



Agri Tourism – A Business Model of Agri Tourism Development Corporation

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ABSTRACT

Agriculture is the main sector of Indian Economy. Around 65 percent of the population is directly or indirectly dependent of agriculture. Out of total GDP around 13 percent GDP comes from agriculture sector. Providing additional income generating activities to existing agriculture would certainly increase contribution of agriculture to national GDP. Agri Tourism will serve this purpose. Agri Tourism is the latest concept in the Indian Tourism industry. It gives an opportunity to experience the real enchanting and authentic contact with real life. Promotion of Agri tourism needs conceptual convergence with rural tourism, health tourism and adventure tourism.

Agri Tourism Development Corporation, Pune is incorporated to provide the Agri Tourism services to the tourists. The paper focuses on the study of the business model of ATDC. Also it highlights the strategies implemented by the firm to boost the Agri tourism business.

KEYWORDS

Agri Tourism, Rural Tourism, Tourism Industry

Introduction –

Agriculture is the backbone of Indian economy. 68.84 percent people are living in 6.40 lakh villages and produce more than 250 MT of food grains. Out of total GDP 13% GDP comes from agriculture. In rural India mainly the people are involved in the farming. It is supported by allied activities such as dairying; poultry farm etc. which adds some income to their main profession. Agri tourism can be one more service that will be the additional source of income.

Tourism is termed as instrument for employment generation, poverty alleviation and sustainable human development. The world tourism organization has estimated that the tourism industry is growing at the rate of 4 percent a year. Whereas Indian tourism industry is growing at 10.1 percent which is 2.5 times more than the world rate. The tourism sector is one of the major foreign exchange earners for country. Turnover in domestic tourism is more than the foreign earnings. To promote domestic tourism, thrust areas identified by Government of India are development of infrastructure, product development and diversification, development of eco adventure sports, cultural presentations, providing inexpensive accommodation, public participation and facilitation of private sector participation.

Objectives –

- To assess the business model for Agri Tourism.
- To analyse the services provided by Agri Tourism Development Corporation.
- To study the functioning of Agri Tourism Development Corporation.

Scope and limitation -

The study is related to the business model of Agri Tourism. It focuses on the concept of Agri tourism, the scope for agri tourism, the functioning and business model of Agri Tourism Development Corporation. This is a case study of Agri Tourism Development Corporation.

Research Methodology -

The paper focuses on the concept of Agri tourism, the scope for agri tourism, the services and functioning of Agri Tourism Development Corporation. It also reveals the business model for agri Tourism. The research method adopted is the case study method for which secondary data is used. Secondary data is collected from the books, & Internet.

Concept of Agri tourism –

Agri tourism is the latest concept in the Indian tourism industry, which normally occurs on farms. It gives an opportunity to the tourists to experience the real enchanting and authentic contact with the rural life, taste the local genuine food and get familiar with the various farming tasks during the visit. Tourists can relax and revitalize in the pure natural environment. The urban life is becoming more hectic and complex. The corporate world has provided good employment avenues but along with this it has increased the stress level and the complexity. With the experience of Agri tourism the people can get relaxation. Because of the urbanization, many children as well as the adults do not have an idea about the rural life and the agriculture. Agri tourism provides them a chance to experience rural life and see the agricultural activities.

Agri tourism includes opening up farms to tourists from urban areas and from abroad, and letting them to take experience of rural life. Apart from telling them about the various crops and how they are sown and harvested, agri tourism exposes tourists to traditional food, handicraft, culture, music and language. Tourists can get an experience of rural activities such as bullock cart rides, milking cows and goats and picking farm fresh fruits and vegetables etc.

India has entered amongst the top 10 tourists' destinations list. Value addition by introducing novel products like Agri tourism would strengthen the competitiveness of Indian tourism industry in the global market. There are an increasing number of tourists preferring non urban tourist spots. Hence, there is scope for promotion of non urban tourist spots in interior villages by establishing Agri tourism centers. India has a global edge in its potential to offer unique experiences, particularly linked to rural India, which has tremendous wealth in its rich tradition, lifestyle, culture and wisdom. Tourism in these areas is at a nascent stage and therefore requires promotion of the Agri tourism services.

Scope for Agri tourism –

Agri tourism brings major primary sector agriculture closer to major service sector tourism. Scope for agri tourism can be illustrated as follows –

Presently, the tourist services are costly and availed by the small portion of the population. Agri tourism services can be made available at the affordable prices.

In India, there are more than 6 lakh villages scattered all over

the country because of which tourists can avail agri tourism services from the nearest villages. This provides a good alternative which is less expensive and with a limited time period.

Urban population has curiosity about the rural life. Agri tourism provides scope for re- disclosing the rural life which is rich in diversity.

Villages provide recreational opportunities to all age groups i.e. children, youngsters, middle and old age people, male or female in a family.

Urban life is full of stress, people are in search for peace and relaxation, agri tourism fulfills their requirements.

By arranging the educational tours for the school children in rural areas, opens up the doors of knowledge about agriculture science for them.

Many tourist places are over crowded with the tourists. Because of this reason agri tourism can become a good alternative for the tourists.

Agri Tourism Development Corporation –

Agri Tourism Corporation was started in July 2005 to provide agri tourism services to the tourists. They started providing agri tourism services with their pilot project at Baramati. After the success of the pilot project, they expanded their activities by registering the other farm owners with ATDC located in different parts of Maharashtra. These farms are called as Agri Tourism Centers. There are 152 such Agri Tourism Centers registered with ATDC. These centers are as per the standard norms prescribed by ATDC. It is mandatory for the Agri Tourism Center to have at least 3 well furnished guest rooms with attached toilet/ bath room, hygienic Kitchen with dining facility for serving the traditional food. The tourism packages are for 1 day, 2 days – 1 night, 3 days – 2 nights stay and includes the tea, breakfast, lunch, dinner and activities such as venturing into the agricultural farm, Emu bird farming, irrigation system, flower garden, animal rides, cow milking, rural art and craft etc. ATDC has 2 offices to arrange the tours one is located at Baramati and the other is at Pune. ATDC provides guidelines and training programmes for the farmers to run the Agri Tourism Center.

ATDC operates with 152 Agri tourism Centers located at the different districts in Maharashtra. As this is a service industry, ATDC provides the experience of the farm visit, stay in the pollution free environment, taste of the traditional food, climbing tree, buffalo riding, enjoying fresh fruits and juices from farm, doing farm activities, enjoying the festivals, melas etc. The farm tourism experience is offered in the form of tour package to the customers as per their requirements. For accommodation, different kinds of facilities such as special rooms, dormetry, bamboo house, and tent are available. ATDC make the tour arrangements for the individuals, family, schools and even for the corporate organizations.

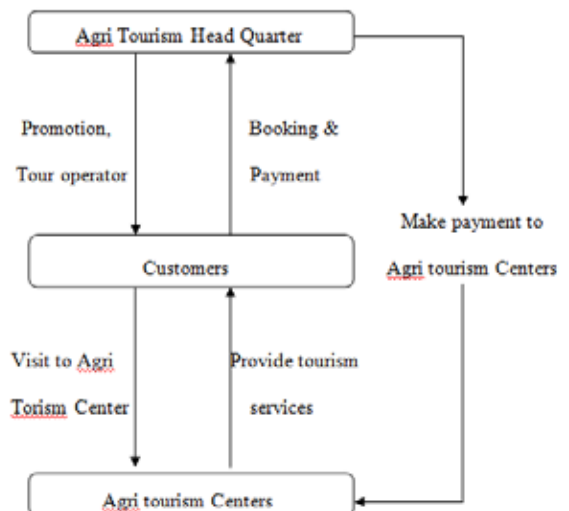
ATDC decides the prices considering the location and the facilities available at the Agri Tourism Centers. Agri Tourism Centers which offers agriculture and rural life as attraction are keeping low prices where as Agri Tourism Centers located near the tourist destination like temples, hill stations are keeping the more prices. The prices may vary depending upon the duration during the year. Prices of Agri Tourism Centers are higher in peak season i. e. November to January and lower prices during the rest of the period. During rural festivals and on the special occasions like melas, fairs prices are high. The prices for tours are decided by the ATDC and the customer make payments with ATDC. ATDC keeps 30 percent of the payment as a promotion and facilitation charges and the rest

of the payment is transferred to the respective Agri Tourism Centers. The price includes the food charges, staying charges and service charges. Prices vary as per the accommodation facility availed by the tourists. Also variable pricing policy is adopted for the different customers.

Different kinds of accommodation facilities are made available with the Agri Tourism Centers. Accommodation facilities such as dormitory, tent, cottage, rooms are available with the centers. The prices of the agri tourism services depend upon the type of accommodation facility. ATDC provides transportation facility to the customers on demand by charging the transportation cost. This service is made available with the help of travel agents or the tour operators.

Promotion for Agri Tourism Centers is done by ATDC. ATDC promotes agri tourism services by focusing on advertisement and personal selling. Advertisements in the local newspaper are given by the ATDC. ATDC's sales executives promote services in the schools and the organizations such as IT companies. Also they promote the agri tourism services through travel agents and tour operators. Basically the promotion takes place through mouth to mouth publicity. As the accommodation capacity of Agri Tourism Centers is limited, direct marketing is enough.

Business Model -



Conclusion –

Agri tourism is unraveling various facets of village life. It gives an opportunity to the tourists to experience rural life, taste the traditional food and to live in a peaceful environment. ATDC has started with a one agri tourism center and now they are operating with 152 centers. At present few agripreneurs are involved in providing the agri tourism services. The promotion of agri tourism requires support of Ministry of Agriculture, Central and state tourism department and farmers. Very few Agri Tourism Centers are commercially operated. So there is a need to promote the concept to attract the farmers to get involved in the agri tourism service industry. As this is a service industry farmers need to be oriented on maintenance of facilities, hospitality and public relation. Urban customers demand for the facilities like safe and clean accommodation, clean water and hygienic food from the agri tourism service provider. To increase awareness amongst urban customers' mass media like television and radio can be beneficial. Agri Business companies should promote the services in consultation with the companies, government agencies, farmer's co-operatives and NGOs.

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