HOSPITALITY ON THE FARM: THE DEVELOPMENT OF A SYSTEMS MODEL OF FARM TOURISM

JEFFREY KIDD
Hospitality Management Program,
Northern Melbourne Institute of Technical and Further Education, Victoria, Australia

In this paper the author discusses hospitality in the form of farm tourism, and uses the basics of systems theory to identify the various stakeholders involved in farm tourism. The main factors that are identified that have relevance to farm tourism are those that can be grouped under the following headings: physical, competitive, demographic and socio-cultural, economic, technological and politico-legal influences; together with the inputs (supply) of farm tourism, composed mainly of farmers; and the output (demand) side of the model, which comprises the services provided to guests, and the experiences guests have when visiting farms. This information is then used to create a model which is essentially a review of contemporary understanding of farm tourism, and to briefly discuss the various influences in the model, as well as their interrelationships.

Hospitality, systems model, farm tourism, agritourism.

INTRODUCTION – FARM TOURISM

The marketing of farms for tourism and recreation is not a new concept. For many years farmers have sought to supplement their farm income through providing accommodation and recreation facilities to paying guests. Farm tourism (which is part of rural tourism, also called agritourism or agrotourism) involves farms taking in tourists for visits or short stays. In many cases the income from farm tourism is used to supplement the cash flow from farming operations.

The use of what is basically an agricultural resource to provide tourism benefits involves a number of different stakeholders and individuals, including governments. This paper attempts to bring together all affected and interested parties in a systems model that represents the main aspects of the farm tourism phenomenon.

There are some models of farm tourism that have been proposed but they are mostly limited models of economic or developmental impacts of tourism (Eadington and Redman, 1991; Frederick, 1993; Johnson and Brown, 1991; Kealy, 1991; Stynes and Stewart, 1993; Tooman, 1997), or the psychosocial aspects of farm tourism (Stokes, 1991). McGehee (2007) suggests a limited agritourism systems model which includes agritourism providers, DMOs (destination marketing organizations) and agritourists. Major studies already completed on farm tourism in Australia include those by Ollenburg (2006), Kidd, King and Whitelaw (2004), Kidd (2003), Getz and Carlsen (2000), Williams (1995), and Fry (1984). Other general models that are relevant include the models proposed by Porter (1985) and Walker et al (2009).
This brief introduction to farm tourism activities provides the context in which the model of farm tourism is now developed, and builds the systems model of farm tourism based on the various influences and factors that are listed below. Systems models that have been proposed by various authors are considered and the useful elements of the various models are then combined into a single model of farm tourism, in order to reflect the flows and influences of the farm tourism activity.

A MODEL OF FARM TOURISM

Sharma (2004) and Petric (2003) support Butler and Clark (1992, p. 167) who comment that the literature on rural tourism is still developing and there is a lack of conceptual models and theories. The references to tourism, that are mainly case studies, tend to focus on specific problems rather than taking a broader perspective, and this has resulted in a lack of theory and models that place rural tourism within a conceptual framework. This paper develops a systems model of farm tourism, based on existing systems models and stakeholder models, combined with other models. The model was developed by examining stakeholders in Victoria, Australia, but should be of use as a generic model to adapt to different environments.

General systems theory was developed a number of years ago, with early writers in the field including Boulding (1956), Von Bertalanffy (1968), Churchman (1968) and Ackoff (1971). Checkland (1985) described the origin and nature of systems thinking, and explained how conceptual models may be built using the systems approach. More recently, emphasis has been given to the manner in which systems theory may be used to analyse systems with complex relationships (see for example, Checkland and Scholes,1992). Others (Patton,1990; Skyttner,1996; Wilson, 1990) pursued similar themes, with the principles remaining the same.

A system may be considered to be a physical and/or a conceptual entity, which is composed of interrelated and interacting parts. It exists in an environment with which it interacts. Systems are used to describe many processes, ranging from the micro (an atom) to the macro (the universe). The parts of a system have a preferred state, and will attempt to revert to this preferred state if disturbed, a characteristic called homeostasis. For a business it is usually accepted that profitability is the preferred state. Parts of the system may in turn be systems themselves, and any particular system may be as large and complex or as small and limited as one chooses. To put it another way, systems can comprise a number of related sub-systems.

Obviously the term system has many and varied meanings, some of which tend to be contradictory and in conflict with one another (Patton, 1990). In the context of the present study, the systems approach is used in order to view the place of farm tourism in its total environment, and to make some sense out of qualitative data. This helps to envisage how farm tourism is influenced by a number of environmental factors.

Another way of looking at the parties involved in a system is stakeholder theory, which has emerged as a derivative of systems thinking. The main idea in stakeholder theory is to identify all parties who may have a stake or interest in the activities of the organisation or industry being studied. This in turn has implications for decision making (Reynolds, Schultz and Hekman 2006, Friedman and Miles 2002, Brenner and Cochran,1991; Donaldson and Preston, 1995; Mitchell, Agle and Wood, 1997; Rowley, 1997).

A tourism planning model for managing stakeholders has been developed by Sautter and Leisen (1999). They discuss stakeholder theory in combination with relationship strategy and transaction strategy and propose market segmentation strategies designed to promote alignment of stakeholder orientations. Their tourism stakeholder map that is developed is a basic model,
adapted from Freeman (1984) that shows some of the players in the tourism situation, namely, local businesses, residents, activist groups, tourists, national business chains, competitors, government, and employees.

Other models that are of relevance to the model proposed in this paper are those developed by Porter (1985) and Walker et al. (2009). Porter (1985) proposed an industry analysis model, sometimes called the five forces model, which includes industry competitors, suppliers, buyers, substitutes, and potential entrants.

The main concepts represented in these various models described above have been drawn together in an attempt to formulate a useful model of influences that affect farm tourism. Thus, the stakeholders identified by Sautter and Leisen (1999) have been incorporated under the different headings of the proposed model, and the relationships shown in the model proposed by Porter (1985) are considered in the discussion of the influences and their interrelationships. The proposed stakeholder systems model of farm tourism is therefore that shown below:

**Figure 1. A Systems Model of Farm Tourism**
The various parts of the model are discussed in detail below, and their particular influences in relation to farm tourism are identified.

**FACTORS INFLUENCING FARM TOURISM**

The main physical influences on farm tourism are topography and climate. The geographical situation of a farm may be a substantial factor in customer choice if it relates to an outstanding view or close proximity to other topographical factors, such as beaches, or mountains. Climate is beyond the control of the farmer but is obviously related to choice of area for farming.

Physical influences could include size of farm, type of farm, geographical surroundings, accessibility, views and proximity to other attractions. Remoteness and conditions such as the distance between farms and service centres may increase costs for farmers. Other problems may be in the provision of staff accommodation, access improvements and general communication (Page and Getz, 1997).

The physical aspects of farm tourism also include the environmental impacts of conducting this type of tourism. Concern has centred on the development of theme parks in rural environments, second homes, timeshare, conference centres, holiday villages, and designation of areas such as national parks as special places to visit (Bramwell, 1994; Gartner, 1987; Page and Getz, 1997).

The competition for farms includes a wide range of businesses, including hotels, motels, bed and breakfast providers, guesthouses, caravan parks and tourist resorts. Guests may also choose to holiday in their own caravan or houseboat or camp in their own tent, and they may also visit the homes of friends and/or relatives.

Demographic influences include factors such as trends in the structure or composition of the population as a whole, the increase in older segments of the population, and changing levels and nature of employment. Socio-cultural influences include attitudes and behaviour, or changes and trends in general community attitudes and expectations.

These demographic, social and cultural influences have been investigated by a number of writers (for example Lankford and Howard, 1994; Milman and Pizam, 1988), and it has been found that the demographic and socio-cultural impacts of farm tourism are closely related to economic impacts. Thus, some writers have discussed the employment prospects for local residents as a result of farmers embracing tourism activities, and the impacts on local residents in terms of increased traffic in the area, as well as the attitudes of residents in general to tourism development (Woosnam and Norman, 2010; Woosnam, Norman and Ying, 2009; Wang and Pfister, 2008; Harrill, 2004).

Economic influences include factors such as market conditions in general, interest rates or exchange rates. In terms of farm tourism, the benefits of tourists visiting areas in the country and spending money in these areas would seem to be beneficial to both farmers and local residents. Economic impact studies that investigate the effects of tourism are well documented (Eadington and Redman, 1991; Frederick, 1993; Johnson and Brown, 1991; Kealy, 1991; Stynes and Stewart, 1993; Tooman, 1997).

Research into farm tourism in an economic sense has identified that capital requirements are usually important, as well as the role of marketing, financial advice, and the need for external agents in establishing networks to develop farm tourism ventures.
Technological influences include advances in technology, compatibility of new and old technologies, acceptance of new technology by consumers (or service providers) and radical changes that may come as a result of the adoption of new technology.

Probably the most relevant technological change in terms of farm tourism would be the availability of booking on the Internet. The phenomenon of the electronic visit and the promotion of tourism on the Internet has been documented (Lin and Huang, 2006; Bentley, 1996; Hanna and Millar, 1998).

Technology may include problems of infrastructure - such as the provision of services such as roads, and the supply of electricity or water. Remoteness is seen as a benefit for many tourists, and increased ease of access may cause a larger traffic flow which will destroy this benefit. Local residents often do not appreciate additional traffic flow, but may be amenable to the supply of improved services.

Factors which influence farmers under this heading may be the basic infrastructure of road, electricity, water, waste disposal and telecommunications (Page and Getz, 1997, p. 24). Many writers have commented on the problems caused by outsiders changing the nature or character of an area through unwelcome developments (Byrne, Edmondson and Fahy, 1993; McCool and Martin, 1994).

The suppliers of rural tourism that compete with farm tourism operators are listed by Page and Getz (1997) and include fly-in services, bed and breakfast and guest houses, small country inns and taverns, safari parks, and so on. Their heritage and tradition also make them rural, and they should be organic in structure (based on local resources and population), and traditional in design and character (Bramwell, 1993).

The analysis of the demand for rural tourism is complicated by the fact that many visitors tend to visit both urban and rural destinations on a single trip, and research into the motives of farm tourists is limited (Page and Getz, 1997).

Opperman (1995) found that couples, groups of four and families were more likely to visit farms. He also found (Opperman, 1996) that although farm operators thought that a peaceful environment was the main benefit sought, often farm tourists were using the farm as a base and the farm environment was incidental.

Bramwell (1993) found that rural tourists appeared to be affluent and well educated, and likely to seek quality and spend above average amounts on holidays. Page and Getz (1997) discuss accessibility and spatial factors as an operational issue affecting the establishment and development of rural tourism businesses. They point out that modeling of the processes of spatial variations in the urban-rural travel continuum and the factors that explain them has been of considerable research interest for geographers.

Jenkins, Hall and Kearsley (1997) pointed out that Australian and New Zealand governments explicitly recognize that tourism creates jobs, and stimulates regional development, as well as assisting to diversify the regional economic base of the region involved. Even so, it has been reported that despite the increasing attention given to tourism in rural areas, little research has been carried out into policy-making processes and planning approaches (Hall and Jenkins, 1995; Jenkins, 1993; Jenkins, Hall and Kearsley, 1997; Pearce, 1989). This suggests that tourism policy could have a much greater impact in assisting local communities to play a role in policy-making and planning.
Some local residents might embrace the benefits and rural tourism in general, but there are others who feel that tourism may threaten their solitude or tranquil way of life in the countryside, and that tourism development is not necessarily a benefit to the community (Allen et. al, 1993; Huang and Stewart, 1996; Lankford, 1994).

INTERRELATIONSHIPS OF THE VARIOUS INFLUENCES

All parts of a system are involved with and related to all other parts of a system, so a discussion of some examples of interrelationships is relevant.

Rural depopulation is continuing in Australia along with difficulties in farms being viable, and the need for primary production to become more efficient. At the same time as the rural population is decreasing, however, inbound tourism is increasing, and visits to farms may accordingly increase as well.

Discounting of air fares helps to offset the high costs of travelling to Australia from overseas. The entry of additional airlines may also help to keep prices of air travel down. This lowering of prices could in turn result in an increase in tourists from overseas. Politico-legal influences suggest an increase in regulations regarding health, liquor, transport and taxation, all of which may have negative effects on the profitability of farm tourism. There may be greater focus on rural land use planning and regulation, which may result in diversification into farm tourism becoming more difficult or less profitable.

Choices made by local governments will impact on the competitiveness of farms as tourism providers, and on the attractiveness, to the farmer, of entering the farm tourism industry. Relationships to physical influences can be seen through the provision of infrastructure, such as roads, and the regulation of land use zoning controls that may permit or disallow development in areas popular because of their location, specific views or attractions. Assistance, or otherwise, with promotion of farm tourism may determine how successful farm tourism may become in a particular area.

Local government authorities are also expected to protect environmental and social concerns on behalf of their local community and to provide facilitation for the establishment of businesses. These benefits may be environmental, in the form of sustainable tourist development allowing an increase in the economic wellbeing of the community through the funds (both from the tourists and from other levels of government) that flow to an area with increased tourism, while at the same time limiting the negative effects that increases in tourist traffic flows may cause.

The technological aspects of farm tourism are closely related to the communication with guests and potential guests, and are therefore related to the competitive influences as well. Changes in transportation technology have reduced air fares, as mentioned earlier, which suggests that consumers may be more likely to holiday overseas than within Australia, and could thus reduce domestic demand for farm tourism.

Demographic and socio-cultural influences are closely tied to the changes in the economy as the population ages and the proportion of older customers and potential customers increases. Thus the increased number of people in older age groups seeking to visit farms may help to offset the downturn in the economy caused by the introduction of GST, or increases in interest rates. More discerning customers demand higher levels of service, and training of staff will become more important, with its associated costs.
In general terms, demographic factors such as reduced family size, population increase, urbanization and increased life expectancy are all positive influences on the demand for tourism and farm tourism (Weaver and Opperman, 2000). Smaller families result in greater discretionary income, and greater discretionary time, along with increased opportunities for women in the work force.

Relationships between the various influences are exceedingly complex, and it is difficult to isolate parts of the farm tourism experience from others. In fact, the farm tourism experience may not be solely dependent on the farm itself, but may encompass all the experiences that guests are involved in when visiting the local town or attractions, or the rural area in general. All of these parts of the visit become connected in the memory of the guest, in order to determine future repeat visit behaviour, or otherwise.

Politico-legal influences indirectly affect the guest experience, but strongly influence the farmer and the viability of the farm as a farm tourist operation. Politico-legal influences strongly affect competitors, and the economic situation. Demand is affected by the economy, and by the customer satisfaction of the previous visit, reflected in either repeat custom (or not), or word of mouth opinions of the customers expressed to other potential guests (positive or negative). Physical influences affect the farm and the farmer and the farm tourism experience, sometimes very strongly, as they may be the prime reason for the selection of a particular farm.

Demographic and sociocultural influences affect demand and guest characteristics and, in turn, the inputs from the guest side to the farm tourism experience. These aspects may also affect how the farmers approach activities such as advertising and promotion if they select certain market segments in preference to others (such as young married couples in preference to older families with children, for example).

CONCLUSION

Much remains to be done with regards to research in the area of farm tourism. The interrelationships between the interested parties are complex and dynamic. Farm tourism is a phenomenon that may be of benefit to the farmers, the visitors, local residents, and the economic well being of the community in which the farms are situated. It is hoped this model is of use to those investigating this topic in the future.

REFERENCES


Getz, Donald, and Jack Carlsen (2000). Characteristics and goals of family and owner-operated businesses in the rural and tourism and hospitality sectors. Tourism Management, 21 (6), 547-560.


Petric, Lidiija (2003). Constraints and possibilities of the rural tourism development with the special stress on the case of Croatia. ERSA (European Regional Science Association) Congress, University of Jyvaskyla, Finland.
Wang, Yasong (Alex), and Robert E. Pfister (2008). Residents’ attitudes toward tourism and perceived personal benefits in a rural community. Journal of Travel Research, August, 47 (1), 84-93.