OSU EXTENSION SERVICE

Increasing Farm Viability Through Agritourism and On-Farm Direct Sales: An Oregon Producer Survey

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Photo: Mary Stewart

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Agritourism in Oregon includes events such as the Wooden Shoe Tulip Festival in Monitor, right, and venues like Rosse Posse Acres in Molalla, top left, where visitor Annie Bailey Austin found a baby goat to hug. Numerous farm stands dot the countryside.

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Why measure agritourism in the US?

Tracking the economic health of the agritourism sector is important because it can serve to justify the commitment of time and resources to policy development, Extension programming and other efforts to bolster farm economic viability.

Citation: 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. https://doi.org/10.5304/jafscd.2018.081.016

Introduction

Farming is one of the most competitive industries in the U.S. economy. The farm commodities produced are typically similar, output levels can often be adjusted seasonally to respond to demand, and there are still several ways to enter the market. There are financial hurdles for land acquisition or leasing, certification for types of production (such as organic and safety-related regulatory requirements), yet those hurdles are relatively low compared to some large non-ag businesses and can often be overcome. This means that there is a constant downward push on prices, due to competition, making it difficult to maintain or improve profitability. Differentiating a farm's products is one of the best ways to increase profitability per acre and efficiency of unit of labor, thereby increasing return on investment.

Agritourism, including on-farm direct sales, has proven to be an effective way to provide that differentiation. The U.S. Department of Agriculture estimates all the different industries that contribute to and receive a portion of an average or typical dollar spent on food in the U.S. As seen in Figure 1, farmers and ranchers as the most critical producers in the supply chain receive, on average, only 8 cents, or 8% of the food dollar[1]. By completing more of the steps beyond basic production in Figure 1, the farms add value and can capture an ever-greater portion of the food dollar. This report summarizes almost 200 Oregon farmers' experiences with developing those differentiated services and products.

As part of a USDA National Institute of Food and Agriculture-funded grant, a multi-state research and Extension team conducted a national survey of farms that are open to visitors for product sales or experiences. The goal of the survey was to better understand the types of experiences and products offered, the economic viability of agritourism enterprises, and ways to support a healthy future for producers and their communities. The online survey took place between November 2019 and February 2020 and began with a question to ensure responses only from working farms. In Oregon, the national survey was customized for Oregon farmers, ranchers and vineyard operators. The Oregon survey questionnaire is included in the appendices along with the methodology used to administer the surveys.

This report:

1. Defines agritourism with direct sales and differentiates its components.
2. Profiles the types of farmers who choose to differentiate their products through agritourism and direct sales and who responded to the Oregon survey, including detailing the types of products and services they provide. It also describes reasons for farms to engage in agritourism, including direct marketing, beyond increasing profitability.
3. Profiles the types of consumers who purchase agritourism services or experiences and products on-farm.
4. Summarizes how effective the different types of agritourism and direct sales are in increasing farm profitability.
5. Discusses the implications for farmers who are considering developing or expanding agritourism and direct sales on their farms and ranches.

Figure 1. 2018 food dollar.

1 Canning, Patrick, Food Dollar Series, USDA Economic Research Service, March 23, 2020.https://data.ers.usda.gov/reports.aspx?ID=17885:/

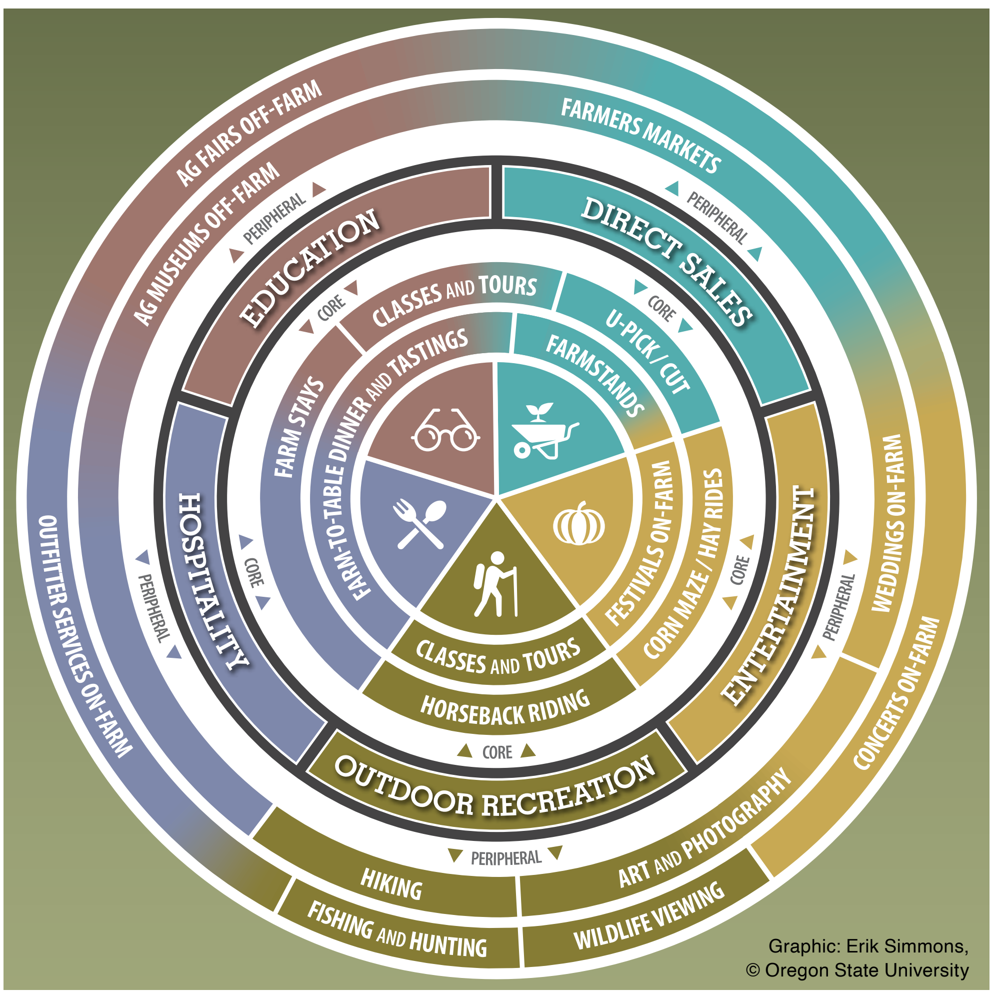
Agritourism including on-farm direct sales

In both the Oregon and national surveys, agritourism including on-farm direct sales was defined as experiences and product sales taking place on farms, ranches or vineyards. Examples included farm stands, U-pick, overnight farm stays, tastings, events, tours, horseback riding, farm walks and hunting.

Diversification caused by agritourism expands the goods and services offered on a conventional farm, ranch or vineyard. For literally thousands of years, producers have sold their products directly to consumers. Only relatively recently, for a few hundred years, have farms and ranches relied on off-farm business to transport, distribute, market and sell their products. Producers and consumers have once again gained an appreciation for on-farm direct sales.

The conceptual framework of agritourism

For this project we used Chase, Stewart, Schilling, Smith and Walk's (2018) conceptual framework for defining and categorizing agritourism and direct sales activities[2]. This framework organizes agritourism activities into core and peripheral activities based on where they take place (on or off the farm) and the degree to which they are directly related to agricultural activities. According to the framework, "core activities take place on a working farm or ranch and have deep connections to agricultural production" while "peripheral activities lack a deep connection to agricultural production, even though they may take place on a working farm or ranch." For example, core activities include product sales and experiences such as farmstands, U-pick, farm tours, overnight stays or farm-to-table meals. Peripheral activities include off-farm farmers markets, weddings, music events or outdoor recreation. The framework also organizes activities into five main categories: education, direct sales, entertainment, outdoor recreation and hospitality. For the purposes of this study, agritourism includes but is not limited to all core and peripheral agritourism activities taking place on farms, in all categories, as defined in Figure 2. Off-farm sales and experiences are not included.



Graphic: Erik Simmons, © Oregon State University

Figure 2. The conceptual framework of agritourism with direct sales.

2 Agritourism: Toward a conceptual framework for industry analysis. Chase, L. C., Stewart, M., Schilling, B., Smith, B., & Walk, M. (2018).Journal of Agriculture, Food Systems, and Community Development, 8(1), 13–19. https://doi.org/10.5304/jafscd.2018.081.016

As farming changed, the opportunity for agritourism grew

One hundred years ago, almost half the U.S. population was rural and over half of those people lived on farms.[3] People were very familiar with farming operations. Today in Oregon, just over 1% of the population lives on farms, and less than 20% of the population lives in rural areas. These changes have created an opportunity for farms and ranches to enhance their products with a service component or an authentic on-farm experience for consumers.

The skills to provide these agritourism services extend beyond the traditional knowledge and experience required to produce farm commodities. Yet, as mentioned above, there can be a premium for acquiring those skills and using them to supplement the more traditional production of farms and ranches. The next section provides a profile of the farmers and ranchers who have chosen to learn those skills.

About the farmers, ranchers and vineyard operators who practice agritourism with direct sales

Farmers and ranchers who provide agritourism services and sell directly to customers are a diverse group. There are no limitations in terms of background, location, scale of operation or financial capacity that can affect a farmer's ability to expand operations to include agritourism with direct sales. Below we demonstrate that diversity and potential by summarizing some of the attributes of those who responded to the survey.

We received 191 useable responses from Oregon farmers, including full responses and partial responses. Of these, 166 responses provided enough detail to consititute data used in this report. The age of Oregon respondents varied from 24 to 81 (Table 1), with 55 being the average age. Some 61% of respondents were women (Table 2). Some 75% of respondents have a four-year college degree or higher, and 89% have at least some college. Thirty-two percent hold a postgraduate degree such as an master's or Ph.D.). Six percent hold a technical degree (Figure 3). Since the survey was conducted in the winter of 2019–20, responses reflect the state of agritourism in Oregon before the COVID-19 pandemic.

Age of respondents. In Oregon and nationally, the average age was 55.

Table 1. Age distribution of respondents (n =128).

	Age of respondent
Average	55
Minimum	24
Maximum	81

Gender of respondents. In Oregon more of the survey respondents were women than men as shown in Table 2; this is consistent with national trends[1] that show a higher percentage of women responding to the survey, and even exceeds national trends. In the national survey, 58% of the respondents were women. Also, a recently released study by Pennsylvania State University indicated: "While women can be drawn into farming for many reasons, researchers in Penn State's College of Agricultural Sciences have found that female-owned farms in the U.S. are more common in areas that are closer to urban markets that engage in agritourism activity, and that offer greater access to child care."

The number of farms operated by women has risen over the past two decades, according to Claudia Schmidt, assistant professor of marketing and local/regional food systems at Penn State. The U.S. Department of Agriculture changed the way it counts the operators of farms in its most recent Census of Agriculture (2017), allowing for up to four principal operators per farm. This has inflated (recognized) the number of female operators somewhat, but female participation in agriculture is nonetheless at an all-time high, Schmidt said.[4]

Table 2. Gender of respondents (n=171).

Female	104	61%
Male	67	39%

[3] Census of Agriculture: 1940, Total, Rural, and Farm Population In The United States: 1850-1940, p. 22.

4 Penn State EurekAlert/Morning Ag Clips, New study examines importance, unique traits of female farmers, March 7, 2021. https://www.morningagclips.com/new-study-examines-importance-unique-traits-of-female-farmers/

Table 3. Number of years in the agritourism business (n=171).

Years in agritourism business	Number of farms	Percent of farms
Under 5 years	41	24%
5 to 9	34	20%
10 to 14	34	20%
15 to 24	27	16%
25 to 44	23	13%

Experience of respondents. In Oregon, 24% had under five years' experience, 20% had five to nine years, 20% had 10 to 14 years, 16% had 15 to 24 years, 13% had 25 to 44 years, and 7% had 45 or more years of experience. Nationally[5], the average respondent reported 10 or more years' experience in the agritourism business.

Respondents' formal education

Education of respondents. A larger percentage of Oregon respondents have college degrees than the national group. In Oregon, 75% of respondents have a four-year college degree or higher and 89% have at least some college. Thirty-two percent hold a postgraduate degree. Six percent hold a technical degree (Figure 3).

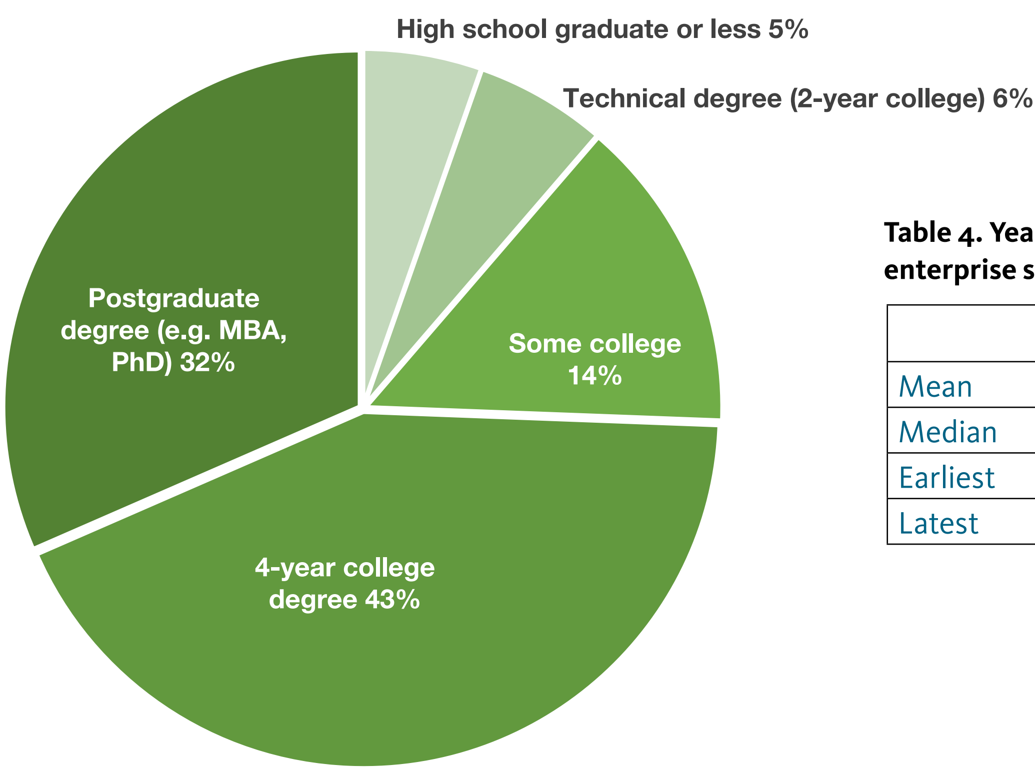


Figure 3. Respondents' formal education (n=171)

Table 4. Year the agritourism enterprise started (n=171).

	Year
Mean	2004
Median	2009
Earliest	1970
Latest	2018

[5] Overview summary — Survey of Agritourism with On-Farm Sales. April 2021.

Agritourism with on-farm direct sales farming operations by location, number and size

Location

Responses were received from 29 of Oregon's 36 counties, with those farms in the mid to upper Willamette Valley of Oregon providing the highest response rates (Figure 4).

Of the Oregon respondents, most farms were located between 10 and 29 miles from the nearest city with a population of 50,000 or more (Figure 5). Farms in closer proximity to population centers and consumers have more opportunities to transport their goods and services to consumers or encourage consumers to travel relatively short distances to their farms. Farms that are farther from markets can adjust to effectively bring their operations closer to markets by creating an attractive destination that will lure visitors to their farm.

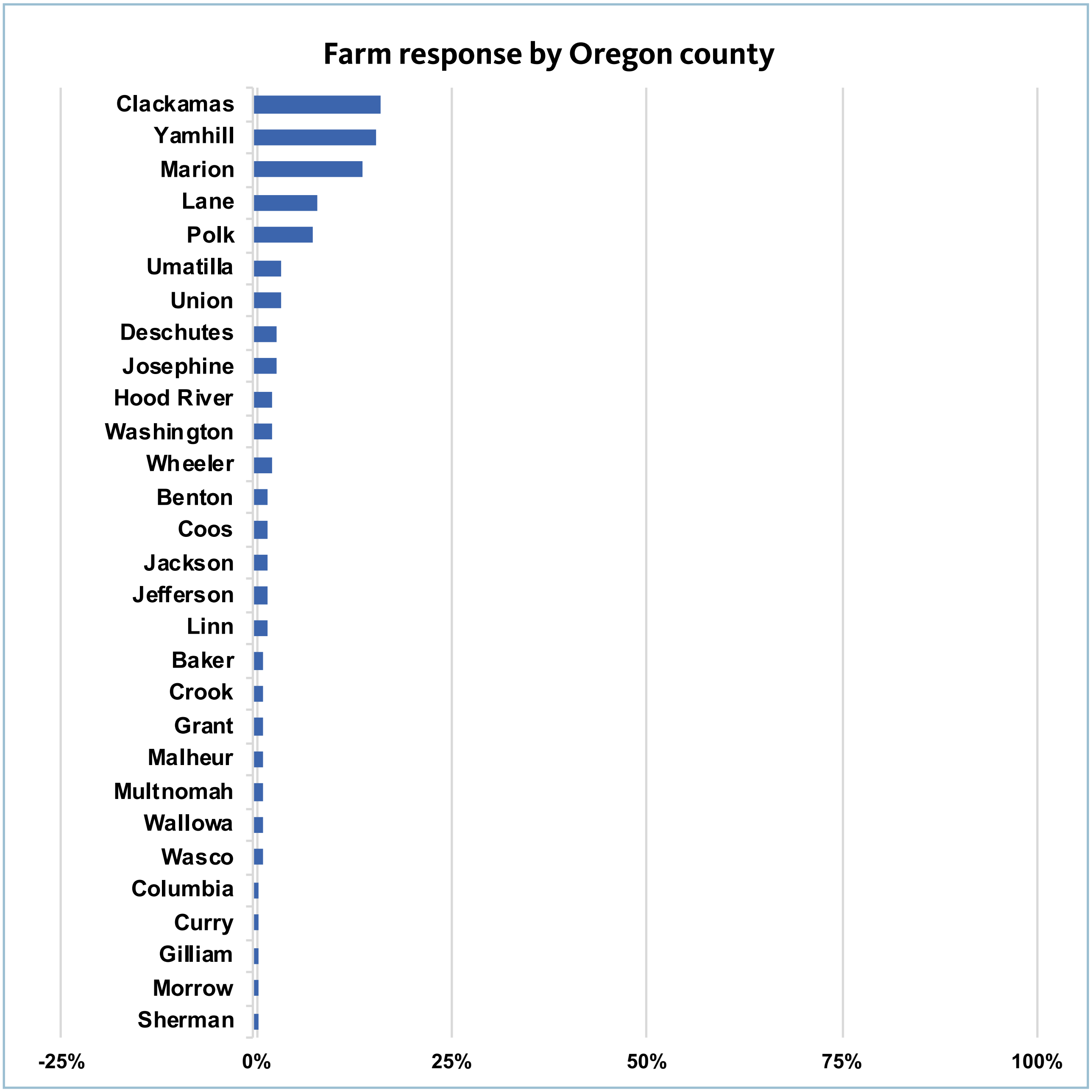


Figure 4. Farm response by county, 2018 (n=174).

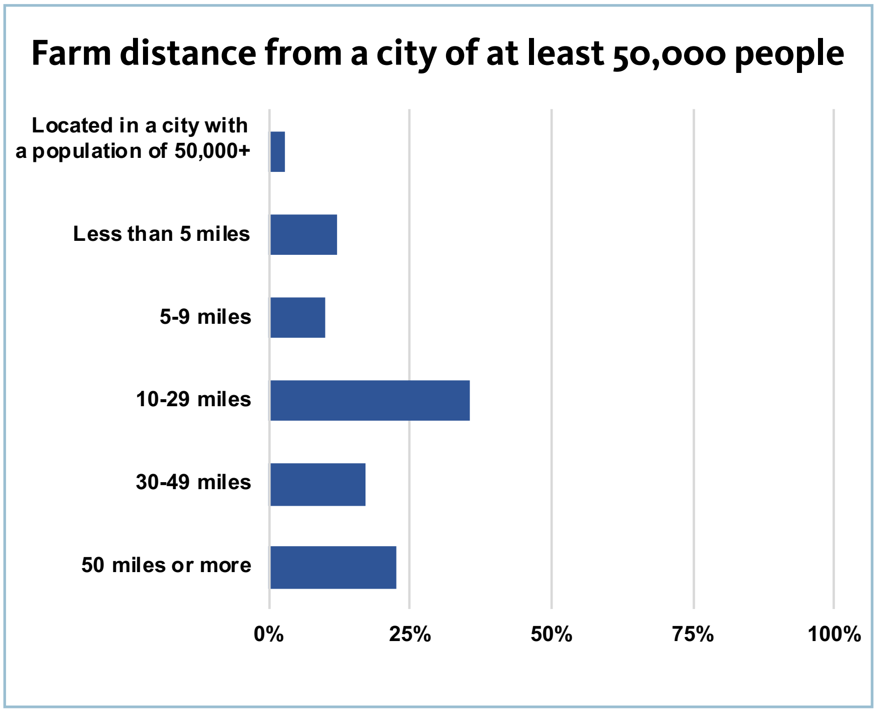


Figure 5. Farm distance from a city of at least 50,000 people, 2018 (n=174).

Number and size

Most of the Oregon farmers responding to the survey provided agritourism with direct sales from small or medium-sized acreages. Figure 6 shows the most common size of farms. Some 35% of farms were 10–49 acres, 19% of farms were 1–9 acres, 18% were 50–99 acres, and 13% were 100–219 acres. The smallest farm was 0.5 acre and the largest was 37,000 acres. Total farm acres studied were 134,052.5. Median farm size was 40 acres. As a region, the West farmed smaller acres closer to a city of 50,000 or more when compared to the rest of the country. Nationally, the median farm size was 60 acres. The median farm size was much smaller than the average farm size. The average farm size in the West was 659 acres, 303 in the Midwest, 266 in the South, and 244 in the Northeast.[6]

Regionally, the West farmed smaller acres closer to a city of 50,000 or more when compared to the rest of the country. Nationally, the median farm size was 60 acres.

[6] Regional Summary – Survey of Agritourism including on-farm Direct Sales in the United States. April 2021.

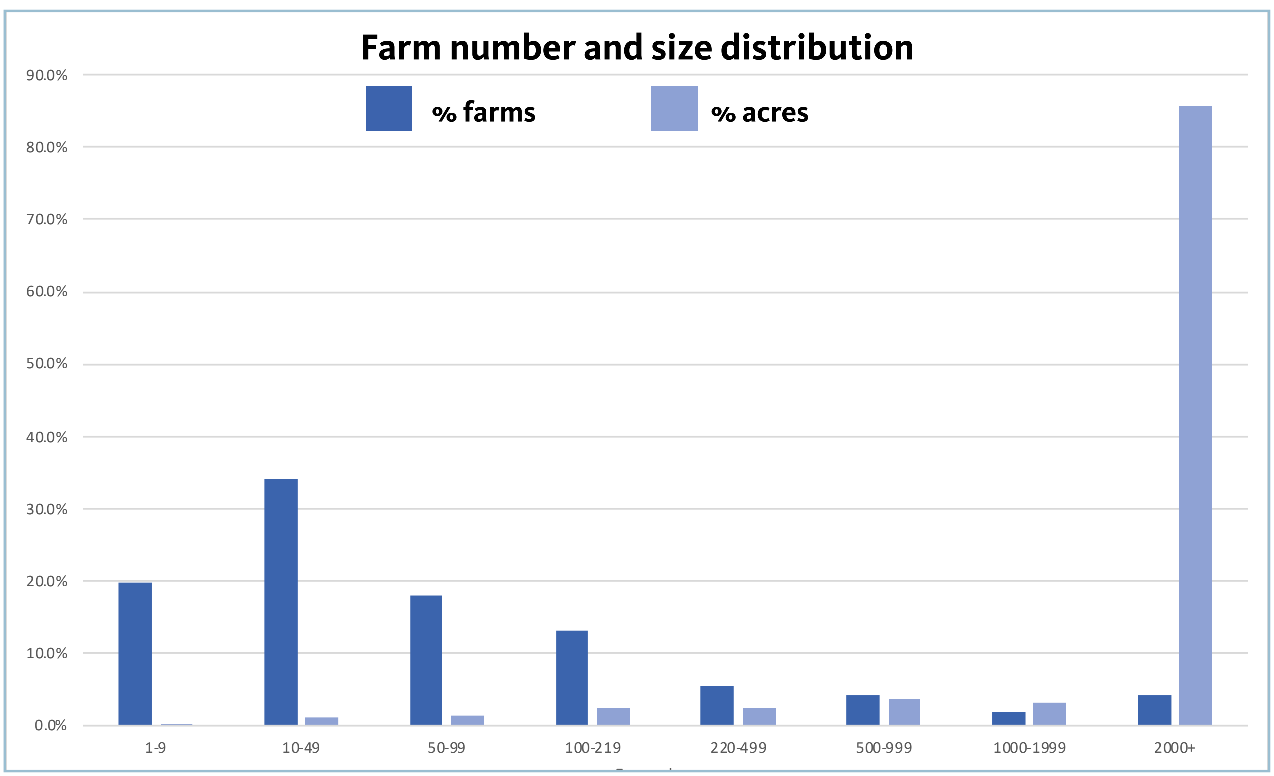


Figure 6. Farm number and size distribution (n=167).

Types of products, experiences and services

Agritourism with on-farm direct sales relies on high quality services and products, which are typically sold as finished services or goods. The prices for these goods and services can be higher than many commodities sold from the farms and ranches that need to be processed before becoming final. Producers use a variety of options related to place of sale, including on-farm, transporting goods to farmers markets, direct sales to food stores, institutions, and restaurants as well as online sales options.

As farmers consider allocating a portion of their operations to agritourism including direct sales they need to anticipate the increased labor requirements and attention to quality of the services and goods. This extra effort should produce higher prices and consumer loyalty.

Some the respondents' farm products, such as fruit, were prevalent across the U.S., while many types of crops grown, animals raised, and value-added products produced were specific to different regions of the country. Value-added products were more common in the Northeast than other regions. The South had the highest percentage of farms with animals, but a significantly lower percentage of farms raising dairy cows. The Midwest had a significantly higher percentage of farms growing oilseeds and grains compared to the rest of the U.S. In the West, there was a significantly higher percentage of farms making olive and seed oils, as well as growing tree nuts compared to the rest of the U.S.[3]

Types of sales

Product and service types for agritourism with direct sales farmers and ranchers are shown in Figure 7. More detail is provided for the types of crops, value added production and experiences in Figures 8–11. Most of the sales are direct sales of crops, with significant product sales of animal products, indicating the roadside stand of the past still survives and thrives. Interestingly, more than half of the respondents further developed their products as shown in Figure 7 with one or more value-added processes, such as processing fruits to make jams and ciders, and making cheese out of milk.

Types of products

Respondents were asked to select all the product categories applicable to their farms. Many farms selected multiple product categories. For each product category selected (Figure 7), farms were asked for more detail. As seen in Figure 7, 64% of respondents grew crops, 55% produced value-added products and 39.3% produced animals or animal-related products. As seen in Figure 8, fruit was the most common crop. As seen in Figure 9, wine, beer, cider or distilled beverages were the most common value-added products. As seen in Figure 10, poultry and eggs were the most common animals and animal-related products. In the appendicesm quite a range of products and services are listed in more detail, which demonstrates how broad these agritourism and direct sales offerings can be.

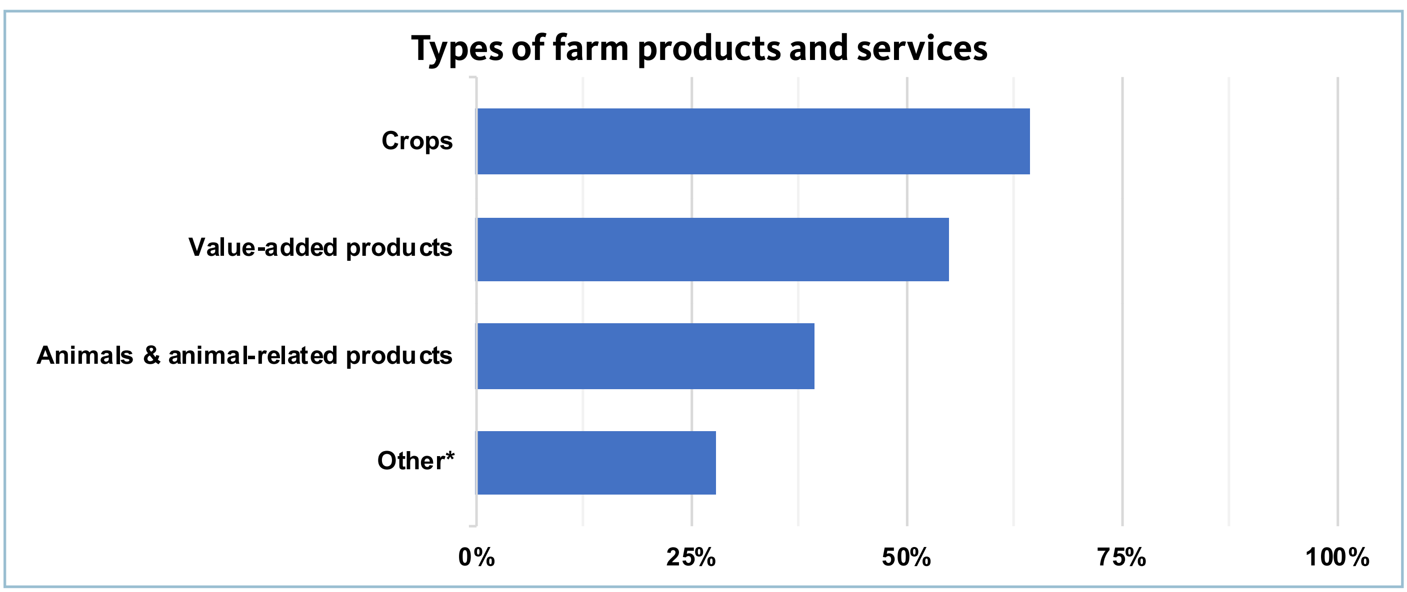


Figure 7. Types of products and services produced on agritourism and direct sales farms and ranches, 2018 (n=191).

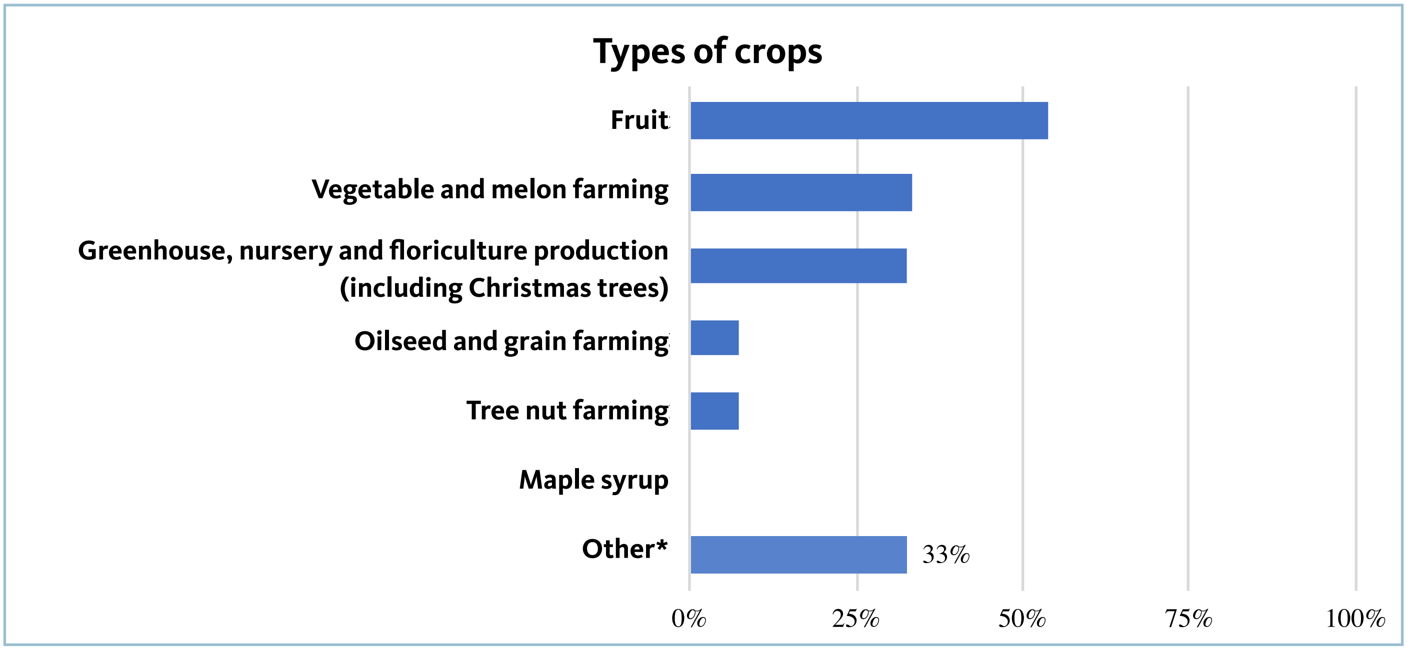


Figure 8. Types of crops produced, 2018 (n=123). *Others listed in appendices.

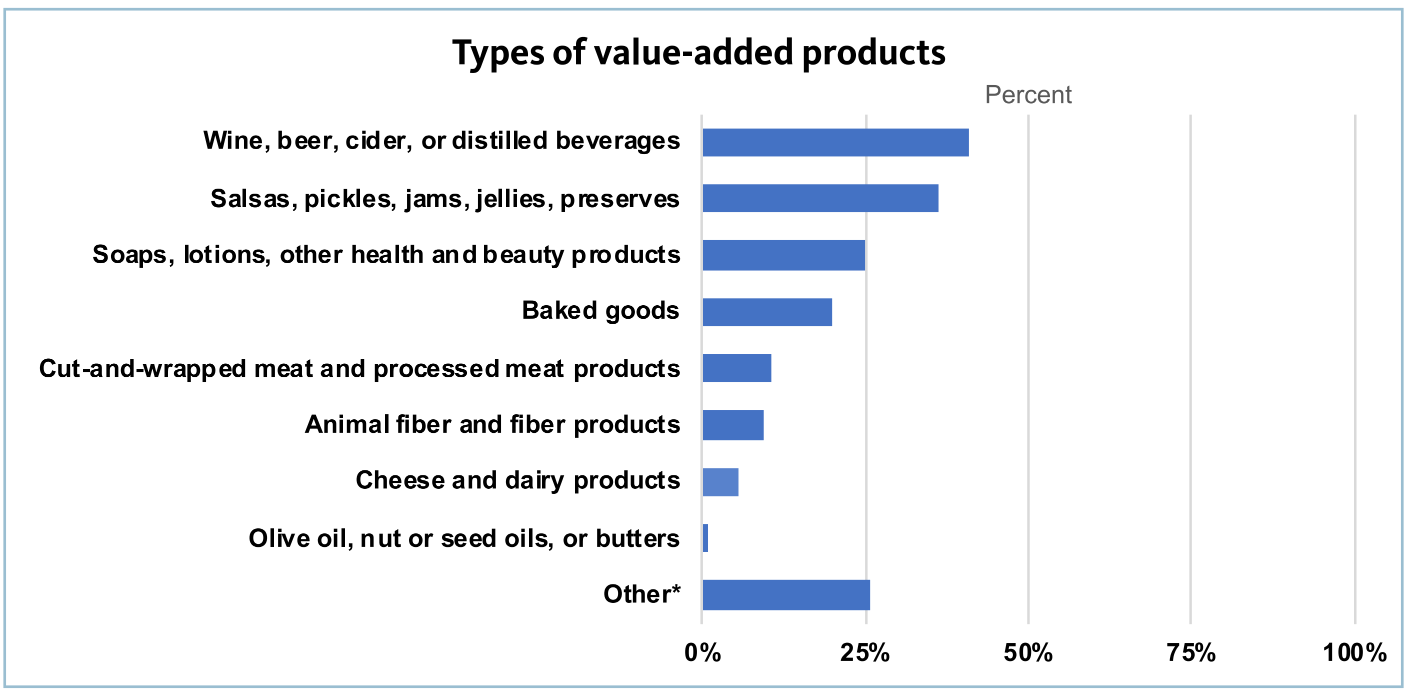


Figure 9. Types of value-added products produced, 2018 (n=105). *Others listed in appendices.

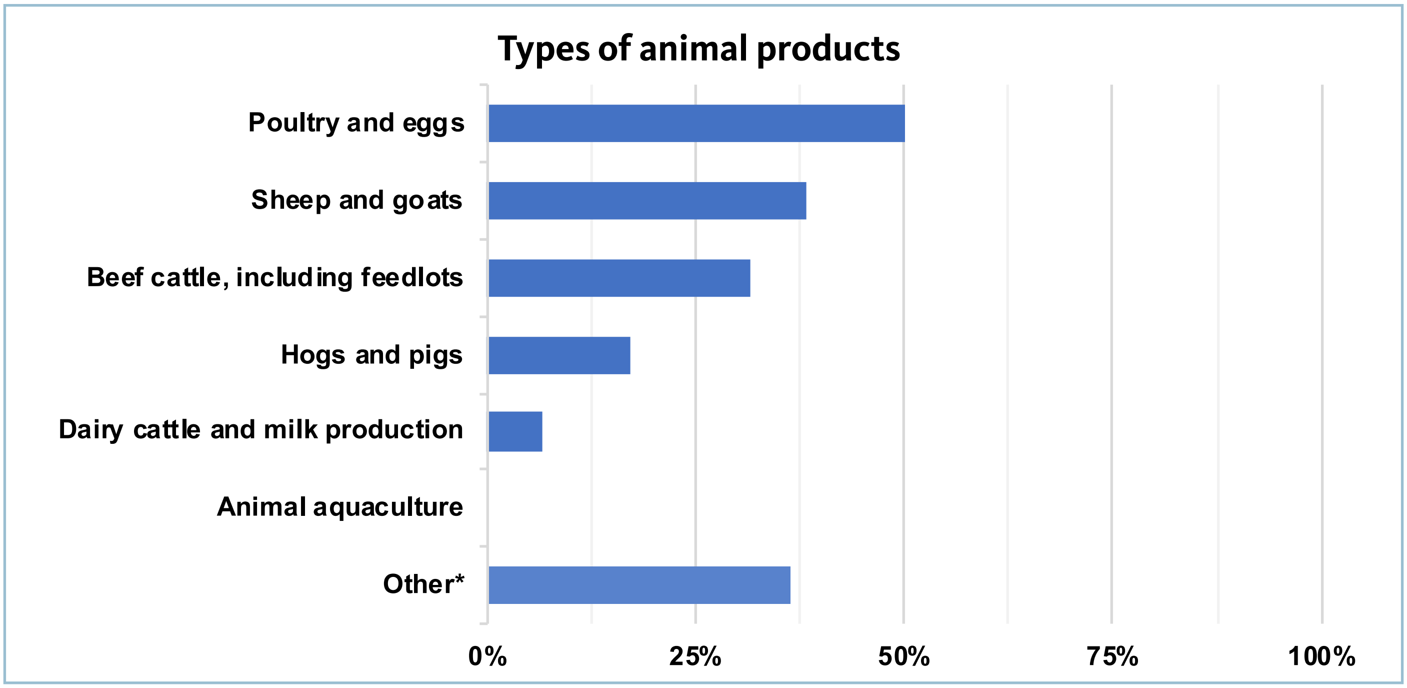


Figure 10. Types of animal products produced, 2018 (n=10X). *Others listed in appendices.

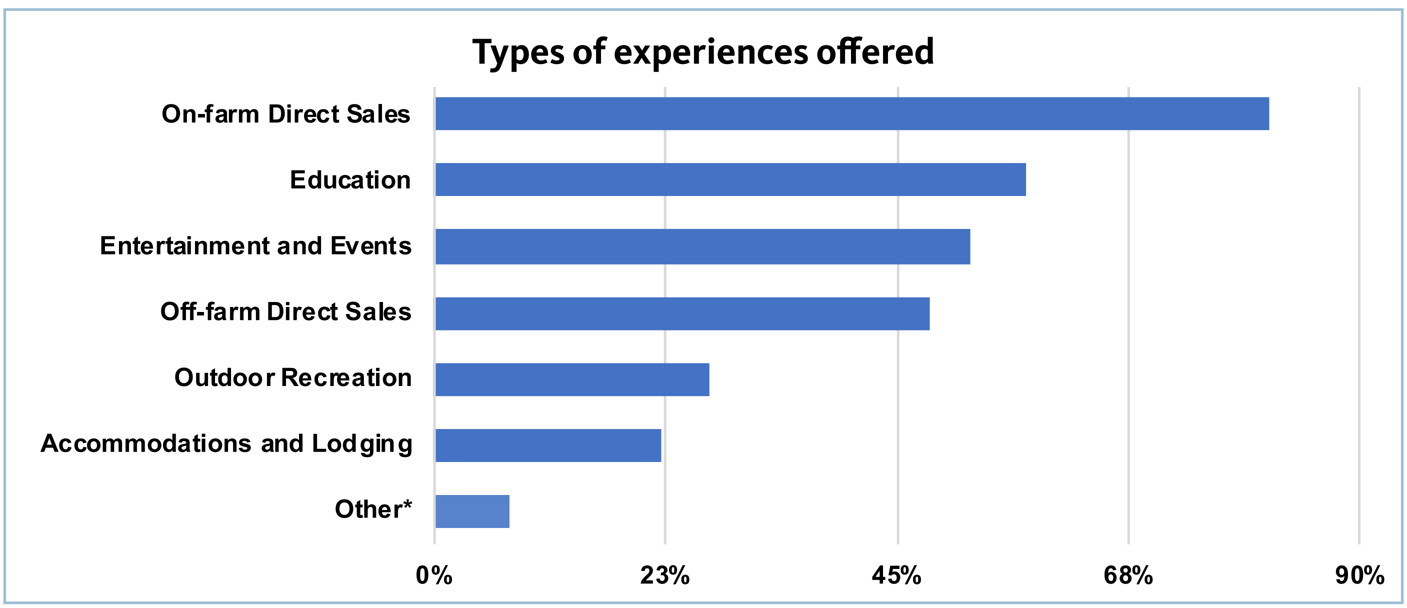


Figure 11. Types of experiences offered, 2018 (n=191). *Other types of experiences listed in appendices.

Experience and service types

Respondents were asked what kinds of agritourism experiences they offer to the public on their farms (Figure 11). In addition to the authentic experience of purchasing goods directly from the farm, many farmers and ranchers who may have been primarily selling products also supplemented on- and off-farm product sales with experiences such as visits with the farmer or rancher, farm tours, refreshments, train rides, etc. In addition, many of the farmers and ranchers sold standalone services including education, outdoor recreation such as hiking or hunting on their property, and in some cases lodging to provide a multi-day experience. As in other types of business, we would expect as the service portion of the sale increased, so would the profit margin and the likelihood that customers would return. Within each category, the largest category of on-farm direct sales was farm stand or farm store, followed by U-pick (Figure 12). The most common type of educational experience offered was tours, followed by student visits (Figure 13).

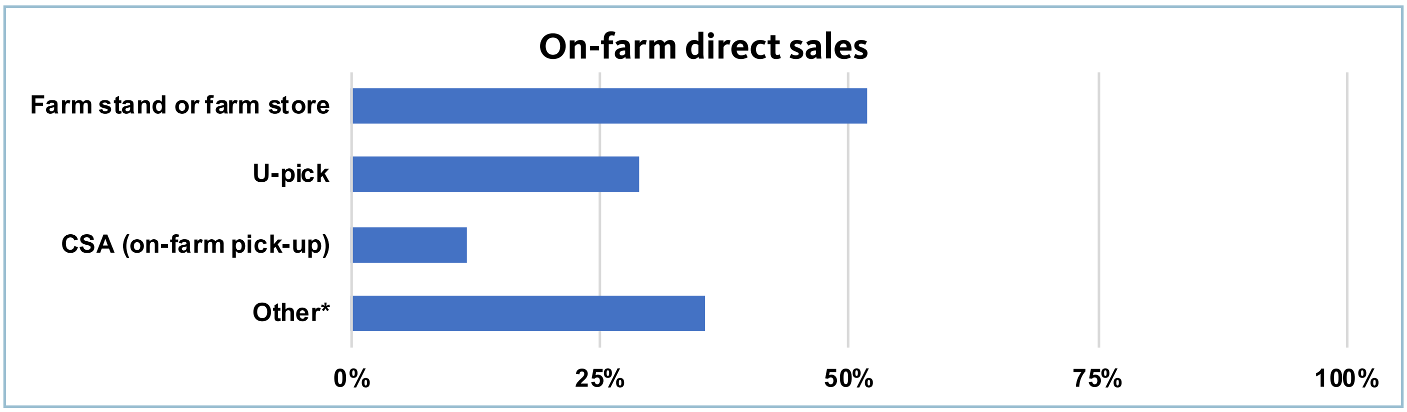


Figure 12. Types of on-farm direct sales, 2018 (n=155).

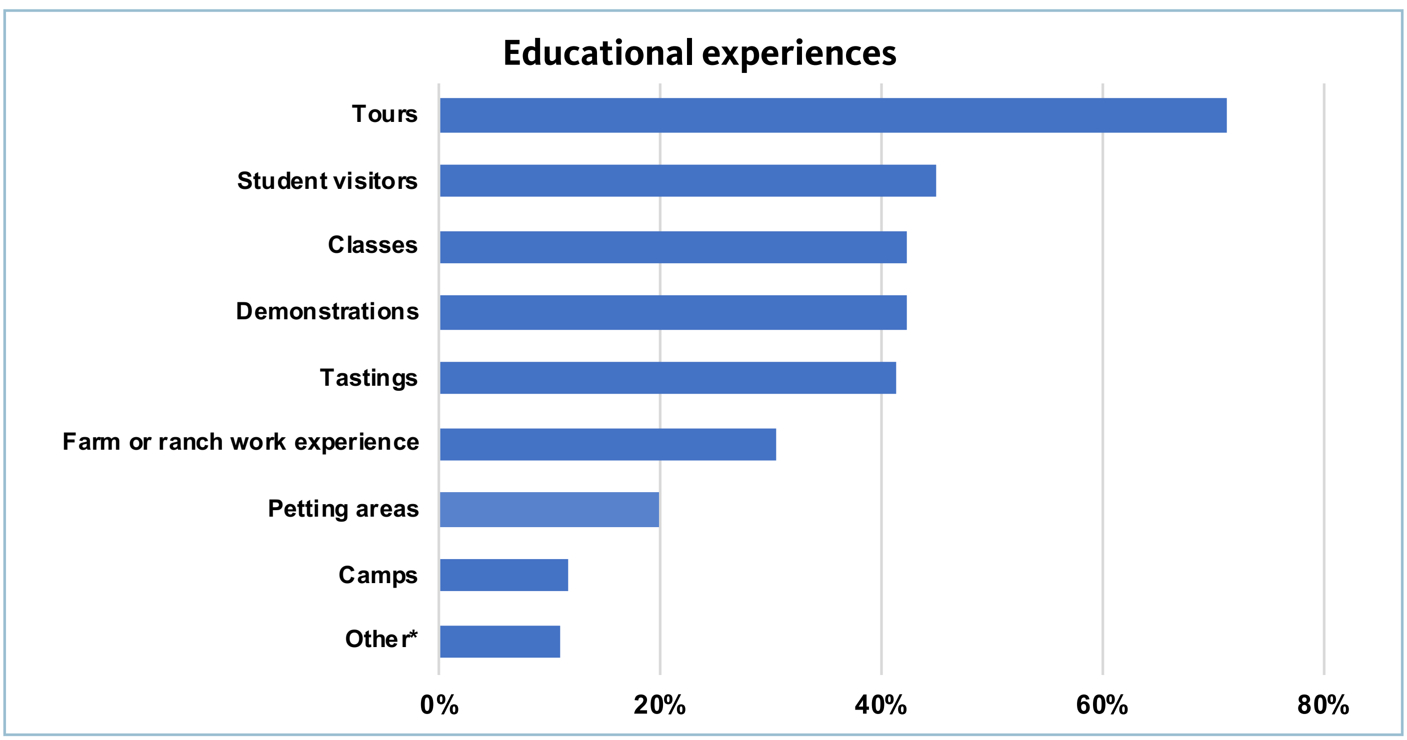


Figure 13. Types of educational experiences offered, 2018 (n=111).

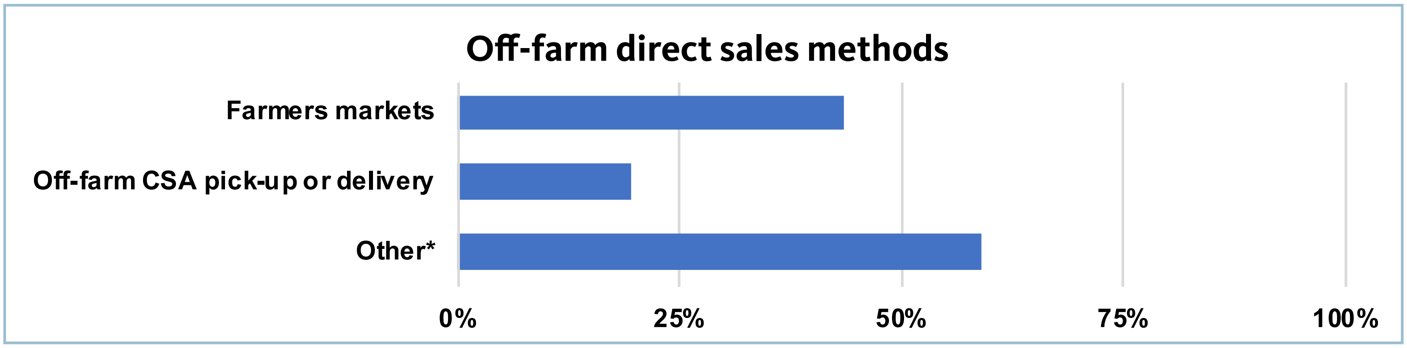


Figure 14. Types of off-farm direct sales methods offered by farm, 2018 (n=92). See the list of other off-farm direct sales methods in appendices J.

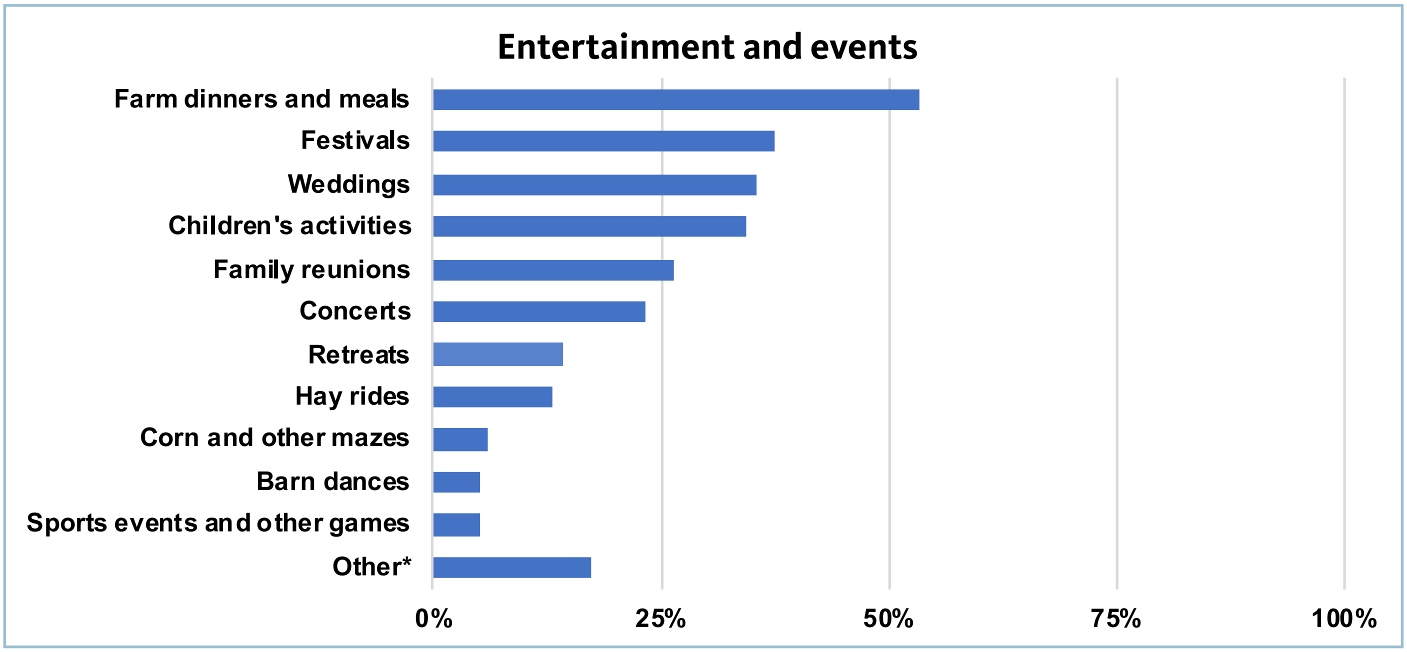


Figure 15. Types of entertainment and events offered, 2018 (n=99).

Other entertainment and events offered include:

- Art festival
- Birthday parties
- Block party, club releases
- Concerts, festivals, weddings, farm dinners meals
- Cooking classes, birthday parties
- CSA member breakfasts
- Local artist showings, live theater
- Meet the lambs open house
- Movies in the vineyard, stargazing in the vineyard
- Open house tasting and seminars
- Special wine tastings and sales
- Train rides
- Concerts, children's activities, gatherings (birthday, family groups, etc.)
- Weddings, meals, mazes, hayrides
- Winemaker dinners

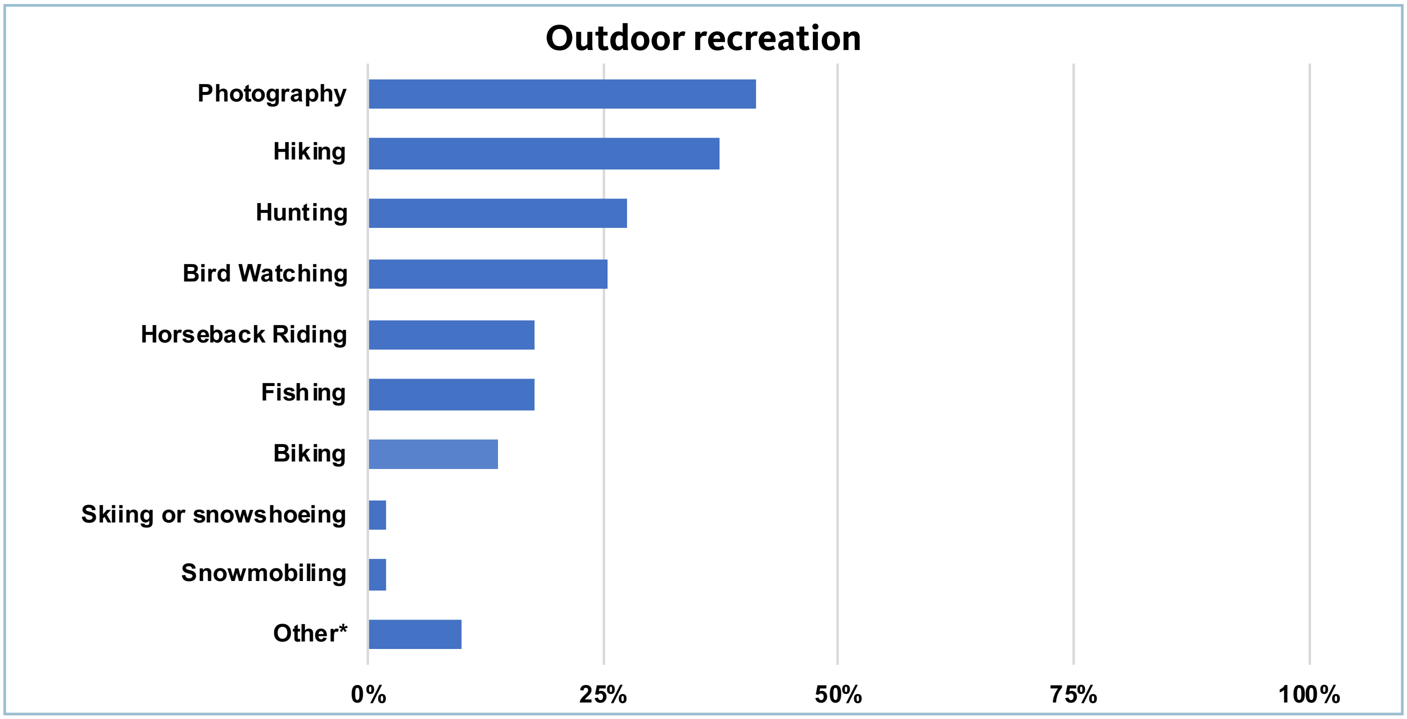


Figure 16. Types of outdoor recreation offered, 2018 (n=51).

Other outdoor recreation activities offered include:

- Harvest picking
- Hiking and photography
- Yard games

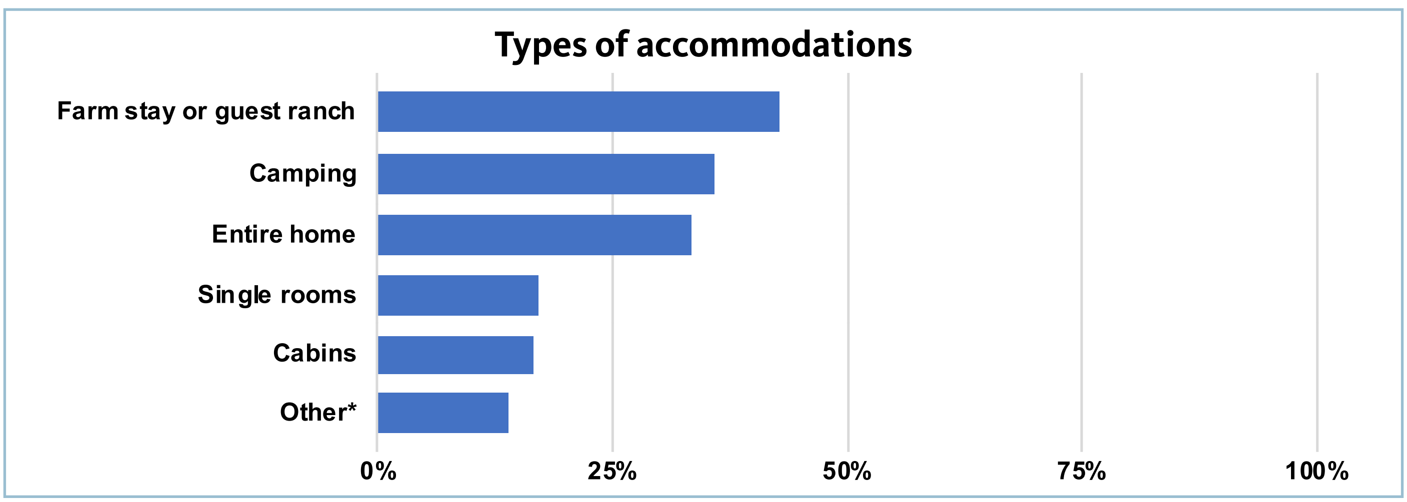


Figure 17. Types of accommodations offered, 2018 (n=42).

Other accommodations offered include:

- Entire mother-in-law apartment attached to 1905 farmhouse
- B&B on farm
- Bed and breakfast experience in a two-room suite above private home, with view of the garden/farm used in our farm-to-table meals and use of our kayaks and bikes for rural exploration, river, forest, roads.
- Two guest houses on the farm
- Yurt, Conestoga wagons

Consumers who prefer to purchase experiences and goods directly from farms, ranches and vineyards

Understanding consumer preferences is not an easy task. It is a continual process of listening, asking, listening some more and experimenting. As has been demonstrated recently in many different settings, the usefulness of surveying consumers can be quite variable. Farmers and ranchers need to visit, visit and visit some more with customers or potential customers every chance they get. Not only can they use the information to adapt and plan future production, just the visiting can become part of the experience for the consumers. This survey was limited to producers and did not include consumers. However, producers can be perceptive about consumer preferences, so the survey asked producers about their consumers and the results are summarized below.

Respondents were asked to identify characteristics of the visits to their properties to buy products and experiences. The number of visits annually are shown in Table 5. This table reports the number of visits, not visitors, so that one person who visited 10 times in 2018 would be 10. A tour bus of 50 people would be 50 visits.

Number of visits and distance traveled

The 166 respondents reported a total 2,028,516 visits with an average of 12,226 visits annually per farm. Twenty-six percent of respondents reported a total 25,640 visits with an average of 596 visits per farm, followed by 21% that reported a total 106,560 visits with an average of 3045 visits per farm. Tables 7 and 8 show that 25% of the visitors traveled from 50 miles or more (one way) from their homes to the agritourism destination. Visitors who travel a distance of 50 miles or more to a destination often bring additional tourism dollars to a community through lodging and restaurant revenue.

As shown in tables 9 and 10, nearly half the respondents keep their farms open to visitors most days of the year. Some 43% keep their farms open from 261 to 365 days each year; 21% keep their farms open 101–250 days each year and 19% keep their farms open from 36–100 days each year. The median number of days that farms are open to visitors is 200. When comparing Oregon to regional numbers[6], farms in the Northeast were open more often than other regions (median of 180 days per year), followed by the Midwest (158), South (150), and West (150).

In Oregon, the median number of visitors to farms each year was 875 (Table 5) and 25% of these visitors traveled from 50 miles or more (Table 6). Visitors who travel 50 miles or more to an agritourism destination are more likely to spend money on lodging and restaurants, driving more economic value to a community.

Farms in the West were not only closer to cities, but also welcomed more visitors than any other region (median of 500 visitors per year). The Northeast welcomed the second highest median number of visitors (380), followed by the South and Midwest (both 300) [6]

Table 5. Approximate visits (paid and unpaid) to farms/ranches in 2018.
This table reports the number of visits, not visitors, so that one person who visited 10 times in 2018 would be 10. A tour bus of 50 people would be 50 visits.

Number of annual visits	Number of farms	Percent of farms	Total visits	Average visits per farm
0–50	29	17%	732	25
51–200	23	14%	2,997	130
201–1,000	43	26%	25,640	596
1,001–5,000	35	21%	106,560	3,045
5,001–25,000	25	15%	245,587	9,823
25,001–100,000	6	4%	387,000	64,500
100,001–500,000	5	3%	1,260,000	252,000
Total	166		2,028,516	12,220

Table 6. Approximate visits in 2018.

	Visits
n	166
Mean	12,220
Median	875
SD	49,626
Range	500,000

Table 7. Approximate percentage of visits from people who traveled 50 miles or more (one-way) from their home, 2018 (n=148).

Percent of visitors	Number of farms	Percent of farms from 50+ miles
1%–9%	37	25%
10%–24%	35	24%
25%–49%	33	22%
50%–74%	14	9%
75%–100%	29	20%

Table 8. Visits from people who traveled 50 miles or more in 2018.

	Visits from 50+ miles or more
n	148
Mean percent	34%
Median	25%
SD	32%
Range	100

Table 9. Number of days open to visitors, 2018.

Annual days open	Number of farms	Percent of farms	Total days open	Average open days per farm
10 or less	14	8%	90	6
11–35	15	9%	367	24
36–100	33	19%	2,295	70
101–250	35	21%	6,363	182
251–365	73	43%	24,871	341
Total	170		33,986	200

Table 10. Number of days open to visitors in 2018.

	Days open
n	170
Mean days	199.9
Median	200
SD	136
Range	365

Revenue, profitability and duration

Revenues and profitability varied greatly depending on farm size, farm products, location and the type of activities offered. Some agritourism activities are more likely to be profitable than others.

Average sales per farm or ranch in Oregon total $133,104.[3] As Figure 19 indicates, most survey respondents earn a significant portion of their annual income from on-farm sales. Furthermore, as Figure 15 shows, the agritourism and direct sales provide valuable contributions to on-farm income. While the agritourism and direct sales were effective in boosting gross revenue, their ability to increase profit is moderate. Although, for all Oregon farmers and ranchers, on average, revenues exceed expenses by only 7.4%.[3] More work needs to be done to determine percentage of profit. Does profit level relate to length of time engaged in agritourism and direct sales? Does profit margin improve or suffer as the agritourism and direct sales services and goods that are offered diversify and increase in volume? For now, it may be prudent to enter or expand agritourism and direct sales at a modest scale with few reliable offerings that are well understood by the farmer or rancher.

Gross revenue from all farm-related sources

Of the 166 respondents, 19.9% reported gross revenue from all farm-related sources of $100,000–$249,999, 19.9% reported revenue of $5,000–$24,999 and 18.7% reported revenue of $25,000–$99,000 (Figure 18, Table 5).

Gross revenue from agritourism portion only

When reporting the gross revenue from the agritourism portion only of all farm-related sales, 22.9% reported a gross revenue of $25,000–$99,999, 18.7% reported a gross revenue of $5,000–$24,999, and 13.9% reported revenue of less than $1,000. Profitability (net revenue) (Figure 19), shows 17.7% of respondents generated $25,000–$99,999 followed by 14% that generated $1,000 or less, and 11% that generated $10,000–$24,999. Some 28% reported no profit or operating at a loss. Agritourism is considered one of the "newer" business practices within the agriculture industry.

We tested two assumptions that are often made about farms and ranches that include agritourism and direct sales in their operations — those who make a profit are:

1. More likely to be smaller and able to add more value to each individual product or service and so able to gain more profit.
2. Farms and ranches that are closer to larger or urban market areas are more likely to gain a profit than those that are further from urban centers.

Based on the survey responses, those assumptions could not be confirmed. This may be due to farms and ranches needing to reach a certain scale of operations or threshold to make a regular profit and once they reach that threshold distance from market area is not a great hurdle or large enough cost to prevent earning a profit. We did not have the data to confirm or refute that possible explanation.

The profitability of agritourism

Nationally as in Oregon, profit for individual farms can vary widely and is dependent on many factors. In the U.S. survey, over three-quarters of respondents reported positive profits for their agritourism enterprises. Not all farms ranked revenue generation as an important goal, and those who did were more likely to be profitable. Operators with more years of agritourism experience and farms with larger amounts of total farm revenue were more likely to be profitable with agritourism.[8]

[7] Census of Agriculture: 1940, Total, Rural, and Farm Population In The United States: 1850-1940, p. 22.

[8] Agritourism Revenue and Profitability – Summary. Survey of Agritourism including On-Farm Direct Sales in the United States. April 2021.

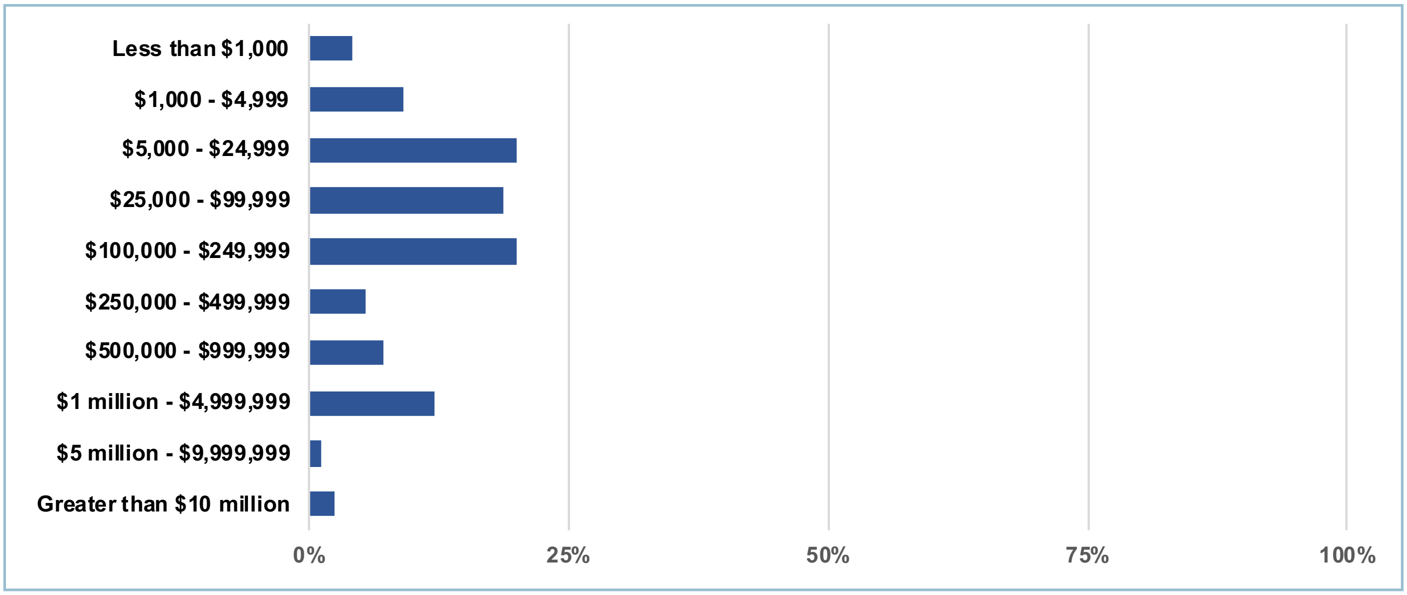


Figure 18. Gross revenue from all farm-related sources in USD, 2018 (n=166).

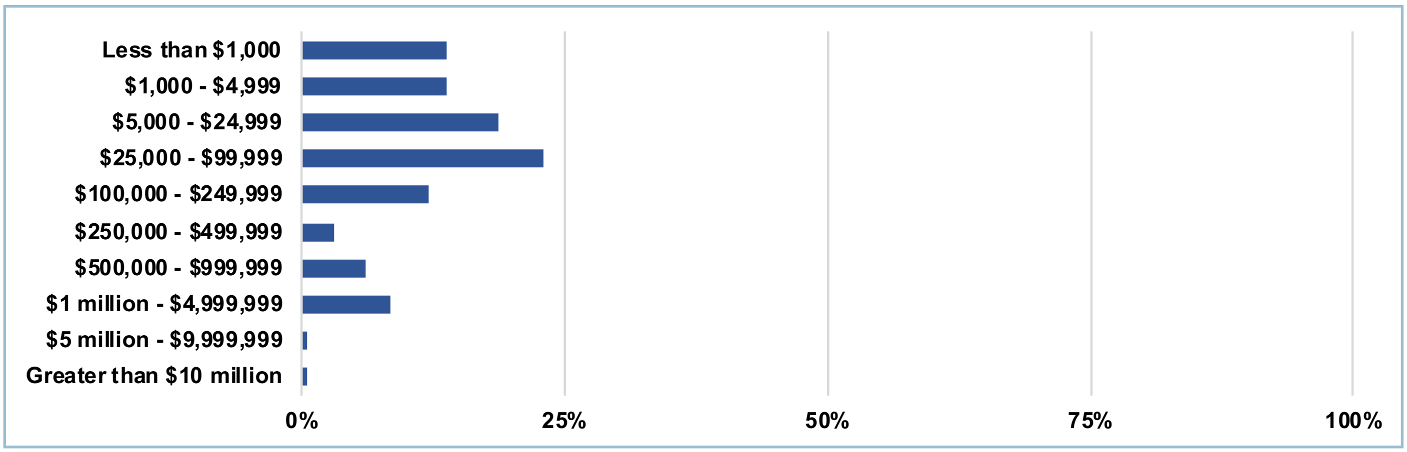


Figure 19. Gross revenue from agritourism sales and services in USD, 2018 (n=166).

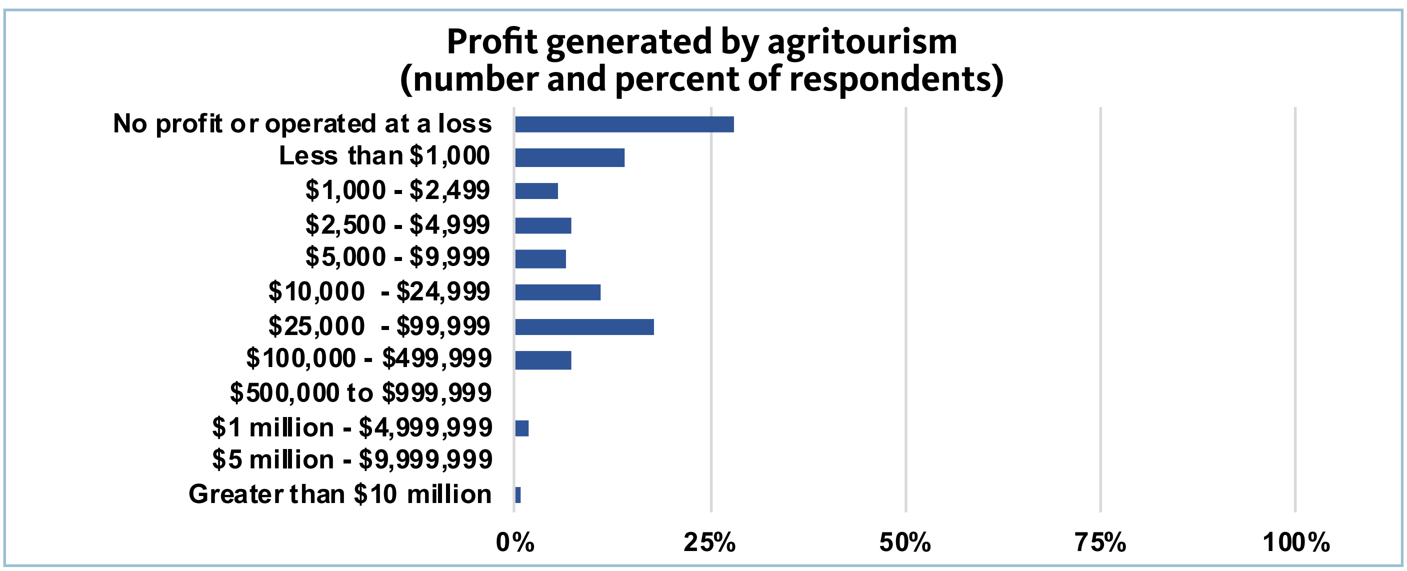


Figure 20. Estimated profit (in USD) generated by agritourism enterprise(s), 2018 (n=164).

Table 8.b. Estimated profit (in USD) generated by agritourism enterprises, 2018 (n=164), is located in appendices

Motivations and goals

Oregon farmers and ranchers were asked to rank the importance of specific reasons they chose to develop agritourism with direct sales. Their range of choices as they answered the questions ranged from "not at all important" to "very important." While all the motivations and goals were reported as important or very important by most of the farmers and ranchers, more than 65% of respondents felt increasing farm/ranch revenue was the most important motivation and goal. Building goodwill in the community was the next important, followed closely by increasing traffic to on-farm sales outlets (Table 11). Respondents were then asked how successful they had been in achieving their goals on a scale of "Very unsuccessful" to "Very successful." Generally, respondents were somewhat to very successful in achieving all the goals listed. The level of success farmers had in achieving their goals did not appear to mirror the importance of the goals. Respondents indicated they were most successful at enjoying the social interaction with public and building goodwill in the community followed by increasing farm/ranch revenue (Table 12). It is reasonable, however, to expect that the increased revenue goal may have been significantly enhanced by the social interaction and goodwill efforts. The impact may have just been longer term, with increased return visits both to the farm or ranch and community.

One Oregon livestock producers says, *"It is more than just profits. It's really important today, if you have the attitude to do it, to open your door to people who aren't in farming and ranching, to help them see the truth about the good work farmers and ranchers do. It's really important that the voice of the ranchers and farmers, the real people that do the work, be heard by most people who don't."*

Nationally, most operators were successful in achieving their goals. However, the most important goal — increasing farm/ranch revenue — is the least successful. Operators are finding great success with important community goals, such as enjoying social interaction with the public, educating the public about agriculture and building goodwill in the community. Financial goals vary widely among agritourism operators. For some, agritourism is a main source of income. Most at least want their enterprises to pay for themselves, but some are willing to sacrifice income for other non-economic benefits. Farmers want to minimize burnout, spend time with and find employment for family members and enjoy what they do. They make strategic decisions about what enterprises to engage in and enter into partnership wherever possible to share responsibility. For many, having visitors to their farms breaks up rural isolation and provides positive encouragement.[9]

[9] Motivations and Goals Summary – Survey of Agritourism including On-Farm Direct Sales in the United States. April 2021.

The charts below allow comparison of farmers' goals and the successes they achieved.

Table 11. Importance of motivations and goals in developing agritourism including on-farm direct sales, 2018.

	n	Not at all important	Not very important	Neutral	Important	Very important
Increase farm/ranch revenue	176	2.3%	1.7%	4.0%	26.7%	65.3%
Build goodwill in community	176	0.0%	1.7%	10.2%	38.1%	50.0%
Educate public about agriculture	177	0.0%	2.8%	15.8%	36.2%	45.2%
Enjoy social interaction with public	177	3.4%	1.7%	16.9%	46.9%	31.1%
Increase traffic to on-farm sales outlet	164	6.1%	6.1%	12.2%	27.4%	48.2%
Diversify farm/ranch market channels	164	3.7%	5.5%	21.3%	33.5%	36.0%
Diversify farm/ranch offerings	163	4.3%	6.1%	22.7%	35.0%	31.9%
Provide family employment	161	7.5%	10.6%	20.5%	29.2%	32.3%
Other	19	10.5%	0.0%	10.5%	26.3%	52.6%

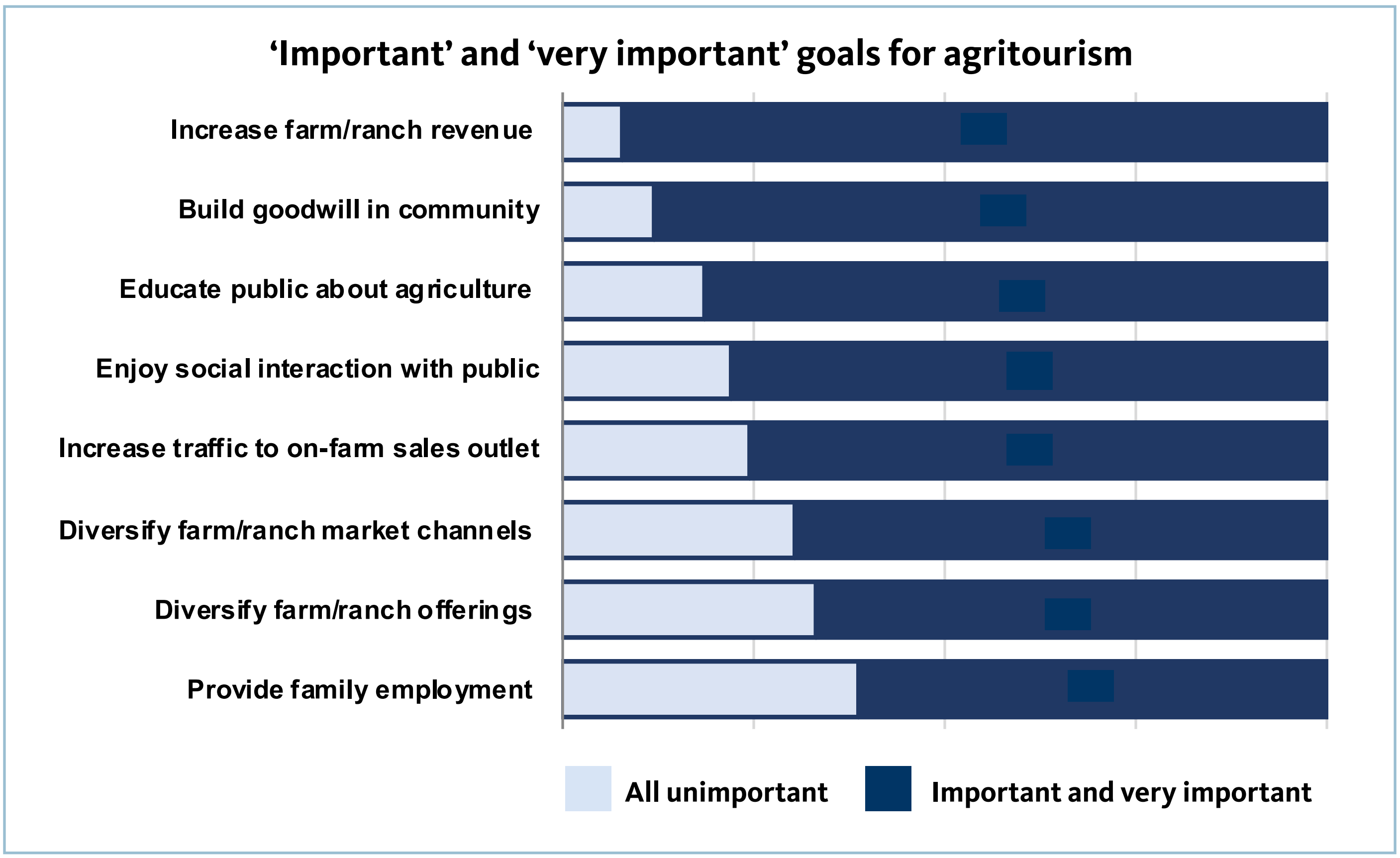


Figure 21. Importance of motivations and goals in developing agritourism and direct sales in 2018. (The number of responses varied among elements from 161 to 177.)

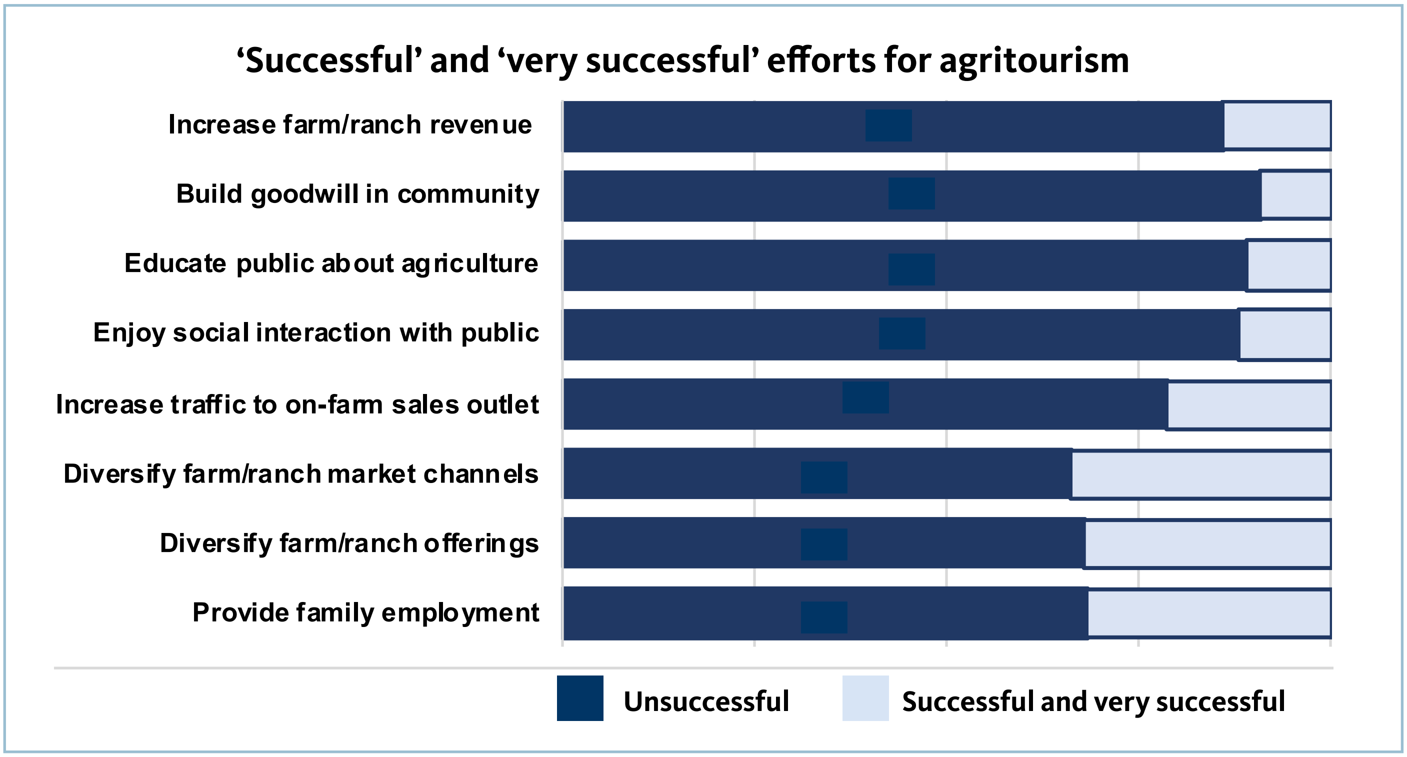


Figure 22. Success in achieving goals in developing agritourism including on-farm sales. (The number of responses varied among elements from 151 to 174.) *Other motivations and goals are listed in appendix.*

Table 12. Success in achieving goals in developing agritourism including on-farm sales, 2018.

	n	Very unsuccessful	Somewhat unsuccessful	Neither successful nor unsuccessful	Somewhat successful	Very successful
Increase farm/ranch revenue	170	2.4%	2.9%	8.8%	33.5%	52.4%
Build goodwill in community	172	0.0%	0.0%	9.3%	31.4%	59.3%
Educate public about agriculture	173	0.0%	0.0%	11.0%	39.3%	49.7%
Enjoy social interaction with public	174	0.0%	0.6%	11.5%	21.8%	66.1%
Increase traffic to on-farm sales outlet	155	2.6%	1.9%	16.8%	37.4%	41.3%
Diversify farm/ranch market channels	157	1.3%	1.9%	30.6%	34.4%	31.8%
Diversify farm/ranch offerings	162	3.1%	2.5%	26.5%	37.7%	30.2%
Provide family employment	151	3.3%	4.0%	24.5%	27.8%	40.4%
Other	13	0.0%	0.0%	23.1%	46.2%	30.8%

Plans for the future

Respondents were asked about their plans for agritourism and direct sales over the next five years. The survey was conducted just before the COVID-19 pandemic of 2020, so farmers' plans may change based on their experiences during the crisis. Prior to COVID-19, most farms intended to expand agritourism and direct sales, invest in more buildings or equipment and/or hire more employees. While 28% of those surveyed indicated they were not currently making a profit from their agritourism and direct sales operations, they must have been convinced that any losses were short term and profits were on the horizon, since only 2.6% intended to close some or all of their agritourism and/or direct sales enterprises.

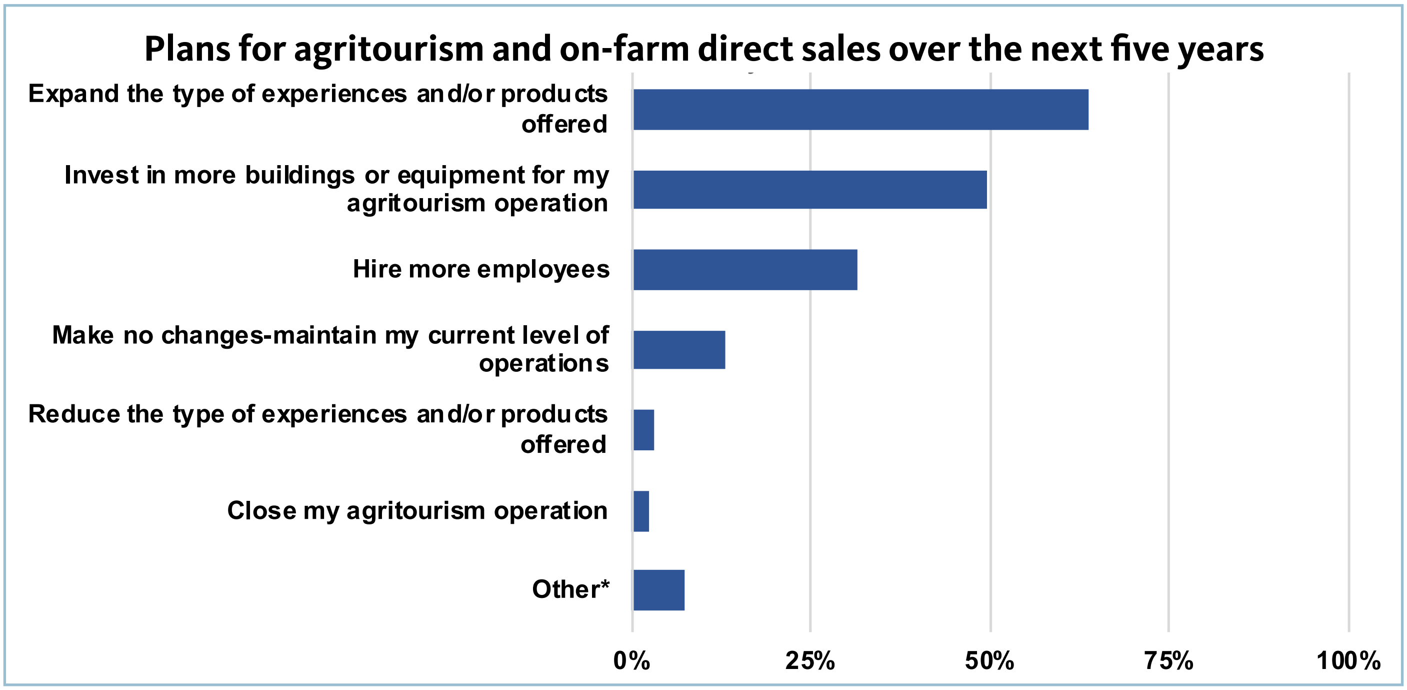


Figure 23. Plans for agritourism including on-farm direct sales over the next five years, 2018 (n=188).

Other plans for agritourism in next five years:

- Develop sustainable revenue stream.
- Explore ways to represent the farm at off-site gatherings.
- I am hampered by county land-use laws.
- More marketing.
- Would like to find someone to manage the farm for the experience and 80%-90% share of income instead of closing.
- Our plans are to expand some experiences and/or products offered, and reduce others.
- Reduction is to improve sales and profits.
- Sell only through off-farm business.
- The top three — expand, invest, hire.
- We are limited by our county as to what we are able to do on our farm.
- We have been over capacity for years.
- Would like to add lodging.

Challenges facing agritourism with direct sales farmers and ranchers

Oregon farmers and ranchers were asked to consider 20 potential challenges they managed in their agritourism and direct sales operations. Challenges for agritourism were offered as a 3-point scale of "not at all challenging" (1), "somewhat challenging" (2) and "very challenging" (3). Figure 24 shows the percentage of respondents who found each factor to be not challenging, or somewhat or very challenging. Time management, labor, marketing, regulations and liability, and cash flow management are the top challenges for agritourism operations. Time management and labor challenges are critical for most agriculture-based enterprises and really all enterprises. Owners and managers struggle to hire employees in whom they have the confidence to delegate decision making both in production activities and sales. That confidence is also dependent on time that can be devoted to training employees, pay scales and the level of competition for employees in the local labor market.

Regionally, liability issues were a top challenge in all four regions. Availability of capital was also a top challenge for all four regions. Regulatory challenges such as taxes and zoning were of higher concern for the West, Northeast and Midwest. And the South had greatest challenges with e-connectivity.[10]

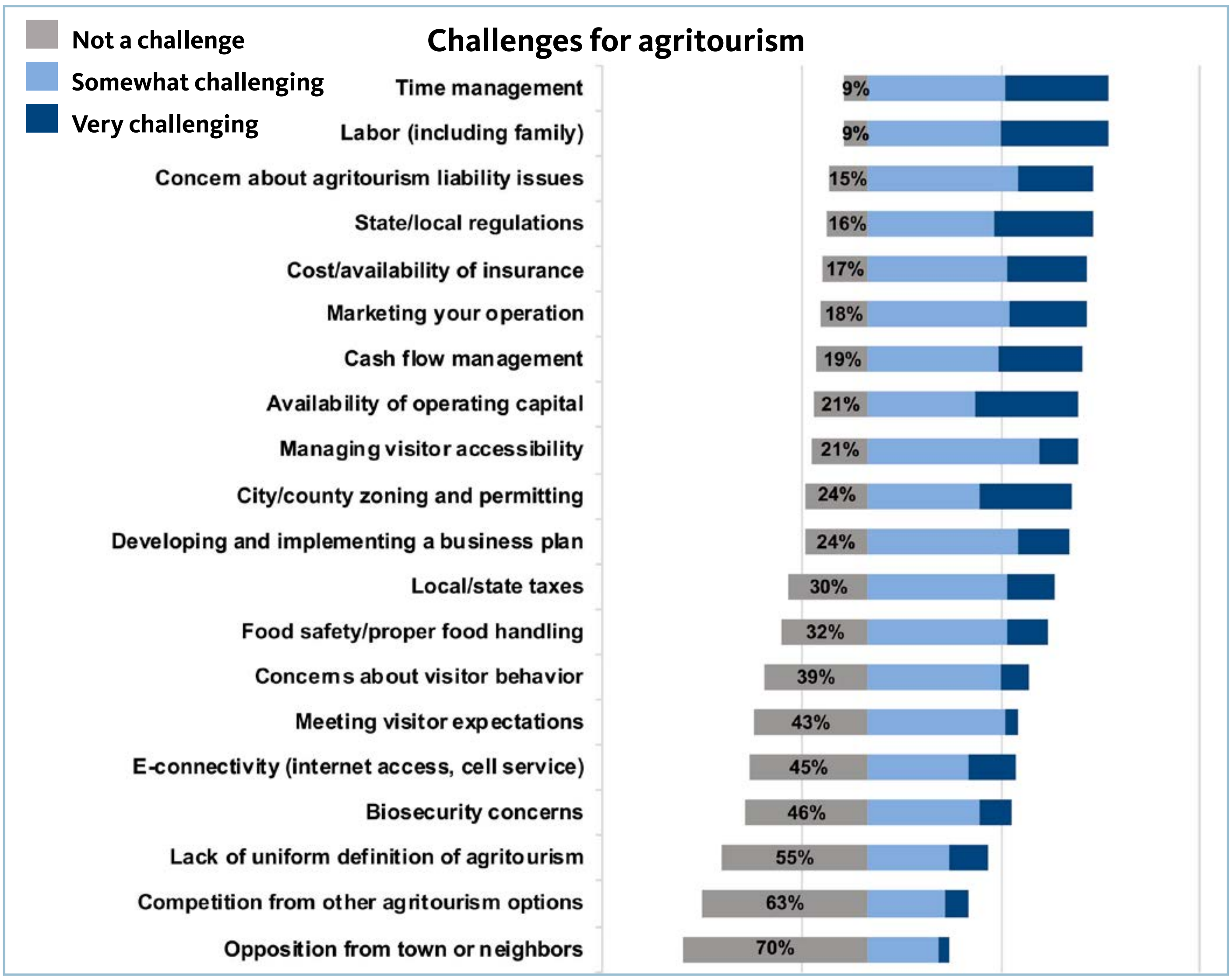


Figure 24. Percentage response to challenges for agritourism including on-farm direct sales, 2018.

[10] Challenges – Summary. Survey of Agritourism including On-Farm Direct Sales in the United States. April 2021.

Other challenges for agritourism:

- Access to stable internet service at our location is an issue. Even though we are only a couple miles from one of the fastest growing cities (Sandy) we have minimal choices and poor connections.
- As a mature operator, many of challenges to new operations no longer a problem or overcome early on before agritourism was on the radar of planning departments as a "problem" when interpreting state regulations.
- Bad weather is always a problem for outdoor events; we deal with that constantly. Local newspapers are often reluctant to give publicity to events they've covered in previous years. New extremely hostile neighbors. Limited parking available for some events.
- Between state and county regulations (and expenses) and focused insurance availability (and expenses), it's usually been impractical to pursue larger events that would generate more revenue.
- Getting people to stop their car and purchase. People buy limited amounts of fruit because they don't know what to do if they bought more. People not knowing how to prepare food for freezing, canning. Includes berries (strawberries, blueberries, blackberries), peaches, winter squash. They need info on how to preserve fruit, pumpkin seeds. People need health information about fruit too.
- Having opened the retail sales to our greenhouse business 36 years ago, I don't think of us as agribusiness exactly — just a garden store too far from town. We don't seem to have good festival and event planning skills here to draw people out. We just advertise in local papers and Garden Time TV show. The main draw has to be a product better than our customers can get elsewhere. That takes a lot of work.
- I would like to be able to build and operate a small facility to make our value-added products on the farm. Zoning restrictions are prohibitive and access to funds for facilities and equipment is difficult. We are currently forced to make our value-added products off-site. This requires extra travel, expense, duplicate insurance and utilities, leasing instead of owning our facility, and other added expenses.
- If your operation looks like it is successful, everyone will try to copy it and every government entity will try to tax and/or regulate it.
- Insurance cost to cover liability for U-cut Christmas tree farm is a challenge. Finding labor during the brief November/December time slot is a challenge. Labor may ultimately influence going forward with our U-cut Christmas tree farm.
- Insurance is the deal breaker for us. We develop customers through social media, Instagram. After several ugly scenes with the neighbor we decided it's safer to sell directly through a meat outlet. We are on 165 acres in an ag zoned portion of [the county].
- Keeping prices low for customers; maximizing local vendors or farmers markets, without lowering my profit margin; trying to pay for employees when I don't have enough revenue coming in; increasing days open and still having enough items to sell; smoky days from state fires where no one visits and my health is compromised by being outside all day, every day; local competitors who bad mouth other stands so they can capitalize on more business; local competitors breaking rules or government guidelines to get a "one-up" illegally. Really, the list goes on. This has been one of the hardest jobs and ventures I have ever been involved in, and I make little to nothing to show for all the effort and work put into this business.
- Land-use laws block innovation. Getting visitors from 50 miles away requires more lodging in our area, but agricultural zoning precludes this. Need to give farmers/ranchers flexibility to provide on-site overnight accommodations if land-use doesn't allow other entrepreneurs to develop in rural zones.
- Liability/fear of lawsuit is always a concern when we are open to the public for three months out of the year.
- Local zoning and land use laws for farm land use are the biggest obstacle to developing venues on the farm and limiting the number of events allowed.
- Logistics of managing a crowd: parking, restrooms, handwashing facilities and the cost/labor needed to facilitate this service.
- Most concerning visitor behavior issues are children and dogs. We want to be supportive of each but do not have specific activities for children or an area for dogs. And we want to be respectful of other customers who may not want to be around children or dogs.
- One of the biggest challenges for the small vineyard/winery/tasting room is that there are a limited number of methods of spreading the information. Tasting room visitors telling family and friends have been our most successful way of attracting new on-farm visitors.
- Our concerns involve maximizing our events allowed for the year. In addition, finding resources (time/money) to invest in the agritourism-related activities we want to offer, building hiking trails, signage and making it safe. In addition, managing our land to facilitate parking for the larger events. Also planning for staffing.
- Our county (Washington County) has not adopted agritourism guidelines set forth by the state which makes it difficult to do things.

- Our farm policy was dropped this year due to our agritourism liability exposure. Currently searching out other insurance options. Insurance is our biggest challenge. Because we host farm stays through Airbnb and have a choose and cut Xmas tree operation our farm policy is dropping us even though we carry separate tree farm insurance
- Participating in local networking opportunities continues to bring visitors to the farm. Many find me online or through referrals. Several repeat visitors.
- Privacy and social media are both a big issue. We are open on weekends and people will drive up during the week and expect us to help them. And if we don't, they sometimes get upset and could post negative social media. People don't read signs.
- Rather than competition being a challenge, we see the advent of more agritourism experiences and products being promoted and delivered well in our region as a positive. We encourage the cooperative "bundling" and marketing of these experiences as helpful to all practitioners.
- Seasonality can be a challenge — conveying the notion of the very limited season for U-pick fresh cherries, for example.
- Small business tax issues and development. Equipment purchasing and planned development and how to best financially do it. Water development issues such as ponds, windmills and land clearing.
- The challenges around regulation and city/county neighbors as the regional needs change/evolve have been restrictive to the growth of our business. For example, limiting our ability to provide food is prohibitive to customer expectations, especially as they consume alcohol.
- The only real problem we had was making a real profit. Unfortunately, most things only pay pennies when you have to make dollars to have a successful business. So we have changed the percentage of direction to increase profit. By residual income, like renters, campers, solar farm, classes, farm dinners, boarding, etc. So that we can make enough money to farm. Cause let's be honest, people don't want to pay premium price for premium product. Unfortunately, people want to pay Walmart prices for everything, In general. So I found other ways to bring in money. But you gotta love farming or it's going to be a long hard road for ya. ... It's OK to fail, just dust yourself off and get up and try again and again and again and until you succeed. Never give up! It has taken me 15 years to finally make enough money that I don't have to have a second job. The key was to redirect focus on what we have a lot of and how we could make money at it. Then come back to all the daydream ideas that we like to do. That might make a few pennies. ...
- The statewide definition is too vague. It needs to be defined at the state level.
- We have been blessed to manage our agritourism activities well and meet the challenges working with the state and federal and county regulations.
- We started the operation in ignorance about all the potential rules and regulations and have just stayed under the radar, so they have not become an issue. If they ever do (water, permits and permit application fees exceeding $1,200), we will close instantly. Not enough margin in money or energy to deal with all of that.
- When we have people on our ranch, they are the type who seem considerate and enthusiastic about being there.
- With the huge increase in wineries in our area, setting ourselves up to be successful gets harder. The piece of the pie shrinks every year, so local marketing is by far the most difficult task.
- Zoning that prohibits on-farm dwellings for farm helpers and visitors

Supports that increased success

Agritourism operators face many challenges, and there is room for service providers, policy makers and researchers to help build the support systems that operators across the country need to succeed.

Respondents were asked about the types of supports that have helped to increase success with their agritourism operation, including on-farm direct sales. They could check all applicable answers. The top responses in Oregon were 56% legal/liability, 54% social media marketing and management, 51% marketing plan development, 49% safety information for having on-farm/ranch visitors and 41% information on types of agritourism offerings were the top supports that increased success.

Nationally, the order of the supports varied slightly from the Oregon responses: 51% social media management, 45% legal and liability information, 43% marketing plan development, 39% website management, 39% farm location resources for the public and 38% safety.[11]

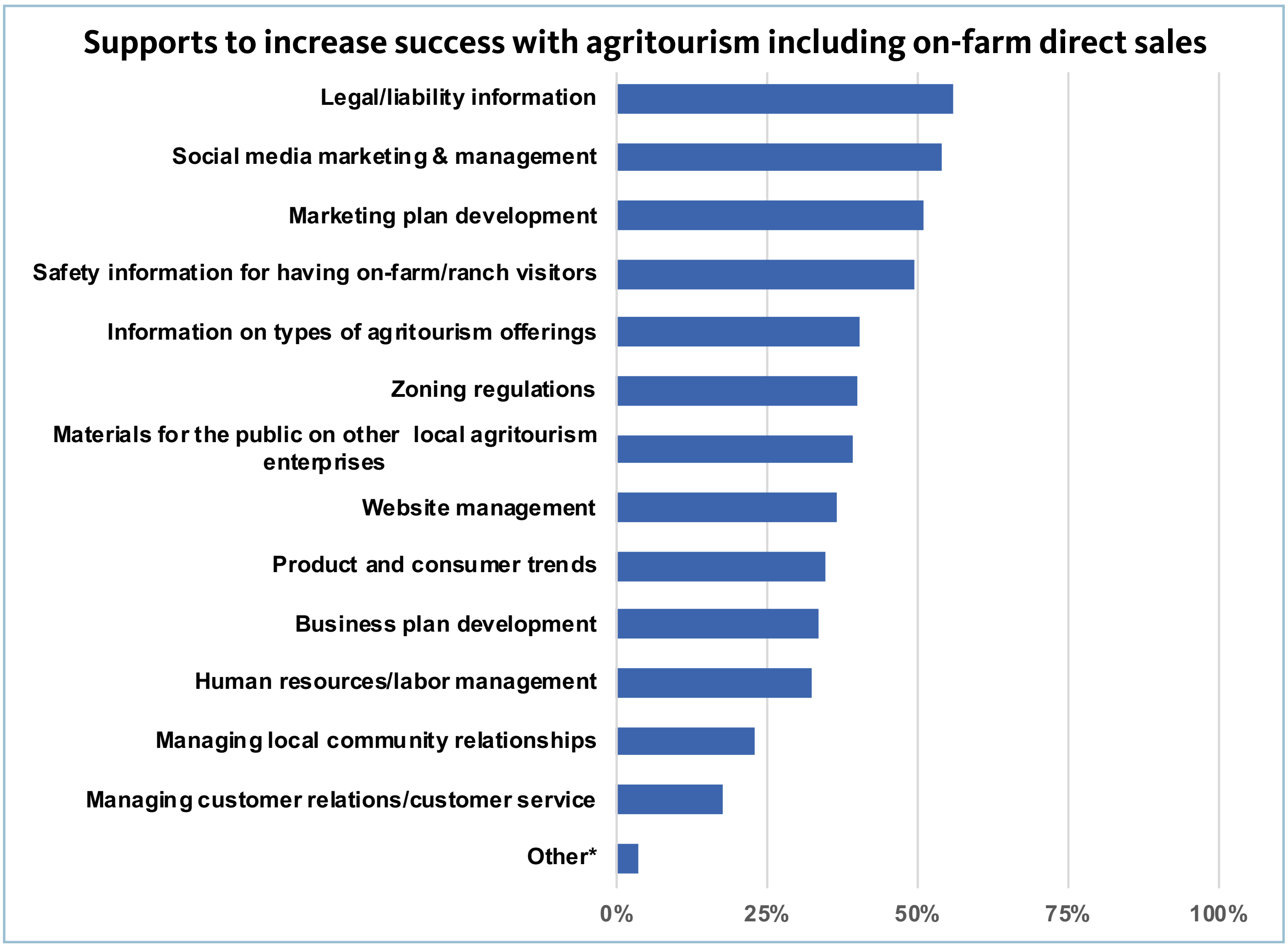


Figure 25. Types of supports to increase success with agritourism including on-farm direct sales, 2018 (n=170).
See Appendix G: Other types of support.

[11] Supports needed by operators Summary – Survey of Agritourism including On-Farm Direct Sales in the United States. April 2021.

Assistance for agritourism and on-farm direct sales

University Extension faculty, tourism specialists and numerous other government and nonprofit industries are available to assist farmers and ranchers overcome hurdles they may face as they work for a profitable and efficient operation. Respondents were asked to rank different types of assistance on a 5-point scale from "very unhelpful" to "very helpful." Location, entrepreneurial skills and family participation were noted as the most helpful of the possible types of assistance, while regulatory support was the least helpful. Location of the farm or ranch can certainly be limiting. Yet, as noted earlier, those limitations can be overcome to some extent with online marketing, partnering with other producers to transport goods and services to market, and regularly setting up stands at farmers markets and providing or contracting for delivery services to consumers. The appendix lists some valuable comments that expand on and detail many of the issues shown in Figure 26.

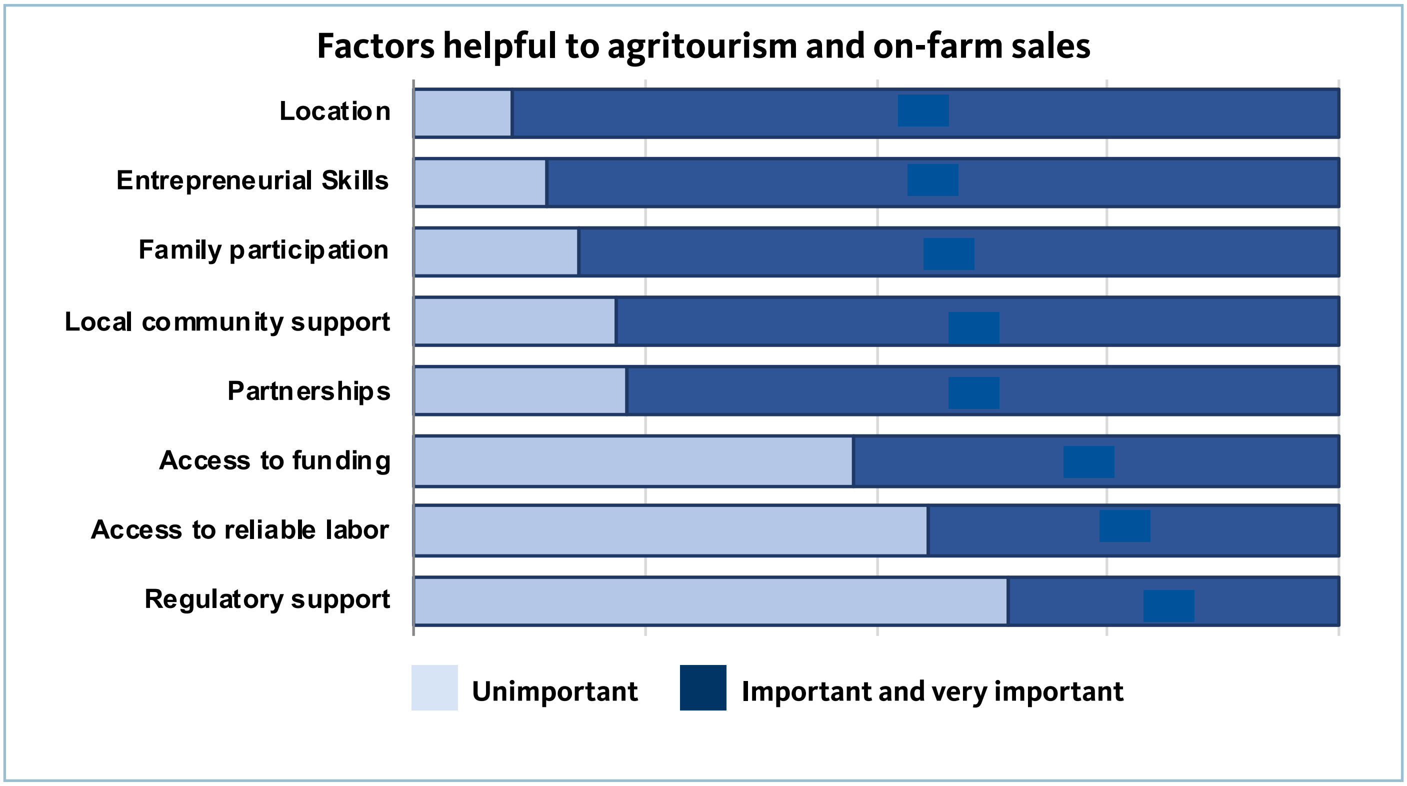


Figure 26. Types of assistance helpful to agritourism including on-farm direct sales, 2018.

Table 14. Types of assistance helpful to agritourism including on-farm direct sales, 2018 and a listing of Other types of assistance are located in the appendices.

Summary

Distinguishing products and diversifying product lines offered by any business is the key to revenues exceeding costs. This is especially true in agriculturally based businesses. Agriculture is one of the most intensively competitive businesses in the economy, primarily because most outputs are commodities. Commodities — whether they are goods or services — are hard to differentiate and continue to differentiate. Farmers and ranchers who devote at least a portion of their operations to agritourism and direct sales often have a much better chance to "decommodify" their products and earn or increase profits. Throughout this report, farmers and ranchers who are already doing agritourism with direct sales have graciously shared their experience and ideas to help other farmers and ranchers and to provide educators, service providers and technical assistants suggestions about how their work can be focused and effective. It is hoped that the results of this Oregon study, and the broader national study, will encourage ongoing discussion, debate and innovation as we continue to improve our understanding of, and supports for, the agritourism industry.

Appendices

A. Methodology

The national survey instrument was customized for Oregon producers in order to incorporate additional questions from partners and to give the questionnaire a local look and feel. The Qualtrics™ survey platform was used to develop and implement the Oregon survey instrument. The link to this survey instrument was distributed by several methods to farms in Oregon with agritourism, including farm direct sales. A direct farm mailing list from Oregon State University Extension Service was used, and convenience sampling using the snowball method was used with several partnering organizations that distributed the online link to their constituency. Examples of partnering organizations include but are not limited to Oregon Department of Agriculture, Oregon Farm Bureau Federation, Travel Oregon, Oregon Mt. Hood Territory, Travel Salem, Marion County Community Services, Marion County Extension and 4-H Service District, Oregon Agritourism Partnership, Oregon Farm Loop, Oregon Wine Board and Friends of Family Farmers.

We received 191 useable responses from Oregon farmers, including full responses and partial responses. Partial responses contained at least 50% answered questions. Partial responses have not been removed for descriptive analysis. Fill-in responses (such as other) have been included below each figure or table or included in appendices and have not been edited except to aggregate duplicate responses, correct typos or replace potentially offensive terms. The total number of responses (n) varies for each question, as some respondents did not answer all of the questions.

B. Other types of products and services

- Wine (9)
- Flowers (2)
- Greenhouse (2)
- Honey (2)
- Lavender products (2)
- Wine grapes (2)
- Antiques and home and garden decor
- Berries, peaches
- Ceramic studio and display room/guest houses
- Cheese, ice cream, vodka
- Cider apples and hard cider
- Confections
- Dahlia tubers
- Education
- Farm stay
- Forest
- Guided fishing/camping trips
- Health and beauty, culinary
- Herbaceous ornamentals
- Herbs, flowers
- Homemade jams, syrups, soaps
- Living history museum that plants and harvests crops on small acreage
- Miscellaneous building materials
- Peonies
- Recreational programs
- Soap, lotion, beeswax candles, baby quilts
- Timber/juniper products
- Train rides
- Trees for timber sold as value-added logs
- U-pick berries
- Wedding venue

Other crops listed include:

- Hay (7)
- Lavender products (5)
- Wine grapes (4)
- Cut flowers (3)
- Christmas trees (2)
- Pumpkins, fall decorative items (2)
- Garlic
- Grapes, hemp
- Grass for cattle
- Grass seed/clover seed
- Herbs and vegetables
- Honey and beeswax
- Hops, grass seed, clover seed
- Spice herbs
- Truffles
- Wine, hay, beef, lamb
- Yacon and yacon products

Other value-added products include:

- CBD products (2)
- Animal portraits/artwork
- Antlers
- Books; paintings by local artists
- Candles
- Crafts from feed bags and horseshoes
- Distilled essential oils and blended fragrances
- Dried flower arrangements
- Dried herbs, pepper flakes
- Eggs
- Fresh and dried lavender bouquets, tea and culinary lavender products
- Hay
- Jams and jellies, oils and butters, baked goods, cut-and-wrapped meats
- Lavender essential oil and fresh and dried lavender
- Lavender jewelry, home goods
- Planters, mixed baskets
- Sachet, eye pillows, candles
- Spice rubs
- Syrups, sauces, teas, spices, baking mixes
- Wine vinegar
- Wine, olive oil, soap and lotion
- Wreath other decorating items
- Yacon tea and syrup

Other animal products include:

- Other animal production (including bees/honey, equines, fur-bearing animals, (10)
- Alpacas (4)
- Bees/honey (4)
- Miniature donkeys (2)
- Beef, poultry and eggs, honey
- Elk meat and antlers
- Farm animals to see and visit
- Grassfed beef and lamb, pastured chickens for meat and eggs
- Honey, soap, candles
- Llamas and alpacas
- Petting zoo
- Poultry and eggs

Other on-farm direct sales include:

- Tasting room (14)
- Wine (9)
- Choose and cut trees (2)
- Greenhouse plant sales (2)
- Agritourism
- All three
- Animals
- Beef sales
- Beef, honey
- Contract
- Delivery
- Direct sales
- Eggs, antlers, gift shop items
- Farm pickup
- Fresh flowers by request
- Individual orders
- Internet sales
- No farmstand, but would allow people to purchase in farm if they called ahead
- Not a CSA but we had an on-farm pick up
- On-farm garlic sales
- Pottery shop
- Sale of live animals
- Seasonal
- Tastings, grapes by the ton or by the acre
- Vendor booths at sheepdog trials
- We sell or use the oats and hay we plant

C. Other types of experiences

Other educational experiences offered include:

- Artist group came to paint outdoors, farm scenes.
- Everything except camps and petting area
- Intern program, wine classes
- It is a historical culinary garden open for public viewing.
- Limited hunting
- Meetings and events
- Observation hive (I figure this doesn't really qualify as "petting area")
- Participation in our vegan meals
- Vineyard practices 101 to guests
- Workshops
- Farm-to-table meals (4)
- Ceramic studio and display room
- Cut flowers, preorder or purchase at farm stand
- Donation of crops through food bank network
- Farm tours
- Group tours for adults and youth
- Hunting
- My county makes it very hard to have events, lodging.
- On-farm direct sales, Entertainment/events
- Pumpkin patch
- Sell to wineries
- Visits to hospital and church events with donkeys
- We are a museum that has historic farming as a focus.
- Wine tasting/purchase
- U-pick

D. Additional (general) comments on challenges and opportunities for agritourism

Respondents were asked to include any additional comments about agritourism in general or about the challenges and opportunities faced by agritourism, including on-farm direct sales.

- As with any farm crop, it is seasonal and only a short window of time.
- Cost of labor restricts profit margin. How do I get people in nearby towns to become aware of what I have and where I am located? How do I get on internet sites when people are searching for farm stands?
- County regulations are the biggest obstacle we face. They make farming too expensive and prohibitive for the smaller farmer.
- Difficult to find reasonable labor. Concerned about liability issues.
- Farmers should be allowed to use their forest areas for camping in order to help pay the expense of forest maintenance and taxes. Also could help during harvest times.
- Gender identity question only identifies the person filling out survey, not the actual farmers. I'd think it would be important to understand who the farmers are either as family or group, how many live on farm and how many work on farm. Just a thought. ...
- Having the public on your property is a huge risk. We also experience petty theft of large batteries out of our delivery trucks, gas is siphoned, and plants are stolen (not by visitors, but by creepy thieves who will pass through during the night.) Security issues, I suppose. Also, Oregon's Legislature is unfriendly to business and continues to add tax upon tax. We may not be able to sustain our way of life and may see LESS capital investment in our facilities, equipment, labor if we are strapped for cash because we have to come up with the new CAT that is new for 2020. Not to mention the carbon tax they are working on passing. We heat with natural gas and we have product trucked in and out. The uncertainty sucks.
- Housing for the burgeoning rural hospitality and tourism industry workforce is tight because vacation rentals are diminishing nontransient housing supply. Allowing wineries, ranches and farms to have overnight stays can alleviate this pressure. This is the lesson Italy learned in the '80s. Agritourism creates value-added farms sales and maintains resident housing pricing in alignment with the labor market.
- Huge opportunities based on consumers interested in visiting farms and having experiential vacations/tours/retreats. Regulatory issues in our state challenge farmers to be entrepreneurial when it comes to agritourism. The answers are almost always "no" with the worst being feared for setting a precedent. It is discouraging. There are not many ways for small farms to be financially viable and agritourism provides one path. If you don't care about small farms and the diversification they offer in agricultural production and the opportunity they offer for putting a face to farming, then don't allow them to diversify into agritourism and pretty soon you will only see hobby farms and large properties that are no longer under production.
- I am a B&B on a farm that offers vineyard education to guests if they are interested. I am in wine country.
- I could not find an Insurance company that would cover my farm business if I sold raw goat milk. I was forced to discontinue my Animal Welfare Approved raw goat dairy. My clients, who picked up their weekly milk supply on farm and at an off-farm location, were very disappointed that I couldn't continue. This de facto ban

also negatively affected my ability to sell my dairy kids, as others have trouble running dairy operations locally.

- I don't want just anyone coming here and walking around, coming to the river (we have beautiful frontage), etc. ... I find they want to take up lots of time and aren't potential clients/students. They want to bring all of their kids like we are a petting zoo or something. So I have made most of my money through Airbnb and have tried to screen the visitors, plus I don't make tours/joining in/education readily available until I have met them. The problem is, I am not targeting who I want. There seems to be no platform for it, so I have to try and create my own. Farm Stay turned out to be just like I described above. I do have some luck with our farmers market stand customers and the many woofers who come to work and live with us.
- I have been to many meetings/events about farming. There are always a bunch of great ideas. But (poor) follow through. Some of the good ideas that actually made it to action were: farm crawl, Yamhill County grown, farm bureau, Willamina farmers market, feast, farm to chef, farm to school, Yamhill county agritourism, Polk County agritourism, Ford Foundation government programs and many more. It's fun but usually lots of talk, little follow through. Especially the bigger organizations. I am sorry, but talk is cheap. Action speaks volumes! Make a plan and do something, anything, to make it better. But I am sick of the excuses. So I stopped asking for help, ideas and took a small group of action-based people and got (things) done. That's my recommendation, is take action! I am a fifth-generation farmer and damn proud of it. What is your superpower?
- I have lived on my farm since 1953. I am 76. I will in the next few years need to consider how much longer I want to operate these businesses.
- I understand the need and importance of strict agritourism laws in EFU zones, but as a farmer, I feel the laws are more geared towards folks who purchase EFU land for weddings/events/etc. The main purposes of our events are community gatherings and education, not to make a large profit. We may stop doing events altogether because of the agritourism permit process.
- If we continue to lose crop processing businesses, farmers will have to find some way to market fresh crops. Agritourism is an awful lot of extra work, though, and requires a different mindset and skill set, and the actual amount of product sold is far less than that to commercial processing. It can make up an income difference, and keep family farms going, but it can't keep all the fields in production.
- It is necessary to have a sustainable farm business!
- Liability risks and the cost of insurance are huge.
- Managing to have enough help in the right places at critical times is the most difficult aspect of our operation.
- Managing traffic is an issue on a small farm.
- In my opinion, it's stupid for a small farm to sell by any method other than direct sales. When you're producing small volumes, why would you ever accept a price lower than the full retail price for that item? And the only way to collect that price is to be full-service retail. Small farms have a history of paying full retail price for their supplies (at farm supply stores and feed stores) and then selling their produce at wholesale prices (to groceries, distributors and auctions). Buying retail and selling wholesale is not a profitable model.
- Zoning challenges.
- No idea where to look for regulatory information.
- Our operation would be profitable but we have opted to reinvest potential profits in growing the business instead.
- Resources or networks for e-commerce groups for agritourism.
- Liability and insurance is potentially another area where education and options are lacking. (Most insurance companies refuse to even talk about it, or go straight to a multimillion-dollar umbrella policy.)
- State and county regulations all but make agritourism impossible for us at this time.
- The fear of being sued and the animal extremists is a big threat and keeps my operation small and intimate.
- The ODA permit tech was extremely helpful when we started direct-to-consumer meat sales.
- The urban-rural divide is growing. It is hard to talk to folks about nontraditional products, and the equipment needed to produce a product. In the timber industry no one wants to talk about small niche wood marketing.
- We are a culinary garden on a historical site, Heceta Head Light station.
- We are glad for the opportunity to share with others the rural life we enjoy. Whether visitors are interested in becoming alpaca owners, or they come to the farm to experience a break from their "regular" life, it is fun to educate them about these "lite" livestock. The farm store is an outlet and an educational avenue for why we raise alpacas. It is the animals themselves that I love and enjoy — we sell alpacas and mentor forward to the new owners. Our store is a consigned collaboration of several local crafters.
- We just started about a year ago and my biggest challenge is parking and visitors managing uneven ground. Liability is a huge worry for us.
- We may not make it. We have put so much of our own money into our operation, and are still at a loss. 2020 will be our sixth year, and it might be our last. We have loved what we do, and what we have provided, but we cannot sustain by continually losing money.
- We need help finding and applying for grants.

E. Other types of assistance helpful

Table 14. Types of assistance helpful to agritourism including on-farm direct sales, 2018

	n	Very unhelpful	Somewhat unhelpful	Neither helpful nor unhelpful	Somewhat helpful	Very helpful
Location	169	1.2%	5.3%	4.1%	35.5%	53.8%
Entrepreneurial Skills	164	1.0%	2.8%	10.6%	34.6%	51.1%
Family participation	150	1.3%	4.7%	12.0%	27.3%	54.7%
Local community support	165	1.2%	3.6%	17.0%	42.4%	35.8%
Partnerships	144	1.4%	2.8%	18.8%	38.2%	38.9%
Access to funding	150	10.0%	10.7%	26.7%	27.3%	25.3%
Access to reliable labor	153	5.9%	19.0%	30.7%	21.6%	22.9%
Regulatory support	146	12.3%	13.7%	38.4%	24.7%	11.0%
Other	9	0.0%	0.0%	33.3%	22.2%	44.4%

Other types of assistance:

- "Visiting to share" has been purely drop in and say hi, or just observe. Regulatory: You not only have to work hard to find regulations, but if you don't ask exactly the right question in exactly the right words you get bad answers. Example: What rules do we need to know about? Answer: None. Truth: There are regulations, ordinances, restrictions, permits and requirements, but none of them are called rules so county officers aren't going to give you a good answer. (Actual experience.) I don't know the right questions to ask, so I am certainly out of compliance with a bunch of stuff and it is not worth the effort to find out all of the things that will shut me down instantly.
- The berry field days at Aurora are excellent. You should be more proactive in recruiting small producers to attend. (Chad Finn was great, we also will miss him.)
- A community that is fantastic in offering wonderful support!
- Access to affordable labor supply is critical to continued operations.
- Access to capital is the No. 1 issue.
- Access to workers is the biggest concern. The ease of finding helpful information.
- Assistance from travel and tourism professionals for training, marketing and building partnerships, plus funding resources, is the most helpful in creating and managing successful agritourism endeavors. Farmers and ranchers are rarely adept at marketing anything other than their own products and even more rarely have the time and financial resources to significantly add to the products and experiences they can offer. Sometimes even a small boost to get them started and to build or enhance their visitor-facing facilities is all they need to help meet their individual goals.
- At this point in time, the profits from on-site agritourism have been insufficient to motivate the farm operators to develop more on-site plans.
- Biggest help has been the community's multigenerational tradition of coming out to our farm. Our advertising is limited because we can only handle so many customers/participants.
- Farm loops don't work for wineries, but winery-specific loops do.
- Having a good relationship with local university and local high school. Working with Watershed Council and Department of Forestry and Department of Fish and Wildlife have all helped bring buyers, experts and the ability to market juniper and bring hunters.
- Whether or not they constitute "partnerships," the existence of other nearby agritourism opportunities seems helpful in promoting awareness and sharing some wisdom, and for building a critical mass of attractions to draw visitors; differences in expectations (of guests) among operations and competition would be drawbacks. Though — to the latter point — we are as busy as we need to be at this point.
- I think more partnering would be great.
- It takes a lot of additional effort to offer more than your basic product.
- Just like anything, there is a strength in numbers for sharing of information of where consumers can go to visit and have an exceptional experience.

- Clackamas County Farm Loops are a good example to look at.
- Most of the “opportunities” don’t exist in my location, so the last question was confusing and not really able to answer well. What access to funding? Regulatory support? Partnerships? Farm loops? I have no idea if or where any of those resources exits.
- My farm received additional exposure by participating in the Rogue Valley Farm Tour facilitated by Rogue Valley Food System Network. This was a tremendous help to drive traffic to my farm.
- Need to know where to go to get labor to pick fruit. Need fewer state regulations to hire young people, and less tax regulations. Need help to let people know about what we offer.
- Networking is key, and fun. We get a lot of repeat visitors and referrals.
- Networking with other farmers, county, city and state organizations.
- Not interested in on-farm direct sales.
- Nothing has helped us grow the opportunity for cyclists who come to Oregon to enjoy our space for a retreat day or two. Even Travel Oregon and its cycling folks have not been able to help us spread the word.
- Oregon land-use laws for agricultural land make it difficult to legally offer many agritourism services.
- Our product is unique, and a small part of the population is interested in wine, so it is quite difficult to market to them. Over time we have developed a nice-sized email list that has been very helpful in our marketing. We also use Wine Direct, which is a very complex system that provides CRM, wine club processing and website all tied together.
- Regarding the support question above: Many/all of those would be helpful if we were just starting out. We have been doing this long enough to have figured out much of the unchecked items ourselves — eventually. We’d be happy to have some support.
- The items noted are challenges, not necessarily finding success here. They are areas of challenge and have not been resolved.
- The local tourism authorities can be very helpful if we have accommodations.
- The Oregon Farm Bureau helps us with labor questions/legal issues that arise. They have been helpful. Having all family members on board with an issue is difficult.
- The trend of interest in buying local product is helping us. Overall trend away from gardening is probably hurting us more than any agritourism support can offset. Difficulty of finding good seasonal labor for crop production and handling is increasing, so we get stuck with inefficient workers who drain profits with slow, poor-quality work.
- Travel Oregon — KEY for us! Eastern Oregon Visitors Assoc. — key for us. Any and all grants offering money to support our local farming efforts.
- Vacation rentals, Airbnb or wineries now having room available has hurt the B&Bs.
- Visiting other operations is fun, interesting and helps to gather new ideas and encouragement.
- We’ve been able to operate the pumpkin operation only employing relatives or friends, who use vacation or days off from their regular jobs or breaks in employment. Government regulatory agencies don’t seem to understand, for instance, why someone who works five hours and is never seen again isn’t covered by health insurance, can’t be garnished, etc.

F. Other motivations and goals

- Brand awareness and diversification from competitors.
- Creative market channels for harvests of utmost importance, in order to continue agriculture activities and ensure profitability.
- Develop farm and be good stewards of the land.
- Educate people on the use and nutrition of farm food direct from the farm. Show them that farms are certificates to their eating healthy nutritious foods that are fresh and wonderful!
- Educate public on benefits of lavender.
- Education.
- Historical.
- Increase DTC sales, Increase tasting room traffic. Educate the public, provide events.
- Network and joint event ideas with other farms.
- Offer a beautiful setting of local beauty and bounty that also reduces our cost of living here.
- On-farm direct sales are higher margin than any other sales venue. Period.
- Productive use of land (instead of just weeds) and tax advantages.
- Promoting vegan farming.
- Provide environmental conservation education.
- Provide summer employment for rural youth.
- Sell pottery.
- We are primarily a museum that offers living history events.
- Winery is our only DTC outlet.

G. Other types of support:

- As we get older and want more winter vacation time, we are finding that we need to partner with a younger person to live on the farm and manage the Airbnb, picking up the payments from the farm store and depositing them, paying bills and managing inventory in the farm store.
- It's hard to target the group I want to draw here.
- More monies for small entries like us to grow our operation.
- Need preserving info to give to visitors. And recipes.
- The brochure developed by a cooperative effort with some farms in the north Salem vicinity is a good example of helpful information to the public/marketing that could be facilitated by Extension.
- We receive a lot of support through the O.A.N. and greenhouse industry publications. The local issues of government regulation burdens and labor management issues always seem to be a constant.

H. Table: Estimated profit generated by agritourism enterprises, 2018 (n=164)

	Frequency	Valid percent
No profit or the agritourism enterprise operated at a loss	46	28%
Less than $1,000	23	14%
$1,000–$2,499	9	5.5%
$2,500–$4,999	12	7.3%
$5,000–$9,999	11	6.7%
$10,000–$24,999	18	11%
$25,000–$99,999	29	17.7%
$100,000–$499,999	12	7.3%
$500,000–$999,999	0	0%
$1 million–$4,999,999	3	1.8%
$5 million–$9,999,999	0	0%
Greater than $10 million	1	0.6%
Total	164	

I. Other off-farm direct sales methods include:

Fairs, bazaars, festivals (9)
Online sales (7)
Beef pickup from butcher
Booth and restaurant sales
Buying club, not a CSA
Chef clients
Direct delivery
Direct to miller
Distribution to taphouses
Grocery store sales/ restaurant wines by the glass placements
Grocery store retail
Juniper logs/firewood/chip logs
Local home/garden show
Restaurant dinners and sales
Restaurant sales
Restaurants
Retail beef
Retail stores (2)
Specialty plant sales
Sponsored vendor events
Textiles in retail stores; restaurants
Vendor events
Vintage events
Wholesale (3)
Wine sales
Wine sales at festivals and events, plus wine sales in stores
Wine sales through retail shops, restaurants and direct ship to consumers
Wine tasting
Wine walks

J. Survey text

If your farm, ranch, vineyard or fishery entertains visitors or conducts direct-to consumer sales, we urge you to participate in this survey about your business operation. Activities we want to learn about include farm stands, U-picks, CSAs, tastings, school field trips, events, tours, hunting, overnight stays and other ways that you open your working landscape to the public.

Oregon State University Extension is part of a national study to better understand agritourism and farm-direct sales. The results of the survey will provide new knowledge about the industry that will drive decision and policy making for agritourism professionals, key community leaders, tourism specialists and university faculty. And, the results will guide the development of tools and resources to increase the success of farms that offer on-farm direct sales, education, recreation, entertainment, hospitality and other types of agritourism.

Farming and ranching is a profession that is often as much about lifestyle as it is livelihood. With less than 2% of the population making a living as a farmer or rancher, there is a need to connect with urban neighbors. One of the best ways to build understanding and support is to invite people to visit farms and ranches to buy direct from the farmer and rancher and have farm-based experiences. In an effort to increase the success of these rural offerings, please complete this survey to help us better understand how farms are engaging with the public.

This survey is confidential, and no personal information will be shared. It should take less than 15 minutes to complete. You may stop at any point and come back to the survey later. It will open to the place you stopped if you are using the same device.

The survey will close Jan. 31. Questions may be directed to audrey.comerford@oregonstate.edu or 503-588-5301.

Results will be made available from OSU Extension. If you have questions about your rights as a participant in a research project, please contact Research Protections Office at the University of Vermont at 802-656-5040.

By clicking the red arrow below, you are volunteering to participate.

Thank you!

Farm or ranch visitors

Do you have visitors on your farm or ranch (paid or unpaid)? Examples could include farmstands, U-picks, CSAs, tours, overnight stays, events, hunting and any other experiences that bring visitors to your farm/ranch.

- ○ Yes
- ○ No

Types of products

What products did you produce on your farm/ranch in 2018? Options listed directly below are general categories. Click through and scroll down for more options. If you do not see an option you are searching for, it may be listed under a different category. Choose all that apply.

- ○ Animals and animal-related products
- ○ Crops
- ○ Value-added products
- ○ Other
- ○ What animals and/or animal-related products did your farm/ranch produce in 2018? Choose all that apply.
- ○ Beef cattle, including feedlots
- ○ Dairy cattle and milk production
- ○ Hogs and pigs
- ○ Poultry and eggs
- ○ Sheep and goats
- ○ Animal aquaculture
- ○ Other animal production (including bees/honey, equines, fur-bearing animals)
- ○ What crops did your farm/ranch produce in 2018? Choose all that apply.
- ○ Oilseed and grain farming
- ○ Vegetable and melon farming
- ○ Fruit
- ○ Tree nut farming
- ○ Greenhouse, nursery, and floriculture production (including Christmas trees)
- ○ Maple syrup
- ○ Other

What value-added products did you produce on your farm/ranch in 2018? Choose all that apply.

- ○ Cheese and dairy products
- ○ Wine, beer, cider or distilled beverages
- ○ Salsas, pickles, jams, jellies, preserves
- ○ Olive oil, nut or seed oils or butters
- ○ Baked goods
- ○ Cut-and-wrapped meat and processed meat products
- ○ Animal fiber and fiber products
- ○ Soaps, lotions, other health and beauty products
- ○ Other

Agritourism, including on-farm direct sales

Which of the following experiences did your farm/ranch offer in 2018? Please check all that apply. Options listed directly below are general categories, click through and scroll down for more options. If you do not see an option you are searching for, it may be listed under a different category. For the purposes of this survey, all direct sales and experiences listed below that take place on your farm/ranch are considered agritourism.

- On-farm direct sales
- Accommodations and lodging
- Education
- Entertainment/events
- Outdoor recreation
- Off-farm direct sales
- Other

What on-farm direct sales did you offer in 2018? Choose all that apply.

- U-pick
- Farm stand or farm store
- CSA on-farm pickup
- Other

What accommodations or lodging did you offer in 2018? Choose all that apply.

- Farm-stay or guest ranch
- Single rooms
- Cabins
- Entire home
- Camping
- Other

What educational experiences did you offer in 2018? Choose all that apply.

- Classes
- Student visitors
- Tours
- Tastings
- Farm or ranch work experience
- Camps
- Petting area
- Demonstrations
- Other

What entertainment or events did you offer in 2018? Choose all that apply. Choose all that apply.

- Weddings
- Farm dinners/meals
- Family reunions
- Festivals
- Barn dances
- Retreats
- Corn and other mazes
- Sports events or other games
- Concerts
- Hayrides
- Children's activities
- Other

What outdoor recreation did you offer in 2018? Choose all that apply.

- Hunting
- Fishing
- Bird watching
- Hiking
- Skiing or snowshoeing
- Biking
- Photography
- Snowmobiling
- Horseback riding
- Other

What off-farm direct sales did you offer in 2018? Choose all that apply.

- Farmers markets
- Off-farm CSA pickup or delivery
- Other

Visitor information

What year did you begin offering agritourism including on-farm direct sales?

Approximately how many visits (paid and unpaid) took place on your farm/ranch in 2018? Count the number of visits, not visitors, so that one person who visited 10 times in 2018 would be 10. A tour bus of 50 people would be 50 visits.

Approximately what percentage of these visits were from people who traveled 50 miles or more (one-way) from their homes?

About how many days per year is your farm/ranch operation open to visitors?

Approximately how many people attended your largest event?

Agritourism information

How important were the following motivations and goals in developing agritourism including on-farm direct sales? If there is an important goal that is not listed, please add it under "other."

Importance of goal choices

- Very important
- Important
- Neutral
- Not very important
- Not at all important
- Not applicable or not sure

Goals

- Provide family employment
- Increase farm/ranch revenue
- Enjoy social interaction with public
- Educate public about agriculture
- Build good will in community
- Diversify farm/ranch market channels
- Diversify farm/ranch offerings
- Increase traffic to on-farm sales outlet
- Other

How successful have you been in achieving the following goals in developing agritourism including on-farm direct sales? If there is an important goal that is not listed, please add it under "other."

Success options

- Successful
- Somewhat successful
- Neutral
- Somewhat unsuccessful
- Unsuccessful
- Not applicable or not sure

Goal options

- Provide family employment
- Increase farm/ranch revenue
- Enjoy social interaction with public
- Educate public about agriculture
- Build good will in community
- Diversify farm/ranch market channels
- Diversify farm/ranch offerings
- Increase traffic to on-farm sales outlet
- Other

If you checked "Other" above, please comment below.

What plans do you have for agritourism including on-farm direct sales over the next five years? Choose all that apply.

- Expand the type of experiences and/or products offered
- Invest in more buildings or equipment for my agritourism operation
- Hire more employees
- Make no changes - maintain your current level of operations
- Reduce the type of experiences and/or products offered
- Close your agritourism operation
- Other

Barriers to agritourism

How challenging are the following for agritourism including on-farm direct sales?

Answer options

- Not at all challenging
- Somewhat challenging
- Very challenging
- Not applicable or not sure

Challenge options

- Cash flow management
- Availability of operating capital
- Developing and implementing a business plan
- Marketing operation
- Time management
- Labor (including family)
- Other

How challenging are the following for agritourism including on-farm direct sales?

Answer options

- Not at all challenging
- Somewhat challenging
- Very challenging
- Not applicable or not sure

Challenge options

- City/county zoning and permitting
- Concern about agritourism liability issues
- Cost/availability of insurance
- Local/state taxes
- State/local regulations
- Food safety/proper food handling
- Biosecurity concerns
- Managing visitor accessibility
- Other

How challenging are the following for agritourism including on-farm direct sales?

Answer options

- Not at all challenging
- Somewhat challenging
- Very challenging
- Not applicable or not sure

Challenge options

- E-connectivity (internet access, cell service)
- Opposition from town or neighbors
- Competition from other agritourism options in your area
- Lack of uniform definition of agritourism
- Concerns about visitor behavior
- Meeting visitor expectations
- Other

Please comment on these or other challenges to agritourism including on-farm direct sales.

Success in agritourism

What type of support would help you be more successful with agritourism including on-farm direct sales? Choose all that apply.

- Product and consumer trends
- Information on types of agritourism offerings
- Marketing plan development
- Business plan development
- Website management
- Social media marketing and management
- Managing customer relations/customer service
- Managing local community relationships
- Human resources/ labor management
- Legal/liability information
- Zoning regulations
- Resource materials for the public on where to locate local agritourism enterprises
- Safety information for having on-farm/ranch visitors
- Collaborating with tourism agencies
- Opportunity to join local farm trail or loop
- Other

Please comment on these or other factors that have been helpful or unhelpful for agritourism including on-farm direct sales.

How helpful have the following been for agritourism, including on-farm direct sales?

Answer options

- Very helpful
- Somewhat helpful
- Neither helpful nor unhelpful
- Somewhat unhelpful
- Very unhelpful

Subject options

- Partnerships
- Location of your farm/ranch
- Entrepreneurial skills
- Access to funding
- Regulatory support
- Local community support
- Access to reliable labor
- Family participation
- Partnering with other local farms or value added product producers
- Partnering with tourism or economic development agencies
- Opportunity to join a farm trail or loop
- Visiting other operations to learn or share best practices
- Other

Please comment on these or other factors that have been helpful or unhelpful for agritourism including on-farm direct sales.

Please choose the state in which your farm/ranch is located.

Please name the county in which your farm/ranch is located.

Please enter the zip code in which your farm/ranch is located.

How many acres is your farm/ranch?

How far is your farm/ranch from a city of at least 50,000 people?

- We are located in a city with a population of 50,000 or more
- Less than 5 miles
- 5–9 miles
- 10–29 miles
- 30–49 miles
- 50 miles or more

What was your gross revenue, in US dollars, from all farm related sources (income before taxes and expenses) in 2018?

- Less than $1,000
- $1,000–$4,999
- $5,000–$24,999
- $25,000–$99,999
- $100,000–$249,999
- $250,000–$499,999

What was your gross revenue, in US dollars, from agritourism sales and services, including on-farm direct sales in 2018?

- Less than $1,000
- $1,000–$4,999
- $5,000–$24,999
- $25,000–$99,999
- $100,000–$249,999
- $250,000–$499,999
- $500,000–$999,999
- $1 million–$4,999,999
- $5 million–$9,999,999
- Greater than $10 million

How much profit (net income) do you estimate your agritourism enterprise(s) generated in 2018?

- No profit or the agritourism enterprise operated at a loss
- Less than $1,000
- $1,000–$4,999
- $5,000–$24,999
- $25,000–$99,999
- $100,000–$249,999
- $250,000–$499,999
- $500,000–$999,999
- $1 million–$4,999,999
- $5 million–$9,999,999
- Greater than $10 million

Demographic information

What year were you born?

Please choose your highest level of formal education.

- High school graduate or less
- Some college
- Technical degree (two-year college)
- Four-year college degree
- Postgraduate degree (master's, Ph.D.)
- Other

Please indicate your gender identity.

- Male
- Female
- Not listed

Is there anything you would like to add about the challenges and opportunities for agritourism including onfarm direct sales? Other comments?

What is the name of your farm? Answer is optional and will be kept confidential.

In appreciation: Thank you to the nearly 200 Oregon producers who took the time to complete this survey. In addition, appreciation is extended to the many agriculture and tourism partners that informed and encouraged their audiences to complete the survey. Thank you to Barb Iverson, who served as a project advisor.

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