AGRITOURISM AND THE FARMER AS RURAL ENTREPRENEUR: A UK ANALYSIS

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ABSTRACT

Farm-based recreation or agritourism is increasingly seen as a diversification strategy to promote a more diverse and sustainable rural economy and to protect farming incomes against market fluctuation. Thus, farmers are increasingly being recognised as entrepreneurial, needing to develop new skills and capabilities to remain competitive. However, few studies have addressed the role of entrepreneurship within the context of the diversified farm tourism business. This paper examines the range of skills and competencies that farmers in the North West of England identify as important for successful diversification and explores the extent to which these competencies are evident. The findings indicate that although farmers are increasingly turning to agritourism as a means to generate additional income, they lack many of the fundamental business competencies required for success. A finding which has implications for rural development policies and signals the need to address these skill deficiencies through farm advisory processes and via more effective training and support of agritourism providers.

KEYWORDS: Agritourism; Farm Tourism; Diversification; Farm Entrepreneur; Business Competence; Entrepreneurial Skills.

Introduction

Within the European Union, reform of the Common Agricultural Policy is leading to a reorientation of farming away from productivist to more entrepreneurial models of agriculture (Phillipson *et al.*, 2004), becoming more market oriented in response to declining farm incomes and rural restructuring (Meert *et al.*, 2005; OECD, 2009). Against this framework, diversification into other income earning activities – or 'alternative farm enterprises' (Ilbery *et al.*, 1998; Bowler, 1999) – is increasingly seen as an effective strategy to promote a more diverse and sustainable rural economy. Thus, as diversification becomes an almost expected practice, farmers are being recognised as entrepreneurial, having to develop new skills and capabilities to remain competitive (McElwee, 2006). Indeed, Smit (2004) argues that entrepreneurship is increasingly becoming the most important aspect of modern farming.

In the UK, the government's own definition of diversification alludes to this, describing it as the, 'entrepreneurial use of farm resources, for a non-agricultural purpose, for commercial gain' (Defra, 2009:14). Consequently, a growing literature is now emerging on farm entrepreneurship (Vesala, Peura & McElwee, 2007; Couzy & Dockes, 2008; Hildenbrand & Hennon, 2008; McElwee, 2008; Vesala & Vesala, 2010), though it remains fragmented and limited. For example, Pyysiäinen, et al, (2006) call for more research to determine the skills that farmers need from the perspective of both the farmer and those with a stake in the farm business. This reflects the fact that, in the UK, a distinct lack of 'business skill', often combined with the failure to 'conceptualise farming as a business', is considered one of the key challenges to the success of any diversified project (Defra, 2007). This is manifested in difficulties amongst farmers in identifying market opportunities, uncertainty about the direction in which to take the business, an inability to develop a long term business plan, and a reluctance to take an investment risk (NAO, 2004). As the Curry Report (2002:20) on the 'Future of Farming and Food' in England concludes, some farmers have been;

slow to change, and slow to innovate. Farming will have to be quicker to spot opportunities if it is to survive and prosper in a liberalised world... farmers need - as

some have already done - to rediscover their businessman's mind, their marketing skills and their eye for new opportunities.

Hill (2007) concurs, observing that many of the required skills or competencies can be seen as entrepreneurial in nature; he also notes that, although there is evidence of specific business skill gaps, the extent to which they currently exist are not clear and warrants further research.

The literature has begun to address many of these issues. However, it has not yet done so in respect to agritourism, a diversification activity frequently undertaken by farm households to overcome the problems in agriculture as outlined above. Indeed, Busby and Rendle (2000) highlight the absence of studies that discuss the role of entrepreneurship within the dynamics of the modern farm tourism business. Moreover, Barbieri and Mshenga (2008) note that not enough is yet known about the characteristics of either farm or farmer that might positively impact on agritourism performance. This is, perhaps, unsurprising given the lack of attention paid to theories of entrepreneurship within tourism scholarship (Li, 2008), the entrepreneur being described as 'the overlooked player in tourism development' (Koh & Hatten, 2002).

Hence, despite an evident policy focus on the support for and promotion of agritourism, questions remain with respect to the range of competencies that diversification into tourism entails. In particular, what entrepreneurial and competitive skills do farmers require in making the transition from traditional agriculture to a service based enterprise? Do farmers who consciously embrace tourism already possess these skills? Indeed, to what extent can farmers be considered entrepreneurial in the context of agritourism diversification? These are questions that remain largely unanswered in the literature and are, thus, the focus of this paper. Firstly, however, a review of the background to both diversification and agritourism as an alternate farm enterprise, along with a summary of the current knowledge in respect to entrepreneurship in these areas is necessary, to provide a framework for the subsequent research.

Farm diversification: the context

Agriculture, described as 'one of the most potent and enduring symbols of rurality' (Woods, 2005, p 42), has for centuries been the dominant and driving force of rural economies. However, since the 1950s, a decline in agriculture's fortunes has been apparent, not least because of the problems of oversupply and the resulting government interventions of the 1970s and 1980s. This led to the so called 'post-productivist' phase and resultant 'farm crisis' of the 1990's, characterised by declining farm incomes, business closures and rural restructuring (Wilson, 2001; Evans, Morris & Winter, 2002). Subsequently, the problems of over-production and declining subsidies have led to a number of policies aimed at farm diversification, the aim being to reduce the dependency on traditional agriculture (McNally, 2001; Turner *et al.*, 2002).

Defined by McInerney, Turner and Hollingham (1989) as 'one off diversion to other-income earning uses of any resources previously committed to conventional farming activities', diversification was initially seen as challenging the notion of farming identity and was resisted by those who wished to retain their concept of status and self identity (Ilbery, 1991). This is in stark contrast to the current situation where - after more than two decades of agricultural adjustment - not to diversify, is now seen as poor farming practice (Walford, 2003, p 61).

Whilst a number of potential development strategies for farmers have been identified (cf. Meert *et al.*, 2005; McElwee, 2006), the desire to remain 'on the land', as well as the perception that tourism is a viable alternative, has seen tourism enterprise become a key diversification activity (Ilbery, 1991; Hjalager, 1996; Ilbery *et al.*, 1998). This is despite caution that tourism should not be viewed as a panacea for the problems of rural areas (Hall & Page, 2006), not least because of low wages and seasonality (Fleischer & Felsenstein, 2000) and concerns over sustainability (Sharpley, 2002). Moreover, many of the issues related to rural decline and farm restructuring are not confined solely to Europe, with diversification to agritourism seen increasingly in rural areas of: the USA

(Veeck, Che & Veeck, 2006); Canada (Colton & Bissix, 2005); Japan (Ohe, 2007); Australia (Knowd, 2006); and New Zealand (Cloesen, 2007).

Agritourism as an 'Alternative Farm Enterprise'

As considered above, the promotion of tourism as an 'alternative farm enterprise' has become a key development strategy for rural regions as well as an individual strategy for the farm household. Many researchers point to the long history of visitation to farms, practiced for over 150 years in Germany, though more prevalent in its conventional form in Scandinavia and many central European countries since the end of the second world war (Nilsson, 2002). Whilst early forms of visitation tended to emphasise the farm stay and romanticism of the countryside, it has today evolved into a complex phenomenon, still recognisable as a form of rural tourism though more diverse and, hence, increasingly difficult to define. Busby and Rendle (2000) propose a continuum, which they describe as the transition from 'tourism on farms' to 'farm tourism'. They suggest that various factors, including the level of marketing, competition, entrepreneurship and investment – and even the level of tourism versus agricultural income - will dictate where each farm lies on the scale. Other commentators argue that farm tourism exists only when it takes place on a 'working farm' (Clarke, 1996), whilst Peebles (1995) offers a simpler definition, that farm tourism is just tourism in a farm setting. In North America, agritourism more commonly refers to farm-based tourism ventures (Nickerson, Black & McCool, 2001), whilst the term agrotourism still dominates in many Mediterranean counties (Gousiou, Spilanis & Kizos, 2001)1.

It is not possible here to debate fully definitions or typologies of farm-based enterprises. Nevertheless, it must be acknowledged that a number of factors, including status as a working farm, the professionalism of the operator and proportion of tourist income – all related to Busby and Rendle's (2000) continuum – may well have a role to play in establishing the parameters of future research on issues of agritourism entrepreneurship. More specifically, McGehee (2007, p 120) argues that a number of issues remain un-addressed, including the need to extend research into the

motivations of agritourism operators whilst, at the same time, asking 'what technical assistance, skills and resources do agritourism providers feel are most important to their success'. Although the literature on motivations has grown considerably over recent years, it still lacks the geographical coverage that will allow for comparative case study analysis.

In North America, research indicates that farmers primarily diversify to provide additional income and employment opportunities for the farm family (Nickerson, Black & McCool, 2001; McGehee & Kim, 2004). A similar situation exists in the UK, where a survey of farmstays in the North East found that 60% of respondents had diversified to generate additional income and secure long term financial security (Sharpley & Vass 2006). Conversely, Ollenburg and Buckley (2007, p 451) found that although income generation is a significant driver, social motivations to diversify are more important to Australian operators. Thus, they suggest that, with a more explicit need to generate income, farmers in the Northern hemisphere need to be more professional, as defined by the 'adoption of a business plan; seeking professional advice at establishment; separate accounting systems for tourism and farm businesses; involvement in regional and larger-scale tourism marketing initiatives; and occupancy rates and profitability'. Busby and Rendle (2000) echo this, noting that an additional criterion in moving from 'tourism on a farm' to 'farm tourism' may be the adoption of a tourism business plan.

In addition to considerations of entrepreneurial motivations, a small number of studies have begun to address the characteristics and performance of the farm and agritourism entrepreneur. In a survey of North American farms and ranches, Barbieri and Mshenga (2008) identified the relationship between farm size and performance, with larger acreage understandably leading to greater revenue. However, they also note that white male farmers earned more than their female counterparts and that age was also inversely related to business performance, with income falling as the farmers age category increased. In this study area, the adoption of farm business and marketing plans did not appear to contribute to success (despite the authors hypothesising to the contrary),

whilst membership of business and agriculture associations did bring benefits, as reflected in gross farm income. Haugen and Vik's (2008) analysis of agritourism entrepreneurs in Norway identified the influence of education, revealing that farmers who have diversified into tourism tend to have a higher level of both general and agricultural education. Additionally, they found that tourism entrepreneurship is considered an important 'household' rather than 'individual farmer' strategy. Indeed, the role of the family business has been a recurring theme within agritourism research (Andersson, Carlsen & Getz, 2002; Wilson, 2007), with Nilsson (2002) identifying that the wife is central to the tourism business. This, of course, raises the question as to the appropriate unit of analysis in agritourism entrepreneurship studies: the farm business, the individual farmer, the farm wife, the husband and wife team as copreneur, or the farming family as an entrepreneurial unit?

At a more fundamental level, Cloesen (2007), commenting on agritourism in New Zealand, argues that diversification in itself does not allow the farmer to be considered an entrepreneur. Ascribing to the definition of entrepreneurship, popularised by Timmons (1994), as creating something from nothing, he argues that a separate legal entity needs to be created for the new venture for it to be considered entrepreneurial. Thus, it is necessary to consider briefly the concept of 'entrepreneur' as applied to the specific context of the farmer.

The entrepreneurial farmer

There is little consensus over definitions of the term entrepreneur. Schumpeter (1934), for example, defines entrepreneurship as 'carrying out new combinations' whilst, for Drucker (1970), it is about taking risks. Alternatively, Audretsch (1995) describes the entrepreneur as the agent of change, whilst Shane and Venkataraman (2000, p 218) see entrepreneurship as the 'processes of discovery, evaluation, and exploitation of opportunities.'

Addressing this diversity of definitions, Low and MacMillan (1988, p 41) suggest entrepreneurship be broadly defined as the 'creation of new enterprise' and, thus, suggest that the purpose of entrepreneurship scholarship is to 'explain and facilitate the role of new enterprise in

furthering economic progress.' To an extent this supports Cloesen's position mentioned above. However, for the purposes of this paper, we follow the later interpretation of Low and MacMillan's 'new enterprise', by Davidsson and Wiklund (2001) who argue that enterprise can be understood as an economic activity and not necessarily as the label for a formal organisational unit or structure.

Similarly, in a case study of new ventures in Swedish farm businesses, Ferguson and Olofsson (2008) acknowledge that where farmers diversify, it is after recognising a market opportunity which can be exploited by redirecting their resources. That is, they did not require the venture to become independent to be considered entrepreneurial, although they do acknowledge that, were the venture to become a new business, this would represent the furthest degree of development. Certainly, research has identified that farmers are an important group with respect to establishing new ventures in rural areas (Townroe & Mallalieu, 1993; Carter & Rosa, 1998), with farm diversification often considered to be an example of 'portfolio entrepreneurship' (Westhead & Wright, 1998; Carter, 1999, 2001; Carter & Ram, 2003). However, as Alsos, Ljunggren and Pettersen (2003) acknowledge, 'there is still a paucity of knowledge about which factors trigger the start-up of entrepreneurial activities among farmers'.

More widely considered in the emerging 'farm entrepreneurship' literature is the range of skills deemed critical to farm success. Not surprisingly, these reflect more generally proposed entrepreneurship skills. For example, McElwee (2008) suggests that networking, innovation, risk taking, team working, reflection, leadership, and business monitoring are fundamental to developing and improving the farm business. Equally, Morgan *et al.* (forthcoming) emphasise what they describe as higher order skills, namely: creating and evaluating a business strategy; networking and utilising contacts; and, recognising and realising opportunities. What is surprising, however, is that many farmers still prefer not to consider themselves as entrepreneurs (Richards & Bulkley, 2007), preferring to maintain the cultural identity of farming, although, as Olsson (1988, p 242) observes:

The manager of the agricultural firm today has many roles. It is not enough for him to be a good farmer — a good producer of food products in a traditional

way. The manager in modern agriculture must possess many of the qualities of a good entrepreneur.

Thus, the contemporary farmer may be considered the manager of a business, an entrepreneurial individual, or even both (Couzy & Dockes, 2008; McElwee, 2008).

However, irrespective of these conflicting notions of farming self-identity – in economic development terms at least – in practice the diversified farmer is increasingly being seen as an entrepreneur with a stake in the performance of rural areas (Defra, 2009; OECD, 2009). It, therefore, follows, that a discussion - currently lacking in the literature - of the skills necessary for success in a modern and liberalised agricultural industry, is required. Therefore, the research considered in the following sections now explores the range of skills and competencies – from the farmers' own perspective – that is considered important for successful diversification into agritourism enterprise.

The research: the skills required for agritourism enterprise

The research is based upon a postal questionnaire undertaken in North-West England. Almost 80% of the region is classified as rural or urban fringe, its population of over 6 million people mainly concentrated in the conurbations surrounding Manchester and Liverpool. The agricultural sector in the North-West comprises over 22,000 farm businesses, employing approximately 40,000 people. Holdings are predominantly livestock-based, particularly in Cumbria and Lancashire (to the north). However, arable and horticulture enterprises predominate in the Cheshire and the South Lancashire plains (GONW, 2003).

Farm incomes in the region averaged £26,550 in 2006, significantly less than the national average of £37,839. However, this figure hides the fact that direct income from agricultural production represents a negative value with the remainder of farm income coming from subsidy payments (NWDA, 2008). Unsurprisingly, therefore, income from non-farming activities has become a significant factor in the economic viability of many farm holdings. For instance, in 2007/08, 47% of farm businesses in the North-West engaged in some form of diversified activity

whilst, for 28% of farms, either the farmer or spouse engaged in some form of off-farm or self-employment (NWDA, 2008). Less certain is the level of agritourism enterprise within these figures. Research conducted by the North West Farm Tourism Initiative² (NWFTI) suggests that supplementary income from tourism represents, on average, 26% of turnover for the individual farm businesses. However, the evidence for this remains unclear, particularly as 16% of farms acknowledge they do not know how much income is derived from tourism, the implication being they do not keep separate business records (NWFTI, 2006). Nevertheless, it is apparent that tourism, as one of a number of diversification initiatives, is an important factor in both the sustainability of individual farm businesses and the economic viability of rural areas as a whole in the study region.

Method

During November 2009, self-completion questionnaires were mailed to 387 agritourism businesses. The sample was selected from a number of sources, including tourist board membership lists, the national 'Farm Stay' brochure, as well as a comprehensive on-line search. It is acknowledged that the sampling frame did not identify all agritourism enterprises in the region; that is, utilising tourist board membership, brochure listings and web presence undoubtedly excluded less commercially-oriented operations. This also implies those sampled have already adopted an outward facing approach in regard to support networks and marketing. Additionally, the survey response was limited by the extreme flooding – described as the worst in over 100 years – in the target area shortly after the questionnaire was despatched. In total, 118 fully completed questionnaires, representing a response rate of 30%, were retuned. This is lower than has been the norm in comparative farm tourism research, though higher than anticipated given the extreme weather conditions during the survey (and, indeed, higher than the average response rate for postal surveys more generally).

The questionnaire

As outlined in the introduction, the purpose of the research was to assess the skills that farmers identify as relevant for effective and successful diversification to agritourism. This was achieved by asking respondents to rate the importance of a range of skills, before asking them to conduct a personal evaluation of their own abilities. In order to provide the context to the skill's analysis, additional information regarding the characteristics of the farm and agritourism enterprise was also sought.

Many of the skills around which the questionnaire is constructed are widely accepted in the literature and acknowledged as entrepreneurial in nature. Others, however, have been introduced to meet the purposes of this exploratory study. A number of the skills have been adapted from the work of Lichtenstein and Lyons (2001) who propose an 'Entrepreneurial Development System' (EDS) to foster entrepreneurship and build the entrepreneurial potential of regional communities in the United States. The EDS is based on three main premises: (1) ultimate success in entrepreneurship requires the mastery of a set of skills; (2) these skills can be developed; and (3) entrepreneurs do not all come to entrepreneurship at the same skill level (Lyons, 2003). This system has been utilised in the work of Smith, Schallenkamp and Eicholz (2007), who present the skills under the headings of technical, managerial and entrepreneurial skills, as well as personal maturity skills. The research design here draws heavily on their approach. However, for the purposes of this study, many skills within the EDS categories have been substituted for those considered more relevant to the rural, land-based or tourism and hospitality service industries, as identified by the UK Sector Skills agencies for these industries (Lantra, 2003, 2005; People 1st, 2007).

The research outcomes are discussed in the following sections, with the 15 individual skills, subdivided into management and entrepreneurial/personal maturity skills, identified in Table 1.

Research Outcomes

Respondent Characteristics

The questionnaire and covering letter were addressed to the person with responsibility for operating the diversified tourism enterprise and, of those returned, just over 70% were completed by the male partner in the farm household. However, a later survey question asked for confirmation of who had decision-making responsibility with respect to tourism enterprise. Here, 33.3% of responses indicated that the person completing the form had overall and sole responsibility for decision-making whilst 20% recorded that the spouse or partner had responsibility. This represents a departure from the trend within the literature, where the farm wife/ female partner is seen as the usual respondent. However, the situation is further complicated by a number of respondents who selected multiple answers. These revealed that in an additional 35.9% of cases, decisions were made jointly (i.e. spouse and partner) and, in 11.1% cases, decisions involved the spouse/partner along with other family members. Again, this emphasises a departure from earlier studies in which the farm wife is often identified as central to the agritourism venture.

Respondents were typically aged between 35 and 65, although 78% were over 45 years of age. Interestingly, only 20% of respondents held a degree level or equivalent qualification; conversely, around 53% of respondents possessed either no formal qualifications or were educated only to age 16-level qualifications.

Reflecting the known characteristics of the study region, farm type was predominantly dairy (22.6%) and livestock grazing (57.6%). The latter figure includes both lowland grazing and grazing in 'less favoured areas' (34%), a term referring to more marginal hill-top and moorland sites, where farmers face even harsher economic pressure to diversify. Farm sizes are predominantly smaller than comparative regions, with over 60% of holdings less than 100 hectares; of the remainder, 16.7% are over 200 hectares in size.

With respect to tourism enterprise, the survey revealed a long history of agritourism in the region, 20.5% of respondents having diversified over 21 years ago and seven holdings 30 years ago. Predominantly, however, farm businesses had engaged in tourism enterprise within the last 10 years, with 50 properties (42.7%) having done so since the outbreak of foot and mouth disease in the region in 2001. With respect to tourism's contribution to farm income, no easily discernable pattern emerges, with mean income from tourism being 53.5% of total income. However, it is interesting to note that, despite indicating that they remain working farms, 20.4% of holdings earn over 80%, and eight properties earn 100%, of farm income from tourism. This suggests that, for these businesses, the farming and tourism operations remain separate entities, that tourism is the farm's sole income generator, or perhaps that respondents continue to retain their social identity of a farmer as custodian of the land, despite no longer engaging in farming activity.

The range of agritourism products and services reported was very diverse, the most frequently cited answers including, unsurprisingly, 'Holiday Cottages' and 'Bed & Breakfast'. However, prominent in the number of responses were themed farm parks or petting-zoo style attractions, educational tours and purpose built classrooms, as well catering and retail operations. In addition, and as a precursor to the discussion of the skills required for diversification, the survey instrument also sought to assess how many respondents made use of a business or marketing plan. Both were identified as being very low, with 71.2% reporting that they possessed no written business plan and 78% having no formal marketing plan for their tourism enterprise.

With regards to motivations to diversify, unsurprisingly and consistent with discussions in the literature, the need to 'generate additional income' emerged as a prime influence, with 89% of respondents rating this as important or very important. As a secondary motivation, over half of respondents revealed that providing a new use of farm resources was a key driver. Conversely, social motivations to diversify remained low, reaffirming the pre-eminence of economic motivators among this sample.

The skills required for agritourism entrepreneurship

This section focuses on the competencies and skills considered necessary for successful diversification. As has been previously discussed, the research drew upon the EDS, with respondents initially asked to rate the skills they deemed most important in operating their diversified enterprises from (1) unimportant through to (5) very important. They were then asked to consider their own abilities against each skill, rating these as low, medium or high.

Farmers' perception of skills need

The mean rankings against each of the skills deemed most applicable by the farmers sampled are shown at Table 1, with the competencies grouped into managerial skills and entrepreneurial and personal maturity skills, to allow for ease of analysis.

Table 1. Farmers perception of the importance of 'skills for agritourism enterprise'

Managerial Skills	M	SD
Customer Service: Handling service expectations and dealing with problems	4.52	0.88
Financial: Managing financial resources, accounting, budgeting	4.28	0.95
Marketing/Sales: Identifying and reaching customers/distribution channels	4.14	1.02
Organisational Skills: Day to day administration, managing yourself and your time	4.13	0.97
Small Business Regulations: . i.e. H&S, risk assessment, disability legislation	3.95	1.16
Supervision: Manage/supervise employees and their needs	2.98	1.59
Entrepreneurial & Personal Maturity Skills		
Accountability: Ability to take responsibility for solving a problem	4.39	0.81
Emotional Coping: Emotional ability to cope with a problem	4.31	0.89
Critical Evaluation: The ability to think critically	3.91	1.09
Networking: Co-operation with others, networking and utilising contacts	3.81	1.14
Self Awareness: Ability to reflect and be introspective	3.75	1.14
Environmental Scanning: Recognise market gap, exploit market opportunity	3.68	1.16
Business Concept: Business and strategic planning	3.66	1.13
Goal Setting: Ability to set personal goals, reach them and set new ones	3.64	1.14
Negotiation: Persuasive communication and negotiation skills	3.58	1.12

With respect to management competencies, 'customer service' skills are clearly identified by the respondents as being the most important attribute, with a mean ranking of 4.52 and a standard deviation of 0.86. Indeed, 23.7% of respondents categorised service skills as important and 67.8% as very important in managing their tourism operations. Additionally, high mean values were recorded for 'managing finances' (4.28), 'marketing and sales' (4.14) and 'organisation skills' (4.13). Of slightly less significance to respondents was the fifth ranked management variable of 'small business regulations' (3.95). This may be considered more of a knowledge competency than skill base but was included given both its prominence in the policy literature (Lantra, 2003; Defra, 2007; People 1st, 2007) and that this may include licensing, health and safety and disability legislation not ordinarily encountered by productivist agricultural operations. Of least importance was the 'supervision and management of employees' (2.05) although, as many of the farms surveyed were family operated, the anticipated roles of recruitment, training and appraisal, were unlikely to be deemed relevant by respondents.

As can be seen from Table 1, 'accountability' and 'emotional coping', as personal maturity skills, were ranked at 4.39 and 4.31 respectively. Here, one might relate these skills to farming identity and, indeed ,it is easy to imagine that emotional coping as a trait may well be developed when managing the transition from falling agricultural returns to a new and challenging diversified environment, whilst seeking to maintain family and personal connections to both property and land.

The remaining entrepreneurial and higher order skills, from the ability to 'think critically' to 'persuasive negotiation skills' are ranked from 3.91 to 3.58, suggesting that they remain of importance in diversifying from the farmers perspective, but less so than a number of the management skills identified. Within this grouping, it is worth noting that two skills frequently associated with entrepreneurship – namely 'environmental scanning' (or opportunity recognition) and 'business concept' (or planning) – are revealing. Both have very similar mean values (3.68 and 3.66) though wide distributions. Indeed, closer analysis identifies that 37.3% of those surveyed rated 'business concept' in the categories unimportant through to moderately important, whilst 38.1% rated 'environmental scanning' in the same unimportant to mid-importance range. Taken at face

value, this indicates that, for a number of farm businesses, entrepreneurial competencies are not deemed relevant. Thus, it is now necessary to review the extent to which these skills exist in the sample, via a review of the farmers personal skill evaluation.

Farmer's personal skill evaluation

Utilising the 'EDS' approach, farmers were asked to rate their own abilities against each of the 15 skills tested, as either low, medium or high. The results of this analysis are presented in Table 2, whilst the skills that respondents evaluated as both the highest and lowest ability are presented in Table 3.

Table 2. Farmers personal skill evaluation: Mean rankings

	M	SD
Customer Service: Handling service expectations and dealing with problems	2.69	0.53
Accountability: Ability to take responsibility for solving a problem	2.65	0.54
Critical Evaluation: <i>The ability to think critically</i>	2.62	0.73
Emotional Coping: Emotional ability to cope with a problem	2.54	0.63
Organisational Skills: Day to day administration, managing yourself and your time	2.47	0.64
Financial: Managing financial resources, accounting, budgeting	2.31	0.60
Goal Setting: Ability to set personal goals, reach them and set new ones	2.31	0.69
Marketing/Sales: Identifying and reaching customers/distribution channels	2.19	0.68
Networking: Co-operation with others, networking and utilising contacts	2.19	0.74
Self Awareness: Ability to reflect and be introspective	2.19	0.71
Negotiation: Persuasive communication and negotiation skills	2.14	0.67
Business Concept: Business and strategic planning	2.13	0.66
Small Business Regulations: i.e. H&S, risk assessment, disability legislation	2.02	0.78
Environmental Scanning: Recognise market gap, exploit market opportunity	2.02	0.75
Supervision: Manage/supervise employees and their needs	1.94	0.78

With regards to the skills in which the respondents considered themselves proficient, 'customer service' emerges as the strongest, with 72.9% proposing that they had a high ability and only 3.4% considered scoring themselves low. This is followed closely by 'accountability', 'critical evaluation' and 'emotional coping', which are again reflected by a very high number of respondents ranking themselves with high ability in Table 3. Given the earlier discussion regarding which skills farmers considered as essential, these results are unsurprising. However 'financial' and 'marketing'

skills which were considered important for successful diversification rank quite low in the self evaluation exercise, with a much lower percentage of respondents rating themselves highly in this regard. In particular, marketing, which was considered an important skill for successful diversification, reveals only 33.9% of respondents evaluating themselves as possessing high levels of competency. At the lower end of the scale, 'supervision' as a skill offers mixed results, with 27.1% rating themselves high and 33.1% evaluating themselves with low self ability. Here one must acknowledge that as a skill, 'supervision' was deemed relatively unimportant by the sample which evidently comprises mainly family enterprises. Thus, perhaps unfamiliarity with managing employees has manifested itself in a mixed response. Likewise, 'small business regulations', which respondents also deemed relatively unimportant for successful diversification, recorded only 27.1% as high and 25.4% with low ability.

Table 3. Farmers personal skill evaluation

Skills ranked at 'high' ability			Skills ranked at 'low' ability		
	f	%		f	%
Customer Service	86	72.9	Supervision	39	33.1
Accountability	81	68.6	Environmental Scanning	32	27.1
Emotional Coping	73	61.9	Small Business Regulations	30	25.4
Organisational Skills	65	55.1	Networking	23	19.5
Critical Evaluation	52	44.1	Self Awareness	21	17.8
Goal Setting	51	43.2	Negotiation	19	16.1
Financial	46	39.0	Business Concept	19	16.1
Networking	45	38.1	Marketing/Sales	18	15.3
Self Awareness	43	36.4	Goal Setting	15	12.7
Marketing/Sales	40	33.9	Critical Evaluation	10	8.5
Negotiation	35	29.7	Financial	9	7.6
Business Concept	34	28.8	Emotional Coping	9	7.6
Environmental Scanning	34	28.8	Organisational Skills	5	4.2
Small Business Regulations	32	27.1	Customer Service	4	3.4
Supervision	32	27.1	Accountability	4	3.4

^{*}See Table One for a full description of each skill/competency, only a descriptor is offered here

Of greater interest are abilities that are identifiable in the literature as entrepreneurial yet which clearly represent very low mean rankings in respect to the respondents' personal skill

evaluation. Both 'business concept' and 'environmental scanning' are evaluated as being of high personal ability by only 28.8% of respondents, with almost comparable numbers rating themselves as low for 'environmental scanning' (27.1%), though less so for 'business concept' (16.1%). Thus, it is evident that, by asking farm respondents to self evaluate their own competencies, one can readily identify that a number of managerial and personal maturity skills dominate at the expense of those competencies which are easily identifiable as entrepreneurial.

Discussion and Conclusions

What is clear from the research above is that the UK has not been immune from the declining fortunes of agriculture. Indeed, in order to counteract declining farm incomes and over-reliance on subsidy, many farmers have elected to diversify to agritourism, having considered it the most appropriate strategy to maintain the viability of the farm business and remain on the land. However, whilst research on issues surrounding diversification into agritourism as a process of rural restructuring has been well documented, discussions of farm tourism entrepreneurship remain scarce. Therefore, this paper has sought to address this deficit in the literature by examining the range of skills and competencies that farmers identify as important for successful diversification and exploring the extent to which these competencies are evident amongst farmers in the survey area.

Generally, a number of research outcomes were unsurprising, including the relationship between economic drivers and the decision to diversify. More surprising, however, and in contrast to existing studies on agritourism, was the finding that the farm wife/partner was not necessarily the key personality in the tourism venture, though still contributed to the decision making process. Thus, given the high levels of joint decision making by farmer and spouse/partner or indeed by the farm family unit, the question inevitably arises as to the correct unit of analysis when generating a future research agenda with respect to agritourism enterprise. That is, should research focus on the farmer, the farmer plus spouse/partner, or the entire family?

With regards to skills needed for successful diversification, the research revealed that farmers identify customer service, marketing and finance as significant. However, although customer service scores highly on the personal skills evaluation, low levels of competency in both finance and marketing were revealed. This suggests that farmers would welcome the emphasis on the latter in farm business advisory and training support services. What also becomes apparent is that, except for a number of personal maturity skills, notably accountability and the emotional ability to cope with a problem, the majority of entrepreneurial and personal maturity skills were not deemed as important as managerial abilities. Moreover, nor did farmers consider that they possess a high level of ability in these skills, as was identified in their self-evaluations. In particular, abilities in opportunity recognition and business planning were not considered as important and were correspondingly ranked quite low as competencies. Such a finding is significant, both given the continued emphasis on the need for these skills in the literature and challenging the contemporary assumption that farmers are becoming, or need to become, entrepreneurial.

To an extent, deficiencies in business planning skills are also confirmed by the low number of farmers who indicated they held a formal business plan, suggesting they either lack the ability to plan effectively or, even if they do, they do not feel compelled to detail these ideas through formal business planning. What therefore becomes clear from this discussion is that, although farmers are increasingly turning to agritourism as an 'alternative farm enterprise', they evidently lack many of the fundamental business competencies that are required for success. Of course, this lack of generic skill becomes more revealing when one considers the economic, as opposed to social, motivations to diversify in this study area. Indeed, Ollenburg and Buckley's (2007) suggestions that farmers, driven by the need to generate income, will be more professional, is not substantiated – at least not in this case study area - although further empirical analysis is inevitably required.

In conclusion, then, this research suggests that 'the farmer' is not entrepreneurial in nature, although as noted in the literature review, a distinct lack of business skill and the failure to

conceptualise the diversified project as a business may have very real implications for the longer term survival of the business. Certainly, whilst many farmers may not readily identify themselves as an entrepreneur, the need to embody a number of key business competencies — and, indeed, to become more enterprising and embrace new opportunities — will become fundamental to surviving, as agricultural markets become ever more liberalised, subsidies decline and other income earning opportunities on the farm dominate.

Thus, in seeking to address the issue of the farmer as an entrepreneur, this paper has generated many additional questions, which remain to be answered. Large scale empirical studies of agritourism operators in other rural areas could do much to identify both the characteristics and skills needs of farm tourism entrepreneurs, whilst in-depth case study analysis, interviews and observations of both successful and unsuccessful farm tourism ventures—can add much needed depth to our understanding of the farm tourism entrepreneur.

Endnotes

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¹ For the purposes of this paper the terms agritourism and farm or farm-based tourism are used interchangeably.

² The North West Farm Tourism Initiative was a five year funded project (2002 to 2006) which supported agritourism in the region in the period following the outbreak of foot and mouth disease in the UK in the Summer of 2001.

³79% of respondents in Sharpley & Vass's 2008 study in the North East of England were completed and returned by the farmer's wife/partner.

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