

An Analysis of the Motivations of Oregon's Ranchers to Diversify into Agritourism

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Cattle ranches are unique American cultural icons. Unfortunately, ranching is also associated by some with the exploitation of natural resources and labeled an environmentally destructive activity motivated by greedy and neglectful livestock operators (Jacobs, 1991; Wuerthner, 1990). Some believe that livestock ranching is a major contributor to unsustainable land use practices in the western United States (Fleischner, 1994; Wuerthner, 1990). Even so, stereotypes and negative associations have been slowly evolving into a more positive correlation between agricultural lands and conservation of unique landscapes. Such changes are especially evident on privately owned lands where conservation easements and land trusts exist. These official programs and ranchers' land stewardship management practices result in ranching being increasingly seen by researchers as a way to feasibly conserve open space and wildlife habitat (Huntsinger & Hopkinson, 1996; Wright, 1993). Cattle ranchers have also had to deal with problems caused by urban sprawl, population growth, large lot development, globalization, and market volatility (Natural Resources Conservation Service, 2000). According to the American Farmland Trust (2002), more than six million acres of the country's farmland were lost between 1992 and 1997 to urban development. This poses a real problem for some ranchers who choose to continue ranching and affects the future survival of a traditional industry on local, state and national levels. In an effort to minimize the economic, social, and operational constraints imposed by both external (e.g., low market prices) and internal (e.g., lack of family involvement) environments, diversification into another commercial enterprise has been gaining favor among farmers and ranchers.

Ranching operations are found throughout Oregon, but cattle country is concentrated east of the Cascades mountain range. In the southeastern (driest) part of the state, livestock grazes on thousands of acres of rangeland thanks to irrigation technologies (Oregon Department of Agriculture, 2003). Some ranch operators in Oregon are facing difficult challenges staying in business. Many ranchers have found that by diversifying into a commercial enterprise like agritourism, they can generate needed additional income. Agritourism is defined as a commercial enterprise - not necessarily part of traditional ranching activities - that generates supplemental income for ranch owners through such endeavors as the accommodation of tourists, through heritage and cultural programs, by offering hunting and fishing opportunities, and through horse packing or other guided trips (Agri-Business Council of Oregon, 2003). Agritourism is seen as a form of entrepreneurship that "can take place in the context of an existing organization" (Naffziger, Hornsby, and Kuratko, 1994, p.43).

The primary goal of this research was to ascertain the role that agritourism may play in the economic well-being of Oregon ranchers and to identify opportunities to enhance this role. Despite economic potential and growth in agritourism enterprises, research on the motivations and barriers of Oregon's ranchers to adopt agritourism is limited.

Methods

We examined what motivates Oregon ranchers to move beyond their comfort levels in adopting agritourism by means of a mailback survey. The questionnaire replicated one originally developed by Nickerson, Black, and McCool (2001) for Montana ranchers and farmers. The primary difference between the two studies is the population from which the respondents were sampled. In Montana, respondents had participated in recreation workshops, were listed in the 1996-1997 Montana Travel Planner, and/or were members of the Montana Ranch Vacation Association. Oregon respondents were sampled from the membership of the Oregon Cattlemen's Association. The mailback survey was administered according to Dillman's Total Design Method (2000).

The study population was Oregon cattle ranch operators. The sample was drawn from members of the Oregon Cattlemen's Association. The Association has 2200 members and 1540 are classified as ranchers. We drew a random sample of 400 ranch operators. Of the questionnaires received, 177 were useable, for a response rate of 44%.

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Results

Results indicated that agritourism is hardly pervasive in Oregon; only 12.1% of respondents indicated they engage in agritourism enterprises. Of those who do, most offer working ranch activities (69.8%) followed by fee hunting and fishing opportunities (34.9%).

Top reasons for respondents to operate an agritourism business (Table 1) are to capture additional income (96.8%), to fully utilize their ranch resources (96.8%), and to meet a perceived need in recreation and vacation marketing (94.1%), followed by fluctuations in ranching income (84.4%) and to educate the consumer (74.1%).

Table 1 - What motivates Oregon ranchers to adopt agritourism (in rank order)

Rank	Motivations to adopt agritourism	Percentage
1	Additional income	96.8%
1	To fully utilize the ranch's resources	96.8%
3	To meet a need in recreation and vacation marketing	94.1%
4	Fluctuations in ranch income	84.4%
5	To educate the consumer	74.1%
6	Employment for family members	66.7%
7	It is an interest and/or a hobby of ours	60.7%
8	Companionships with guests and users	58.6%
9	Observed the successes of others	50.0%

Note: Results are for Oregon ranchers who currently operate an agritourism business.

We asked Oregon ranchers what activities visitors prefer to engage in. The top five, according to Oregon ranchers (Table 2), are unguided hunting opportunities (63.3%), watching wildlife (57.1%), cattle drives and herding (46.7%), horseback riding (39.3%), and cookouts/BBQs (39.3%).

Table 2 - Popular agritourism activities on Oregon ranches (in rank order)

Rank	Most popular agritourism activities	Percentage
1	Unguided hunting	63.3%
2	Watching wildlife	57.1%
3	Cattle drive and/or riding herd	46.7%
4	Horseback riding	39.3%
4	Cookouts and/or BBQs	39.3%
6	Guided hunting	38.5%
7	Unguided fishing	35.7%
7	Ranch chores	35.7%
9	Hiking and nature walks	30.8%
10	Camping	29.6%

Note: As reported by Oregon ranchers engaged in agritourism, not by visitors.

Major barriers and challenges to the adoption of agritourism (Table 3) are rules and regulations (91.9%), lack of time (88.6%), and insurance and liability concerns (86.8%), followed by lack of agritourism business knowledge (77.5%), and lack of financial assistance and resources (74.3%). Despite these barriers, 80% of respondents revealed that their agritourism operation was a success.

Table 3 - Major barriers Oregon ranchers face in adopting agritourism

Rank	Barriers in adopting agritourism	Percentage
1	Regulations, rules, and legal regulations	91.9%
2	Lack of time	88.6%
3	Insurance and liability concerns	86.8%
4	Lack of agritourism business knowledge	77.5%
5	Lack of financial assistance and resources	74.3%
6	Lack of personnel	69.7%
7	Excessive taxation	65.6%
8	Lack of information (marketing, demand, etc)	62.5%
9	Lack of social networks with others who are involved with agritourism	58.1%
10	High rate of inflation	56.7%

Note: Results are for Oregon ranchers who currently operate an agritourism enterprise.

Discussion

Oregon ranchers are motivated to adopt agritourism to meet the perceived need in recreation and vacation marketing, yet a lack of agritourism business knowledge is a key barrier to adopting agritourism. Oregon ranchers already engaged in agritourism are closely divided on the nature of the managerial duties of agritourism. Nearly 40% indicated

that they are similar to the managerial duties of their ranch operation, while almost a third indicated that they are dissimilar. A partial explanation of this effect may be that Oregon ranchers see fewer differences in managing ranch-dependent agritourism enterprises like cattle drives and ranch chores and perceive managerial challenges in agritourism activities that are not ranch-dependent (e.g., wildlife viewing, hiking, camping). In deciding whether or not to engage in an agritourism business, ranchers may be persuaded by the fact that wildlife viewers pay on average \$450 per day for the privilege, and hunter and anglers spend \$37 and \$30 per day, respectively (U.S. Fish and Wildlife Service, 2001). For some ranchers, the financial benefits of agritourism may surpass the barriers. We also show that 50% of Oregon agritourism clients are repeat visitors, and 55% are Oregon residents, so the market is already well established. Nevertheless, each agritourism activity must be evaluated not only on the merits of its revenue potential, but also on the ability of both ranch and rancher to successfully meet visitor demands.

The potential of agritourism to enhance the economic welfare of ranchers should not be underestimated, but an agritourism enterprise is not suitable for every situation. Stevens (1994) notes that “diversification is not for everybody and, rather than start something new, many farmers are better advised to stick to what they know best and try to manage their farms better” (Stevens, 1994, p. 52). Nevertheless, tourism is a six billion dollar industry in Oregon, and one of the state’s major sources of revenue. It generates almost 100,000 jobs statewide. Even though the tourism industry overall has been showing slow growth the past few years (Oregon Tourism Commission, 2003), Oregon’s natural resources continue to draw visitors. In 2001, almost two million Oregonians went fishing, hunted, or watched wildlife (U.S. Fish and Wildlife Service, 2003). Wildlife watching in Oregon generated \$2.1 billion dollars in revenues, followed by fishing (\$602 million) and hunting (\$365 million) (U.S. Dept. of the Interior, 2003).

Our results support findings from earlier agritourism research conducted in Montana (Nickerson et al., 2001) and Virginia (McGehee & Kim, 2002). All three studies found that additional income and fully utilizing available resources are top motivators for engaging in agritourism, followed by meeting a need in recreation and vacation marketing and concerns about fluctuations in ranch income. One significant difference is that educating consumers ranked third in Oregon and Virginia, but seventh in Montana. Oregon respondents more often provide working ranches and fee hunting and fishing opportunities, while in Montana, where respondents included ranchers and farmers, the top opportunities offered were guiding/outfitting and dude ranches. In Virginia, where respondents also included ranchers and farmers, farming opportunities such as picking your own produce, farm markets, and roadside stands predominated.

Over 40% of Montana and Oregon respondents said they had been in a ranch or farm business for more than 40 years. Two-thirds of respondents in Montana and Oregon who currently operate an agritourism enterprise have also been operating some sort of recreation business for less than ten years. So despite geographic and demographic differences, as well as differences in the cultural backgrounds of ranching/farming operations, similar patterns exist in the development and implementation of agritourism.

While it appears that agritourism practices in Montana are more pervasive (63% operate an agritourism businesses) compared to Oregon (12.1%), this difference may be due to the population sampled. In the Montana study, the sample population consisted of ranchers who participated in recreation workshops, were listed in the 1996-1997 Montana Travel Planner, and/or were members of the Montana Ranch Vacation Association. In this study, we had no way to cross reference the affiliations of cattle ranchers with recreation, travel, or vacation associations, so the sample was drawn solely from members of the Oregon Cattlemen’s Association.

The information provided in this research can be used to develop effective marketing and education tools for current and future ranch owners. While only 12.1% of all Oregon respondents indicated that they engage in agritourism, we were surprised to find that 80% of them revealed that their agritourism operation was a success. Because agritourism can take many forms, from bed and breakfast operations to hunting and fishing leases to full service guest ranches, it is important to understand what recreation/tourist opportunities are currently available, what is planned for the future, and what agritourism enterprises are likely to lead to success.

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