

*Opportunities for
Expanding Food and Farm Tourism
in Western North Carolina*

A report prepared by:



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Introduction

Tourism is one of the largest industries in North Carolina. The Travel Industry Association reported total tourism expenditures of \$13.3 billion in the state in 2004, up from \$12.6 billion in 2003.¹ Other models are sometimes used for calculating the economic impact of tourism, including one (the *Tourism Satellite Account* or “TSA” model) which distinguishes direct from indirect tourism expenditures, such as restaurant food sales to tourists (direct) and agriculture sales from farms to restaurants (indirect).² Using the TSA model, total tourism expenditures in NC were estimated at \$18 billion in 2003, with approximately \$2.9 billion of those occurring in the Western region of the state.³

Agriculture is also one of North Carolina’s biggest industries. Cash receipts from agriculture topped \$7 billion in 2002, approximately \$543 million of those earned in the Western region.⁴ Multiplier effects are often used to describe the influence of agricultural sales on supporting sectors such that dollars spent on local agricultural products are recognized to generate additional economic impact to other regional businesses. Agricultural multipliers vary from region to region according to industry structure and other considerations, with figures ranging from 2.0 to 3.0 commonly reported. While calculating an agricultural multiplier for WNC is beyond the scope of this report, it is easy to see that agriculture – like tourism – generates billions of dollars in economic impact to the region.

Talking about agriculture and tourism together is not a new idea. “Agritourism” is the commonly accepted term used to describe efforts to merge the two industries in ways that open up new markets for farmers while providing additional travel experiences for tourists. Simply speaking, agritourism involves visits to working farms for recreation and entertainment purposes. Agritourism activities can be temporary attractions or all-encompassing enterprises. Among the many examples are pumpkin patches, fee fishing and pick-your-own operations.

Agritourism has a long history in North Carolina. Some of the oldest-operating agritourism farms in the state date to the 1940s. A 2005 Agritourism Survey by the NC Department of Agriculture and Consumer Services (NCDA&CS) identified 381 agritourism operations in the state, with nearly one-third of those in the western part of the state.⁵ More than half of statewide agritourism operations started up in the past ten years, suggesting that agritourism is increasingly being considered by NC farmers as a way to supplement farm income and make up for losses associated with rising input costs and falling commodity prices.

A strong and growing local food system creates the background for expanding agritourism in innovative ways. “Food system” is a term used to describe the entire spectrum of food production, distribution, processing and consumption of food. A local food system includes

¹ *Fast Facts: 2004 Economic Impact of Tourism*. 2005. Travel Scope, Travel Industry Association.

² *How Important is Tourism in North Carolina?* 2005. Global Insight, Inc. for the NC Economic Development Board.

³ The Western region is one of seven economic development regions in NC.

⁴ *2002 Census of Agriculture, Geographic Series*. 2004. National Agricultural Statistics Service, USDA.

⁵ *North Carolina Agritourism Survey Results*. 2005. Agritourism Office, North Carolina Department of Agriculture and Consumer Services.

those same processes within a limited geographic area such as a county or collection of counties. Since 2000, the Appalachian Sustainable Agriculture Project (ASAP) has worked to strengthen the local food system as a way to help sustain the region's farm economy.

The strong local food system in the region is linked to a larger, national movement promoting greater local consumption of locally-grown food and farm products in regions all over the country. One advantage of being part of this national movement is the opportunity to learn from what other regions have done to promote their own agricultural sectors. Agritourism is one area where this is particularly relevant. Other regions have successfully used agritourism not only to promote individual farms, but to promote the entire region. In other words, farms and the food they produce represent part of tourists' motivation for visiting the area.

This way of thinking involves expanding the definition of agritourism to include visitors to the region who are interested in making a connection with the region's agricultural sector *that may or may not involve a visit to a farm*. The connection might involve eating at a restaurant or staying at a Bed & Breakfast that features locally-grown food, attending a festival or event celebrating regional cuisine, or traveling a scenic trail through the region's farmland. This is important because, while not all farms can welcome tourists to their farm for events and activities, all farms can benefit from greater demand for locally produced food and farm products.

The research presented here involves two components. The first is a survey of WNC tourism professionals. The goals of the survey were to determine to what extent visitor organizations are currently using the broader concept of agritourism to motivate visitors to vacation in the region, and what potential there is for promoting an expanded concept of agritourism. The second component is a review of some other regions' agritourism activities, with a focus on examples where innovative linkages between tourism agriculture have been developed.

Section I: A Survey of Western North Carolina Tourism Professionals

An online survey for tourism professionals was developed and a link sent to 30 agencies representing the 23 counties of Western North Carolina (WNC). The list of agencies included Chambers of Commerce, Convention and Visitor Bureaus, Tourism Development Authorities and similar organizations, each designated as the lead tourism agency within its county. Several "regional hosts" were also on the list, which are organizations representing distinctive regions within the region – the High Country or the Smoky Mountains, for example. A total of 11 agencies completed the survey for a response rate of 37%.

Results indicate a high volume of visitor contacts. On average, the number of visitor contacts per agency per month was 2,881. June and July were the two highest volume months, with an average number of visitor contacts around 5,000 per agency each month. The actual number of calls varied widely by organization, with some small Chambers of Commerce receiving less than a few hundred calls per month and other agencies receiving in excess of 10,000 calls per month at times.

According to survey respondents, less than 30% of visitor contacts over the past twelve months included discussions of agritourism of any kind. When agritourism was discussed, tourism professionals were most often responding to specific requests from potential visitors. Examples include inquiries about where to find an apple farm or choose-and-cut Christmas tree farm, information about vineyard tours, or the location of a farmers' market.

When there was some mention of agritourism, respondents suggested that it was split about evenly between conversations involving traditional types of agritourism and conversations involving an expanded definition of agritourism. The expanded definition as described previously involves aspects of food and farm tourism that are not limited to an activity or event benefiting a single farm.

When asked whether they thought an expanded definition of agritourism would be a valuable concept in marketing the region to potential visitors, more than 70% of tourism professionals surveyed indicated that it would. In thinking about how they might use the concept, more than half of respondents indicated that they would suggest those types of activities to visitors requesting general information about the region, and a third said they would suggest those types of activities only to visitors inquiring about food and farm tourism opportunities.

Training was the most commonly chosen category of assistance that respondents indicated would be helpful in marketing the concept, followed by maps and print materials, then web-based information. The request for training suggests that tourism professionals need more basic information about how they can promote the region's agricultural sector. This should include information about using ASAP's *Local Food Guide*, which was used by less than half of tourism professionals in the 12 months prior to the survey. Examples of what other regions have done to promote food and farm tourism may also be helpful in this regard (see Section II).

While survey respondents were positive about the idea of promoting the region's food and farm economy in a broader way, the small number of responses to the survey may indicate a lack of interest in the idea. Given the obvious advantages of working through an established network of tourism agencies to promote this concept, barriers to participation should be explored more fully. Partnerships between agriculture and other tourism-related industries (the arts, recreation or hospitality, for example) may also be worth pursuing in order to advance the connectedness between tourism and agriculture in the region.

Section II: New Directions in Agritourism: Examples from Other Regions

Two examples of innovative approaches to combining agriculture and tourism are presented here, along with details about how they are being implemented in selected locations.

Place-Based Agricultural Marketing

The marketing of agricultural products based on the place where they were produced is an approach that lends itself well to combination with tourism. In other words, to put value on an agricultural product because of where it was produced is to put value on that place itself. This idea is relatively new in the United States, although well-established in some European

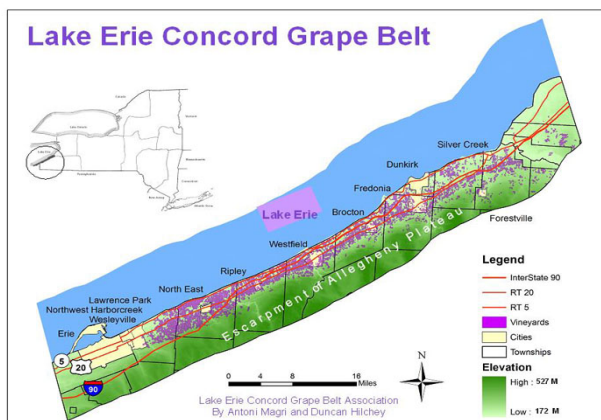
countries. Several initiatives around the country, often led by stakeholder groups of both agricultural producers and tourism professionals, connect a region’s agricultural products with tourism to differing degrees. All rely on a distinguishing label to mark agricultural products from a specified region and also on outreach or promotional campaigns developing the connection between those products and their origins. They vary in the extent to which they also promote the region of origin as a tourist destination. Three examples are presented below.

- The Iowa Place-Based Food Project⁶

This project builds on a previous Iowa project called *A Geography of Taste*, which makes connections between Iowa locations and foods traditionally produced or consumed in them. Maps were developed showing areas across the state where, because of either ecological conditions or cultural surroundings, certain foods have been traditionally produced and consumed (see inset). The *Iowa Place-Based Food* project builds on the *Geography of Taste* project by identifying foods that are perceived by Iowa residents and growers to be most unique to the state. In Phase 1 of the project, food producers and consumers identified foods that are connected to Iowa’s land and cultures using unique criteria in three areas: the food must have an ecological and geographical niche; it must have a heritage basis; and there must be a narrative that explains those connections to Iowa. The challenge of this project, and the researchers’ hope, is to draw attention to the places where these items are produced and so anchor them in a location, rather than just in quality or mode of production. Phase 2 of the project will focus on marketing foods identified in Phase 1, and on developing culinary tourism around the foods.



- The Concord Grape Belt of New York State⁷



A group in New York has produced a study on the feasibility of designating the Lake Erie shore of New York as an Agricultural Heritage Area (AHA). This AHA would be in the same vein as national heritage areas that are recognized for the culturally important events that occurred there, and would presumably draw visitors for the same reasons that a cultural heritage area would. Because the Concord grape was discovered in this area and continues to be grown there in

⁶ For more information: http://www.iowaartscouncil.org/publications_&_resources/iowa-arts-news/2005/july/taste-of-place.htm

⁷ For more information: <http://www.concordgrapebelt.org/>

large concentration, organizers believe that the region has enough “heritage muscle” to draw visitors and to create a niche market for grapes of controlled origin. An advocacy group made up of around 150 growers, tourism professionals, grape producers, processors and other interested stakeholders, has introduced legislation in the state to establish the Concord Grape Belt as a New York State heritage area and has initiated a Grape Belt Industry economic impact study. Informational kiosks along the shoreline, identifying signs at participating businesses and vineyards, and a “traveling grape” educational display that moves around the region are some of the components being used to promote the Grape Belt to visitors. Other actions being considered include tax benefits and incentives for growers, vineyard land preservation activities, a “label of controlled origin” marketing campaign, and an interpretive trail and scenic byway.

- The Missouri Regional Cuisines Project⁸

This project, coordinated by Missouri Cooperative Extension and launched in 2003, seeks to promote the agricultural products of a select “pilot region” by developing local labels of origin. The pilot region, the Mississippi River Hills, borders the Mississippi River and encompasses six Missouri counties. The region primarily produces grapes and wine, but the proposed labels of origin would be applicable to all agricultural products. The larger project would define the origin of agricultural products by ecological regions of the state. The pilot project is run by five stakeholder groups, including wine industry representatives, tourism professionals, agricultural producers, local governments and economic developers. The project has produced a regional tourism map and produces a newsletter filled mostly with marketing information for growers in the region. As quality standards for the labels are developed, all affected industry sections are encouraged to develop relevant guidelines.

Culinary Tourism

Culinary tourism is another major way that localities are connecting agricultural and tourist economies. Culinary tourism refers to visits people make for recreation or leisure that focus on food or eating.

- Food-related tours

New York City and San Francisco both serve as examples of places where strong “tourist awareness” of the cities is already in place. In these cases, entrepreneurs have only to tie regional food and farm products in with the already strong tourist attraction the cities have. A good illustration of this is the culinary tours being offered by private companies in both of these cities in which visitors (or even locals) are ferried to different food destinations around the city.⁹

Tours focus on providing “authentic” experiences of these popular cities with lesser-known destinations and activities that promise to make visitors “feel like a real Franciscan” or to give them an “off-the-beaten-path glimpse of life in New York City.” Tours focus on restaurants and markets, but also incorporate artists’ studios, historic markers, and other distinctive cultural

⁸ For more information: <http://extension.missouri.edu/cuisines/index.html>

⁹ “Local Tastes of the City Tours” in San Francisco: <http://www.localtastesofthecitytours.com/>
 “Foods of New York” tours in NYC: <http://www.foodsofny.com/>

centers of the city that may be inaccessible or lesser known to tourists on their own. The tours, which are personally led by residents of the city, echo other food tours of larger areas like the California wine country, as well as other “underground” tours of well-known cities.

Section III: Implications

Many individual components of the “Examples from Other Regions” are in fact present in WNC. ASAP’s newly developed *Appalachian Grown*TM logo, for example, differentiates food and farm products produced in the region from those produced in other regions.¹⁰ The organization’s *Local Food Guide* also provides information about the availability of locally-grown food in restaurants and other businesses in the area. Other organizations like Handmade in America, the Blue Ridge National Heritage Area and the North Carolina Arts Council promote scenic trails through the region’s farmland.

What seems to be missing in the region is the type of broad-based collaboration present in some other regions highlighted in section II of this report. A group made up of representatives from agricultural support agencies and non-profit organizations, the restaurant and hospitality industries and producers themselves may be able to raise the level of agritourism in the region to one that provides greater impact to both the tourism and agriculture industries. The extent to which such collaboration is backed up by resources – financial and other – will significantly impact its success.

¹⁰ For more information: <http://www.asapconnections.org/AG/AppalachianGrown.html>