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OF WINE AND WILDLIFE: ASSESSING MARKET POTENTIAL FOR COLORADO AGRITOURISM¹ **Dawn Thilmany,² Martha Sullins,³ and Alex Ansteth²**

The objectives of this fact sheet are to put the findings of a survey of Colorado agritourism visitors in the context of developing a broad strategic marketing plan to help agritourism enterprises in the state to target the consumers with the greatest potential for visiting agritourism enterprises while traveling to and within Colorado. In addition to quickly summarizing findings on overall visitorship and traveler activity, the fact sheet will discuss some regional differences across Colorado and where market trends may indicate opportunities for increased tourism activity within communities who may wish to explore marketing their area and its recreational enterprises.

Agritourism is defined as any activity, event, and/or service related to agriculture which connects consumers with the heritage, natural resource, or culinary experience that they value. There are three general classifications of agritourism activities: on farm/ranch activities, food-based activities, and heritage activities. Wherever these activities occur, be it at a farm, rodeo or farmer's market, all provide many positive influences like education, outreach and economic development.

Tourism trends in the United States and Colorado

As a major part of the travel and tourism industry, agritourism has become increasingly important in the

Intermountain West over the past two decades. Of the 3,142 rural counties in the US, 106 employed more than 1000 people in travel and tourism jobs with some counties recording 90 percent of total employment in the travel and tourism industry. These numbers speak for themselves; tourism is an industry with a major economic impact on Colorado counties, and this impact is likely to grow as US incomes rise and the demand for unique recreational experiences continues to grow.

This is the first report in a series of studies that will explore agritourism in Colorado. The goal of this series is to look at macro-trends, to explore the opportunities and weaknesses that Colorado's agritourism industry faces, as well as more specific visitor behavior, to assist individual communities and enterprises in developing marketing strategies in plans.

This report begins with some broad trends and statistics about Colorado's agritourism sector, meant to illustrate the general level of activity, how in and out-of-state visitors may vary in their traveling behavior and spending, as well as an introduction to how agritourism activity varies across different regions of the state. Although each of these issues will be explored in more detail in future reports, this study provides a summary of some of the key trends and statistics.

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Keeping this in mind, the following information summarizes the findings on overall visitorship and traveler activity for agritourism venues.

AN OVERVIEW OF COLORADO AGRITOURISM AND VISITATION

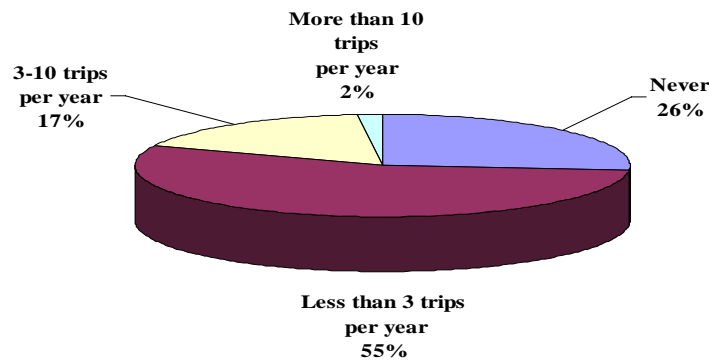
The primary focus of this study, and initial report, is to explore travel behavior by Colorado visitors, and specifically focus on the role of food, wildlife and agricultural activities in the broader tourism sector.

Among our respondents, the majority took three or fewer trips per year that included agritourism activities, with 26% reporting no such trips (Figure 1).

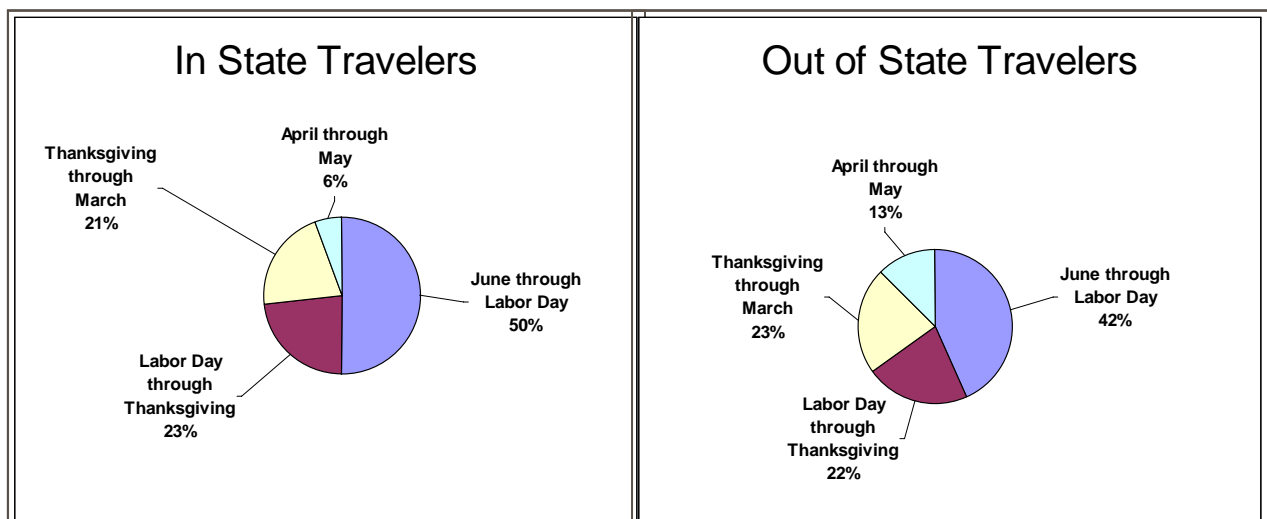
However, nearly 1/5 of all respondents participated in ag-related activities on their trips more than 3 times a year, a relevant target market for the state and any farm/ranch enterprise. Of these travelers who participated more frequently in agritourism activities, 56% were Colorado residents.

An important element of defining agriculture's role in tourism is delineating whether any tourism is driven by the intention to participate in agritourism activities. Out of 1003 total respondents, 246 reported that agritourism was a primary or secondary reason for their trip to Colorado. Figures 2a and 2b depict the percentage of agritourism visits per season from these respondents who said that agritourism was a primary or secondary reason for their visit.

Figure 1: Frequency of agritourism trips for 2005 and 2006, n=1,003



Figures 2a and 2b: Share of Agritourism-Related Visits by Season, n=246



Not surprisingly, there are some dominant seasons, with the summer and fall showing the highest visitation rates. This may seem logical given this is the season with school vacations and the majority of family travel, but it is also the time of year when much of the interesting activity is happening on farms and ranches for travelers to explore (for example, production and harvesting of agricultural crops). There is a large share of travel that happens in the winter season, which is expected given the high profile of Colorado's ski industry, but provides more limited opportunities for agritourism. Yet, creative enterprises might realize there are opportunities to provide diversions for those accompanying skiers, but who do not ski, such as wine tastings, sleigh or horseback rides, snowmobile excursions and holiday farm or ranch getaways.

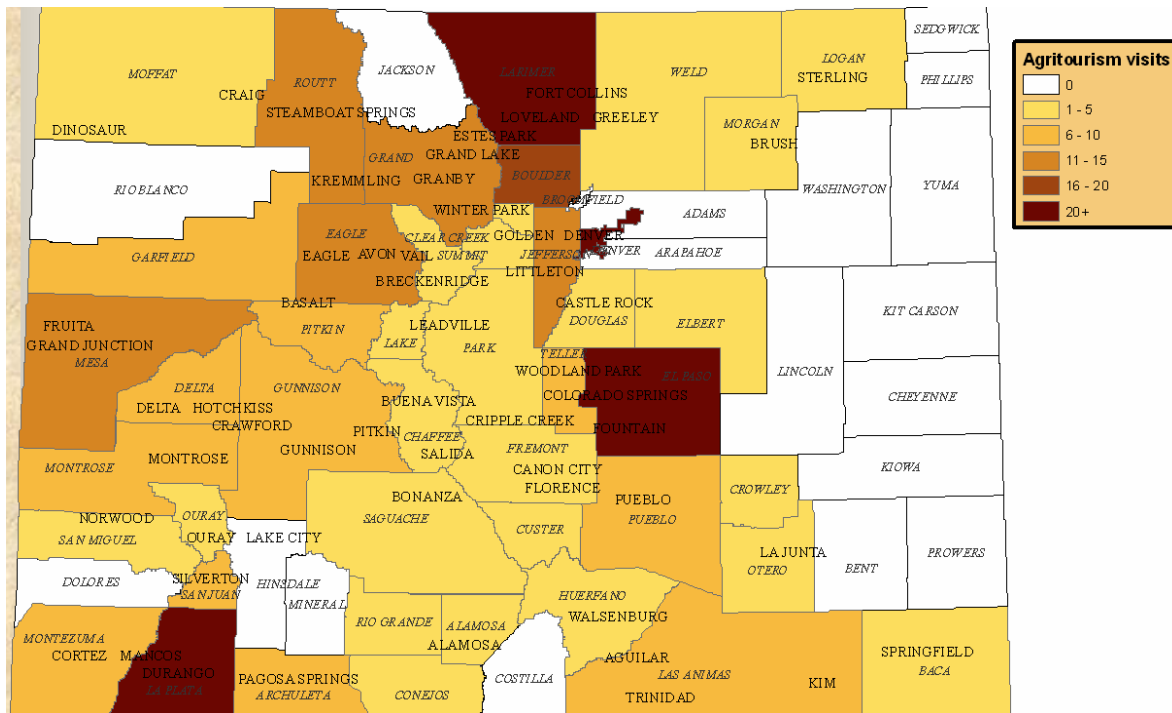
Finally, the share of visits during the fall harvest season is of great interest since that has often been considered a slow, shoulder season by the Colorado tourism indus-

try, and any increased visitation during this season can help fill the underutilized capacity in the lodging and service industries that occurs following the busy summer and winter travel seasons.

There are no major differences in seasonal travel between in-state and out-of-state travelers, although out-of-state travelers were surprisingly more distributed across the year, with more visits in both the winter and spring seasons.

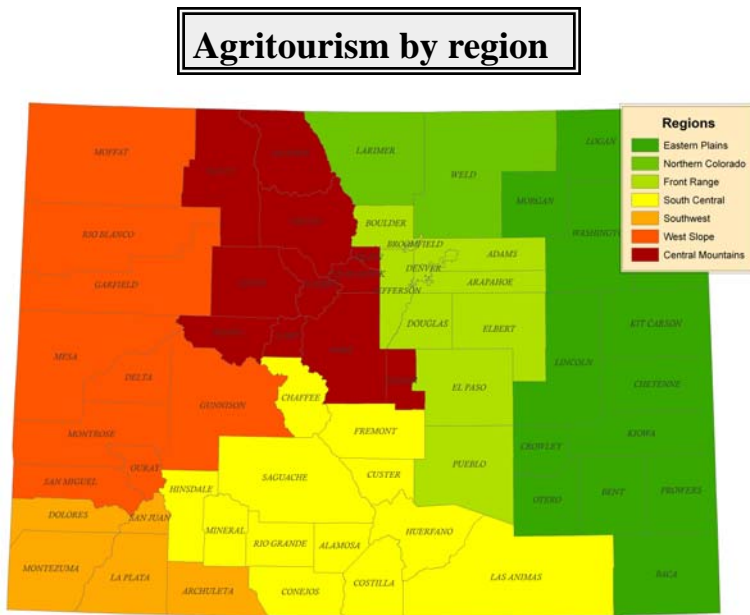
Beyond seasonal variation, there are significant differences in the areas of the state visited by agritourism-oriented travelers (similar to all travelers to Colorado). Figure 3 shows that there are some dominant counties in terms of the number of visitors, anchored by Larimer County (home to Rocky Mountain National Park), the Denver metro region and Durango (with its access to all Four Corner state residents).

Figure 3: Agritourism Visits by County (N=363)

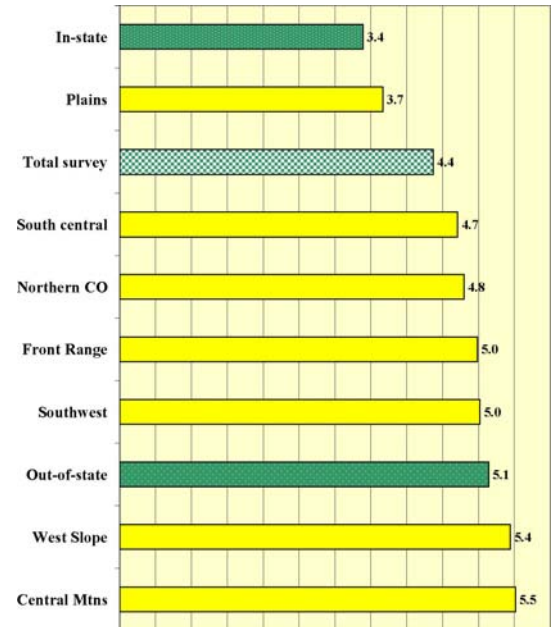


Note: Not all survey respondents provided information on the region in which they participated in agritourism. Therefore 72 observations are missing.

Figure 4: Agritourism Visits by Region (N=363)



Average number of days per trip involving agritourism



The mountain region also saw a relatively large number of visitors, and there were visits to 45 of the state's 64 counties, but there are clearly challenges to present a tourism-oriented message for a couple of the state's regions. Figure 4 shows more clearly how regions differed with respect to visits, with a focus on the number of days spent in the area. Not only were there more visits to the mountains, West Slope and Southwest, but visitors spent more time related to agritourism activities in those areas. Some might argue that is because this region has made a concerted effort to do cross-promotional marketing and to diversify their activity base (wine region, hunting/fishing excursions, ranch visits, food festivals).

DEMOGRAPHICS

Of the 1003 respondents to the survey, 503 were from Colorado and 500 were from targeted metro areas in adjacent states of the region. The travelers who came to Colorado to participate in agritourism between 2005 and 2006 can be summarized with the following demographic information:

- The average age was 46 years
- Income
 - ◊ 37% earned incomes over \$75,000 per year
 - ◊ 12% earned incomes under \$30,000 per year.
- Family Status
 1. Marital Status
 - ◆ 73% of travelers were married
 - ◆ 27% were never married, or were divorced, widowed or separated
 2. Family composition
 - ◆ 28% were young couples with no children
 - ◆ 22% were families with children over six years of age
 - ◆ 20% were young families with children under six
 - ◆ 15% were retired couples
 - ◆ 15% were singles and of any age
- 90% identified themselves as White (7% of whom specified Hispanic ethnicity)
- Overall, 57% of travelers came from out-of-state (but within the Four Corners region)

These numbers would suggest that travelers are more likely to have higher incomes (consistent with other tourism studies), but that there are many medium and lower income households looking for affordable activities and travel options as well. The dominance of white households is a little surprising given the state's diversity, although Hispanic households are not as represented in this survey as they should be given Census statistics (a common issue with surveys to this consumer segment).

AGRITOURISM ACTIVITIES

For this study, agritourism was very broadly defined to include myriad farm and ranch based activities, food and culinary events and enterprises, as well as events and diversions that relate to the Western heritage of the state. Table 1 shows the absolute number of times that respondents reported participating in agritourism activities during their last trip to Colorado in 2005 or 2006.

On-farm wildlife and nature activities were the most popularly cited of all listed activities (of which this table only presents a subset). Among food activities, farmers markets were the most popular while historical museums and sites were the most commonly noted heritage activities. The total participation (1047) is higher than the number who have visited and sought out agritourism (435) because some respondents participated in more than one agritourism-related activity during their trip to Colorado.

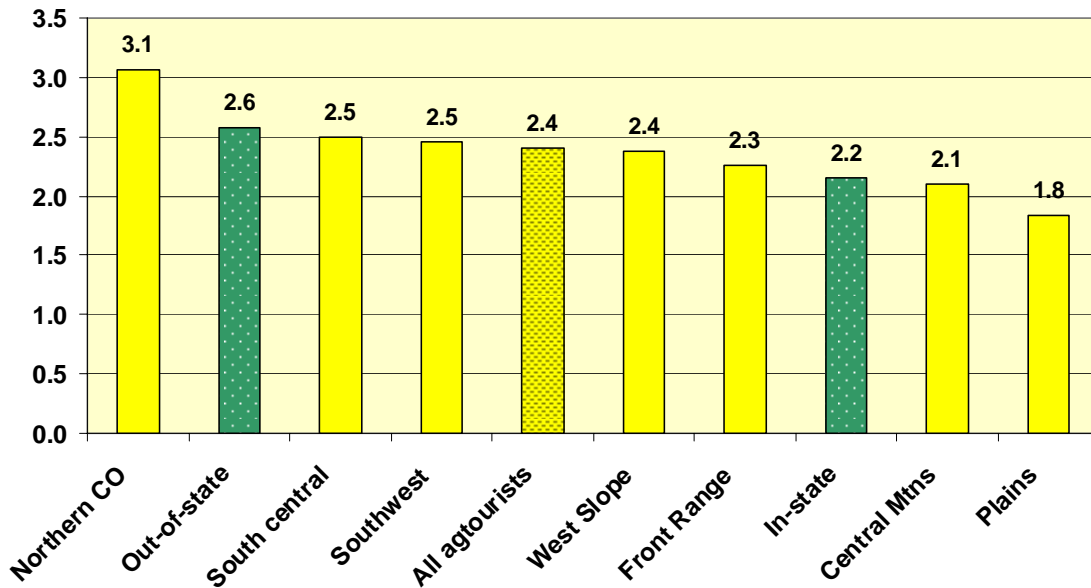
As would be expected given the differing agritourism activities among Colorado's regions, the total participation in specific activities and share of activities that were undertaken varied across regions. As was shown in Figure 3, the highest absolute number of activities was within the Front Range region but the average number of agritourism activities per trip (Figure 5) was highest in Northern Colorado. In both cases, the Eastern plains lag behind other regions. It also should be noted that out-of-state visitors participate in more activities per trip than in-state visitors.

Table 1:

	Top Agritourism Activities (out of 435 respondents)	Participation
On farm or ranch	Camping / picnicking	123
	Photography / painting/nature based art	101
	Bird watching & wildlife viewing	90
	Fishing (including winter ice fishing)	64
	Horseback riding	57
	Corporate/special events (weddings, retreats, family reunions)	45
Food	Farmer's markets	93
	Microbrew tour, visit and/or tasting	49
	Winery tour, visit and/or tasting	47
Heritage	Historical museums/sites (ag history, machinery, pioneer cabins)	92
	Rodeo or livestock based activity (Stock Show, county fair)	25
	Total Participation-more than one for some respondents	1,047

Figures 5: Average agritourism activities by region and category

Average number of agritourism activities per trip



On-farm activities were the most popular of the agritourism choices (as was illustrated in Table 1).

Among the regions:

1. In the South Central region these were 60% of agritourism activities
2. The Mountain region had similar patterns (61% on-farm)

Culinary activities were the next most popular. Among the regions, culinary choices were:

- * 39% of all activities on the Western Slope
- * 34% on the Front Range

Heritage activities represented a relatively higher share of all agritourism activities:

- * In the Southwest, these represented 24% of activities, as one might expect given the Four Corners' role in Western Cowboy, Indian and Pioneer culture
- * There is a similar pattern of activities on the Eastern Plains with 33% of all activities connected to heritage: the highest among the regions

TOURIST SPENDING

When comparing Colorado tourists to out-of-state tourists, out-of-state tourists spent more money (an average

of \$860 per trip) than in-state tourists (an average of \$368 per trip), as would be expected given the relative investment they made to visit the area. However, as shown below, the division of spending for both groups is approximately equal. The two highest spending categories are lodging and dining, followed closely by gasoline purchases.

FUTURE AGRITOURISM PLANS

Looking to future travel plans as an opportunity to grow a region or community's agritourism activity, there appears to be great potential. Over half (524) of the survey respondents are planning a future visit to Colorado or an area in Colorado where they do not live, and 53% of these respondents said that agritourism would be a primary or secondary reason for their visit.

With respect to timing, 54% were interested in visiting Colorado in the next six months, 35% wanted to visit during 2007, 3% wanted to visit between 2008 and 2010, and 8% had Colorado on their wish list of places to visit some time in the future (Figure 7).

Colorado Tourists

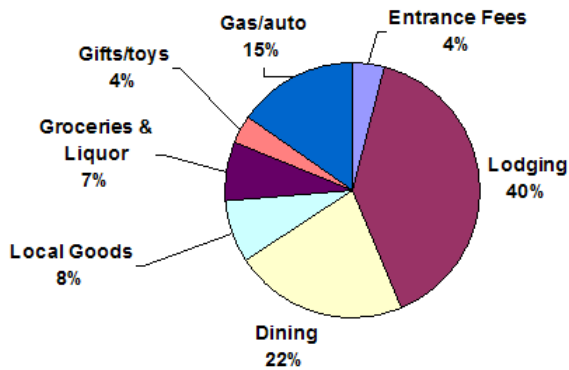


Figure 6: Spending Shares by Category

Out of State Tourists

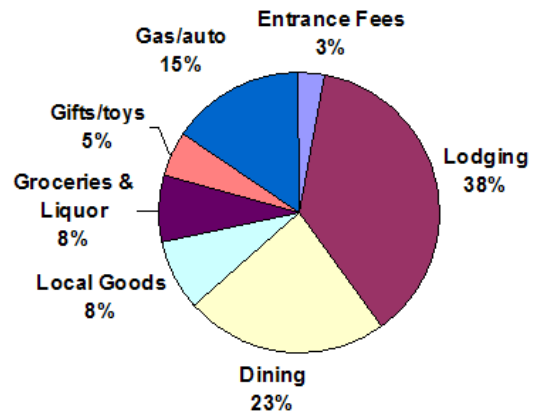
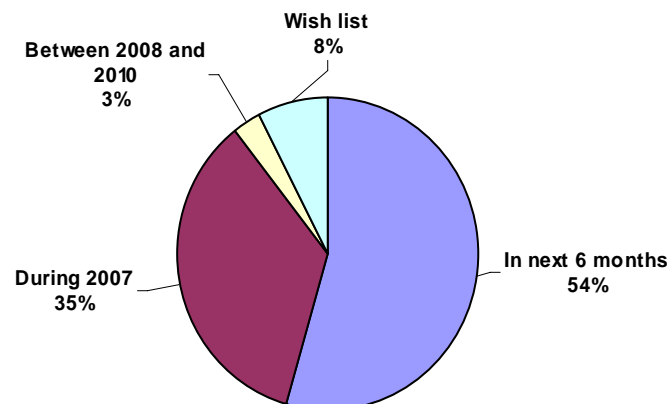


Figure 7: Intentions to visit Colorado and participate in agritourism activities



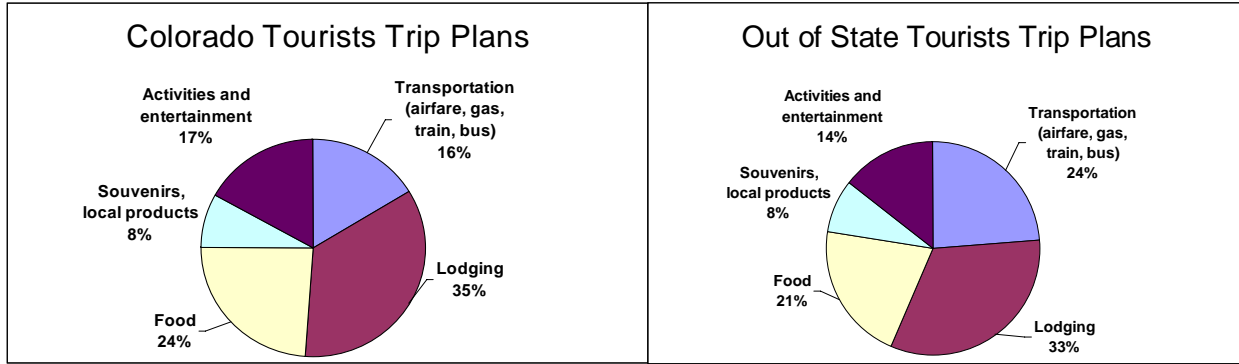
Returning to spending, when asked about future travel budgeting plans, Coloradoans expect to spend \$450 on their next trip to another region of Colorado (Figure 8). This is approximately half of the \$1,023 that the out-of-state visitors expect to spend. Again, the projected percentage share of expenditure is similar between the in-state and out-of-state travelers, although the out-of-state visitors are expecting to spend more money on transportation than in-state travelers.

Implications for Community Based Tourism Planning

Although many of the travel decisions and activity occurring in Colorado may seem more like trends that

communities must react to, these initial agritourism results suggest there is sufficient activity and interest to warrant **active** joint planning by communities and the agritourism enterprises they support. Many regions of Colorado already see significant amounts of visitors to farm- and ranch-based diversions, and these regions see the longest visits and greatest number of average agritourism visits per visitor. When considering the agritourism portfolios and joint marketing campaigns of these areas (for instance, Grand Junction's wine country), there may be lessons for other communities who want to increase tourism activity for their agricultural sector.

Figure 8: Future Travel Spending by Category



That said, it is important for professionals who are a part of the agritourism sector to be able to recognize the areas and enterprises with the greatest development potential. As professionals become familiar with these areas, some of the questions that should be considered are the following:

- What are the impacts of tourism and agritourism on communities?
- How can communities encourage and support private agritourism efforts?
- How much infrastructure and strategic tourism development need to be in place in order for a

- business or local area to become a “destination?”
- How can businesses and communities work together to market themselves as a “destination?”

Keeping this in mind, subsequent reports will share more specific activity, marketing, consumer analysis and economic impact analysis will be explored and presented. In each case, there are messages that communities can take and share about the opportunities, comparative advantages, types of consumers interested in agritourism and methods to leverage and grow the economic contribution of this sector to local economies.