryside tourism (Phillip et al., 2010). This can be confusing both for agritourism producers and visitors seeking agritourism experiences. The Census of Agriculture first used the term “agri-tourism” in 2007 with a question about “agri-tourism and recreational services such as farm or winery tours, hayrides, hunting, fishing, etc.” (Agricultural Marketing Resource Center, 2022).

Based on existing literature perspectives, Philip et al. (2010) developed a typology for defining agritourism, considering whether a tourism activity takes place on a working farm, the level of tourist interaction with the agricultural activities, and the authenticity of the experience. This typology was later revised by Flanigan et al. (2014) with empirical perspectives from Scotland. Built on this work, Chase et al. (2018) made a distinction between core and peripheral tiers of activities that may be considered agritourism and developed a different conceptual framework for understanding agritourism in the U.S. Core activities take place on a working farm or ranch and have deep connections to agricultural production and marketing of a farm’s products, (e.g., farm tours, farm-to-table meals, overnight farm stays, agricultural festivals on farms, U-picks). Peripheral activities may lack a deep connection to agricultural production but take place on a working farm or ranch (e.g., hiking activities on the farm, weddings on the farm). Alternatively, peripheral activities may have connections with agriculture but take place somewhere else (e.g., direct sales at Farmer’s markets). Whether an activity is considered a core or peripheral, it can be classified into one or more categories commonly associated with agritourism: direct sales, education, hospitality, outdoor recreation, and entertainment.

In conducting this study, we adopted the conceptual framework presented by Chase et al. (2018) to define agritourism. In this context, agritourism encompasses a spectrum of farming-related activities conducted within an agricultural setting. These activities involve direct sales, educational initiatives, entertainment and events, hospitality services, and outdoor recreational offerings. Our selection of this definition aimed for a balance between comprehensiveness and brevity, aligning with the conceptual framework outlined by Chase et al. (2018).

Agritourism Motivations

Amidst economic pressures, urbanization, evolving global markets, and environmental concerns, numerous rural communities in the U.S. are grappling with sustainability. Alternative revenue

sources, like agritourism, have emerged as a lifeline, supporting agricultural operations and local communities. While economic gains play a crucial role (Shilling et al., 2012; Ollenburger & Buckley, 2007), the decision for farmers and ranchers to delve into agritourism often stems from social and personal motives. These include fostering connections with visitors, supporting family involvement on the farm, and playing an educational role in their communities and with visitors (Quella et al., 2021).

McGehee and Kim (2004) explored motivations for agritourism entrepreneurship among Virginia farm families and revealed that many of them participated in agritourism businesses to get additional income, to fully utilize resources, and to educate the consumers. Later, McGehee et al. (2007) conducted another study to investigate the potentially gendered nature of motivations and found that although the alternative agriculture goals of women and men were similar, the meaning and context of these goals significantly differed. For example, when discussing independence, women were more focused on expense-reducing, while men emphasized income-inducing activities.

In Montana, Nickerson et al. (2001) found eleven motivations for diversification into agritourism in the state that were categorized into economic reasons, social reasons, and external influences. It was found that most farmers and ranchers were diversifying into agritourism and recreation primarily due to the economics of farming/ranching, in particular, because of agricultural income fluctuations, loss of government support, and tax incentives. Social reasons, though important, were secondary to economic reasons.

Tew and Barbieri (2011) highlighted the importance of nonmonetary goals of agritourism, educating the public about agriculture, social interaction, capturing new farm customers, and enhancing the quality of life for the farm family, which includes both economic and non-economic benefits. Quella et al. (2023) conducted a qualitative analysis of agritourism operator motivations in the U.S. and revealed several community-related goals associated with agritourism, such as reducing prejudice and increasing understanding between farmers and consumers.

Agritourism motivations may vary widely depending on the region, agricultural products, individual characteristics, and the stage of the business life cycle (Oldenburg & Buckley, 2007; Nickerson et al., 2001; Moraru et al., 2016; Quella et al., 2023). It should also be noted that motivations to develop an agritourism business may change over time. Busby and Rendle (2000) suggested that what may be initially rooted in social or cultural motivations for agritourism initiatives may later become more economically based as more income is generated.

Challenges with Starting and Managing Agritourism

Agritourism is a relatively new concept. To some extent, it represents a significant change from conventional farming and ranching operations, which inevitably introduces new challenges as producers go through a learning process. Moreover, the relationship between agriculture and tourism is complex, and farmers and ranchers must develop new skills and capabilities and learn about new policies to remain competitive as they diversify into tourism.

Chase et al. (2022) explored the barriers to success faced by operators in the U.S. and found that three of the top challenges were liability, challenges with state and local regulations, and issues with e-connectivity, especially for the agritourism operators in the West.

When looking into agritourism challenges in Nova Scotia, Colton and Bissix (2005) found several issues related to marketing, product development, government support, education and training, and partnership and communication that impede the further development of agritourism in that Canadian province. The authors emphasized the importance of mutual assistance in product development, quality control, and marketing.

Moraru et al. (2016) argued that not all agricultural entities that pursue tourism will succeed. Large farms with easier access to the capital and those in areas with attractive landscapes are usually better positioned for agritourism. However, farmers may lack tourism knowledge and skills, which can hinder the success of their agritourism ventures. Other challenges might include adding stress to an already economically stressed farm, balancing privacy with expectations to provide a clean, safe, and always-ready product, additional regulatory and insurance issues, and detraction from the primary source of income in the form of agriculture production (Moraru et al., 2016). Van Niekerk (2013) also emphasized limited marketing channels and linkages, health and safety concerns, managing visitor's experience, lack of management and hospitality skills, and lack of public sector support. Ryan et al. (2006) reported property tax problems, high insurance and liability costs, and the limits of seasonality and weather as the most significant of the many problems facing agritourism operators.

It is important for farmers to understand that not all rural areas are attractive for agritourism, that developing and organizing agritourism may require significant investment, that local communities and businesses may find it difficult to adapt to a new role, that the quality of products and services must meet tourists demands and expectations, and that individual rural tourist enterprises need skills and resources for effective marketing and tourism management (Moraru et al., 2016; Sharpley, 2002).

Methodology

The research is being conducted in five phases during the winter and spring of 2023-2024, with preliminary results published by June 2024.

- Literature Review

A comprehensive review of academic publications, industry reports, and relevant literature was conducted to gain insights into the current landscape of agritourism in the United States and Montana. This review focused on understanding the motivations driving business diversification in the agricultural sector, existing challenges faced by agritourism businesses, and identifying emerging opportunities within the industry.

- Virtual Research Listening Sessions

Two virtual listening sessions were held with a diverse group of stakeholders, including Montana farmers, ranchers, Farmer's Union representatives, Convention and Visitor Bureaus, academics, and other interested parties in December of 2023. These sessions served as introductory platforms to the study and aimed to gather valuable insights, perspectives, and research needs specific to agritourism in Montana.

- Survey of Agritourism Providers

A structured survey was designed to capture the motivations, current offerings, perceived obstacles, engagement with agritourism networks, and perceptions of change among agritourism providers. The survey will be administered in the spring of 2024 to various agricultural organizations through both email and postal mail distribution channels.

- Qualitative Interviews

Qualitative interviews are conducted with agritourism providers and industry experts to delve deeper into the current state of agritourism in Montana in spring 2024. These interviews aim to gather in-depth insights regarding the existing landscape of agritourism and its role in the evolving patterns of agrarian change.

- Data Mining from ITRR Database

Data mining techniques are employed to extract and analyze relevant information from the current ITRR database of visitor intercept surveys across the state. This analysis aims to understand the behavior, motivations, experiences, and preferences of Montana agritourism visitors. The data gathered will provide insights into visitor engagement with various agritourism activities when visiting Montana.

These combined research methodologies are being employed to holistically explore and analyze the multifaceted aspects of agritourism in Montana, encompassing perspectives from stakeholders, providers, experts, and visitors. The triangulation of data from diverse sources will facilitate a comprehensive understanding of the current state of agritourism while identifying key areas for growth and development within the state.

Results

Results will be presented at the TTRA conference in June 2024, followed by a discussion with the TTRA participants.

References

- Agricultural Marketing Resource Center, (2022). Retrieved from <https://www.agmrc.org/commodities-products/agritourism> in January 2024.
- Black, R. & Nickerson, N. (1997). The Business of Agritourism/Recreation in Montana. *Institute for Tourism and Recreation Research Publications*. 114.
- Busby, G., & Rendle, S. (2000). The transition from tourism on farms to farm tourism. *Tourism Management*, 21(6), 635–642.
- Chase, L.C., Stewart, M., Schilling, B., Smith, B. & Walk, M. (2018). Agritourism: Toward a conceptual framework for industry analysis. *Journal of Agriculture, Food Systems, and Community Development*, 8(1), 13–19.
- Colton, J. W., & Bissix, G. (2005). Developing agritourism in Nova Scotia: Issues and challenges. *Journal of sustainable agriculture*, 27(1), 91-112.
- Haggerty, J. H. (2018). The role of social capital in rural livelihoods: Lessons from Montana. *Rural Sociology*, 83(1), 74–100.
- Hollas, C., Chase, L., Conner, D., Dickes, L., Lamie, R., Schmidt, C., ... & Quella, L. (2021). Factors related to profitability of agritourism in the United States: Results from a national survey of operators. *Sustainability*, 13(23), 13334.
- Hollas, C., Chase, L., Schmidt, C., Lamie, R, Dickes, L. (2022). Agritourism Critical Success Factors. *Proceedings of the 2022 International Workshop on Agritourism*.
- Lamie, R. D., Chase, L., Chiodo, E., Dickes, L., Flanigan, S., Schmidt, C., & Streifeneder, T. (2021). Agritourism around the globe: Definitions, authenticity, and potential controversy. *Journal of Agriculture, Food Systems, and Community Development*, 10(2), 573-577.
- McGehee, N. G., & Kim, K. (2004). Motivation for agri-tourism entrepreneurship. *Journal of travel research*, 43(2), 161-170.
- McGehee, N.G., Kim, K. and Jennings, G.R., (2007). Gender and motivation for agri-tourism entrepreneurship. *Tourism Management*, 28(1), 280-289.

Montana State University Extension. (2020). Economic Impact of Agriculture Statewide Report. (2020). Retrieved from <https://www.montana.edu/extension/agimpact/statewidereport.html> in January 2024.

Moraru, R. A., Ungureanu, G., Bodescu, D., & Donosă, D. (2016). Motivations and challenges for entrepreneurs in agritourism.

Nickerson, N. P., Black, R. J., & McCool, S. F. (2001). Agritourism: Motivations behind farm/ranch business diversification. *Journal of Travel Research*, 40(1), 19–26.

Ollenburg, C., & Buckley, R. (2007). Stated economic and social motivations of farm tourism operators. *Journal of Travel Research*, 45(4), 444-452.

Phillip, S., Hunter, C. and Blackstock, K., (2010). A typology for defining agritourism. *Tourism Management*, 31(6), 754–758.

Quella, L., Chase, L., Conner, D., Reynolds, T., Wang, W., & Singh-Knights, D. (2021). Visitors and values: A qualitative analysis of agritourism operator motivations across the US. *Journal of Agriculture, Food Systems, and Community Development*, 10(3), 287–301.

Quella, L., Chase, L., Conner, D., Reynolds, T. and Schmidt, C., (2023). Perceived Success in Agritourism: Results from a Study of US Agritourism Operators. *Journal of Rural and Community Development*, 18(1).

Rademaker, L., Nickerson, N., and Grau, K. (2007). Montana's Agritourism and Recreation Business: Ten Years Later. *Institute for Tourism and Recreation Research Publications*. 115.

Ryan, S., DeBord, K., & McClellan, K. (2006). *Agritourism in Pennsylvania: An industry assessment*. Center for Rural Pennsylvania.

Sharpley, R., (2002). Rural tourism and the challenge of tourism diversification: the case of Cyprus. *Tourism Management*, 23(3), 233–244.

Streifeneder, T. (2016). Agriculture First: Assessing European policies and scientific typologies to define authentic agritourism and differentiate it from countryside tourism. *Tourism Management Perspectives*, 20, 251-264.

Tew, C. and Barbieri, C., (2012). The perceived benefits of agritourism: The provider's perspective. *Tourism Management*, 33(1), 215-224.

USDA NASS, (2024a). United States Department of Agriculture National Agricultural Statistics Service, 2022 Census of Agriculture: Full Report. Retrieved from https://www.nass.usda.gov/Publications/AgCensus/2022/Full_Report/Volume_1,_Chapter_1_US/usv1.pdf in April 2024.

USDA NASS, (2024b). Montana State Agricultural Overview. United States Department of Agriculture National Agricultural Statistics Service. Retrieved from https://www.nass.usda.gov/Publications/AgCensus/2022/Full_Report/Volume_1,_Chapter_1_State_Level/Montana/mtv1.pdf in April 2024.

USDA NASS, (2019). United States Department of Agriculture National Agricultural Statistics Service, 2017 Census of Agriculture: Full Report. Retrieved from https://www.nass.usda.gov/Publications/AgCensus/2017/Full_Report/Volume_1,_Chapter_1_US/usv1.pdf in January 2024.

Van Niekerk, C. (2013). *The benefits of agritourism: two case studies in the Western Cape* (Doctoral dissertation, Stellenbosch: Stellenbosch University).

Wang, W., Hollas, C., Chase, L., Conner, D. and Kolodinsky, J., (2022). Challenges for the agritourism sector in the United States: Regional comparisons of access. *Journal of Agriculture, Food Systems, and Community Development*, 11(4), 61–76.

Weddell, M., (2023). ITRR Annual Report - 35 Years - 1987-2022. Institute for Tourism and Recreation Research Publications. 452.

Whitt, C., Low, S. A., & Van Sandt, A. (2019). Agritourism allows farms to diversify and has potential benefits for rural communities. *Amber waves: The economics of food, farming, natural resources, and rural America*, 2019(10).