

AG Ventures

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Agri-tourism: Rural Festivals and Special Events

The purpose of this factsheet is to introduce agri-tourism festivals and special events as opportunities for farm and ranch managers within rural agricultural regions. This overview focuses on the key management issues associated with developing and operating festivals and special events in Alberta. The factsheet is intended to help farmers, ranchers and rural agricultural communities make a thorough assessment of the key factors that will influence the success of their venture.

1. Industry Highlights

- The Canadian travelling public is increasingly interested in spending a day on a farm or touring the countryside to attend rural venues. Similarly, international visitors are expressing an interest in accessing rural settings.
- Agri-tourism ventures vary from simple pick-your-own vegetable and berry operations to organized events that charge admission. Others are self-guided tours of a region, based upon an agricultural or heritage theme.
- Festivals and events are now providing communities and regions with a stake in new or alternative tourism. Festivals and events have minimal negative impact, contribute to sustainable development and improve international (host-guest) relations. They can include agricultural festivals, the celebration of village historic sites, country fairs or world-class urban events. Examples include the Smoky Lake Pumpkin Festival, the Markerville Icelandic Festival, the Tofield Snow Goose Festival, the Millarville Country Fair and the Calgary Stampede. In each of these examples, the event has shaped the image of the area, become an industry and provided long-term preservation of social, historic and natural environments.
- Most events and festivals in Alberta depend on local and regional markets for visitor support. As a result, the events provide stability to community and surrounding region. The regional community aspect is also attractive to international guests who wish to capture a glimpse of local lifestyles. All of these factors make local events and festivals less dependent upon the attractiveness of a physical setting and more dependent on creating the right atmosphere for success.¹
- In British Columbia, the Okanagan-Similkameen region is noted for its *Tours of Abundance*. The five main themes are:
 - “A Rich Heritage” (stops of historical interest)
 - “A Fruitful Harvest” (fruit and orchards)
 - “An Overflowing Bounty” (winery and vineyards)
 - “A Land of Plenty” (farms and ranches)
 - “Delicious Enterprises” (tasty agri-food products)
 - “Abounding Activity” (skiing, golfing, cycling, river tours)
- Special events such as cherry, wine and apple festivals amplify the attractiveness of the tour themes.

¹ Getz 1991, Festivals, Special Events and Tourism

- Ontario boasts a number of agricultural travel routes that feature themes. These include the cheese, apple and wine routes, featuring special events and festivals. Niagara’s burgeoning wine route now boasts 23 stops that offer quality wines produced by award-winning wineries.
- In Perth County, Ontario there has been a recent marriage between the arts (the Stratford Festival) and agri-tourism. The result is the development of the *Get-Out-of-Town Agri-Tours* which operate in conjunction with several summer festival events.
- In Newfoundland and Labrador, the agri-tourism potential is centred around numerous farmers’ markets, farm/greenhouse operations with craft shops, strawberry u-picks with horse and carriage rides, farm/winery tours, agricultural fairs and farmer field days. Examples include the Humber Valley Strawberry Festival and the Lethbridge/Musgravetown Farmer’s Field Day.
- Manitoba supports regional agri-tourism networks and encourages co-operative marketing. Morden’s Corn and Apple Festival, Steinbach’s Mennonite Heritage Village and Dauphin’s Ukrainian Heritage Village are high profile attractions that feature agricultural, cultural and heritage themes.
- Examples of agri-tourism in Nova Scotia feature a number of agricultural-based festivals. The annual four-day Apple Blossom Festival draws an estimated 125,000 visitors to the Annapolis Valley area each spring.
- On a smaller scale, the farm-based Prairie Gardens and Greenhouses in Alberta features a haunted house as part of an overall Halloween theme. This attracts busloads of school children from Edmonton. The popularity of the Halloween theme is personified by Smoky Lake’s Pumpkin Festival. Held each fall, the festival attracts up to 5,000 people on a single weekend.
- The “fantasy farm” concept captures the imagination of many urban dwellers as it offers people from the city a chance to escape their daily activities to experience life on a farm or ranch. These day-visitor enterprises may involve special themes, whereby participants are charged a fee to visit a farm or ranch property so they can tour a haunted house or navigate a corn maze. Usually, games to the overall theme are worked into the experience.
- The primary reasons for the emerging popularity of agri-tourism festivals are:
 - A curiosity with rural lifestyles or reaffirming traditional values
 - exposure without risk to a day in the country
 - close to home getaways with reasonable prices and good value for money
 - nostalgia – a desire for “going home”
 - a quick snap shot of Canadians interacting for international visitors
- Agri-tourism festivals and special events in Alberta are usually:
 - short duration (a weekend)
 - related to a seasonal theme (fall harvest, pumpkin festival, threshing bees or spring snow goose festival)
 - representative of a heritage theme (old fashioned harvest days at Fort Edmonton Park)
- Alberta’s festivals and events are currently promoted directly to potential visitors through the use of brochures, print advertisements, trade shows and radio. Individual operators and not-for-profit organizations plan and pay for these promotions.

Table No. 1 Selected Canadian Agri-Tourism Special Events/Festivals

Region	Location of Special Event/Festival	Description	Annual Attendance
Nova Scotia	Annapolis Valley	Apple Blossom Festival (4 days)	125,000
Ontario	Schomberg	Puck’s Farm Easter Egg Hunt Day	15,000
Alberta	Smoky Lake	Pumpkin Festival (2 days)	5,000
British Columbia	Oldfield Orchard & Market	Autumn Harvest Celebration	10,000

Source: Compiled from a review of An Agri-Tourism Strategy for Nova Scotia (1996); Agri-Tourism: Looking at New Horizons, Ontario Agricultural Training Institute (1996); “Fantasy Farms”, Harrowsmith Country Life, Volume xxii Number 142 p.28 (Sept/October 1998); “Winery tourist centre approved”, Hamilton Spectator December, 1998; Kalyna Country Visitor’s & Events Guide, 1999

- To establish and operate a festival or special event you must carefully assess the level of profit desired and the commitment required to achieve success. The permanence of events and festivals is strongly influenced by:

- starting small and letting the event mature
- co-operating with other groups and operators
- planning and taking into account other regional events
- anticipating the expectations of future guests for quality of service, experience, furnishings and comfort
- attracting acceptable capacity to facilities
- packaging and marketing events and festivals at a cost that meets the goals set by the organizers
- developing wide consumer awareness through innovative marketing campaigns

2. Regulatory/Operational Basics

- Establishing and operating a festival or special event in Alberta is not regulated by a specific provincial act of government.
- Before starting up and operating a festival or special event, organizers should contact the following agencies and organizations:
 - local municipal government offices – for inquiries regarding land use bylaws, development permitting and signage for municipal roads
 - regional health authority – for interpretation of guidelines for ensuring sanitary conditions (potable water, hot tubs) and the preparation of food (meals, handling, conditions for use of farm raised products such as eggs and meat)

- insurance – to obtain property and liability coverage for visitors
- Alberta Infrastructure – for information about signage for provincial highways
- Alberta Agricultural Societies (fairs and exhibitions) – for information on these community-based organizations as a source for training courses, planning, joint marketing and sponsorship
- Alberta Community Development – for information on event planning

3. Marketing Basics

- The key marketing issues for events and festivals are:
 - deciding on a theme that has merit in terms of authenticity and interest
 - determining how to market the event or festival
 - realizing that experiences and commodities are what visitors wish to purchase
 - creating high standards of presentation, facilities and service
 - developing a consistent, co-operative and long-term marketing strategy
- Local and regional visitors are the primary markets for agri-tourism festivals and events in Alberta. The Calgary Stampede is an exception as it also has a large international market.
- Recent research of agri-tourism potential in Saskatchewan indicates that a significant percentage of both the domestic and international market (25 per cent) has an interest in special events, especially those related to harvesting. There is also a strong correlation between the residents of France and an interest in festivals.²

Table No. 2 Checklist – Operational Guidelines

Operational Considerations	Authority/Organization
General start-up information	Alberta Agriculture, Food and Rural Development (AAFRD) – rural development specialists; Alberta Community Development; Alberta Tourism Development Branch
Land use bylaw; development permits	Local municipality
Food preparation; sanitary conditions; potable water; hot tubs	Regional Health Authority – health inspector
Insurance	Private sector
Signage	Local municipality; Alberta Transportation and Utilities
Training, joint sponsorship and marketing	Alberta Agricultural Societies

² Saskatchewan Agri-Tourism Strategy, 1998

- Rapid urban expansion has created an existing, but undeveloped demand for farm and ranch activities and practices. Visitors want to renew a lost link with the farm and ranch lifestyle.
- Traditional forms of promotion, such as word of mouth advertising, are the most powerful when planning for an event.³
- For the organizers of a festival or special event, marketing requires switching hats. Agri-tourism managers need to focus on the fact that it is primarily the experience, rather than commodities, that attracts visitors. Once at the venue, commodities will be purchased.
- Marketing involves more than simply advertising and expecting people to arrive. Some of the basic marketing factors that need to be taken into account are as follows:⁴
 - learn from your competition
 - define your product
 - target your customer
 - advertise and promote
 - walk in your customer's shoes
 - value your product and service
- Often, the organizers of an event overlook visiting or corresponding with the creators of successful festivals. Learning from your competition means studying what other people have done. This can result in:
 - an exchange of ideas
 - obtaining guidance on event planning and marketing
 - network building
 - making a decision as to whether or not to proceed
- Defining your product means setting specific goals. Event organizers often try to be all things to all people in the initial planning stages. There is a tendency to over estimate one's strengths and in so doing marginalize the end product. It is important to focus on those items that can be done well. Start small and build a quality product. It is important to determine:
 - the purpose of the planned event (whether it is to make money, promote the area or create a favourable destination image)
 - if what you are planning is currently unavailable or whether there is possible overlap
 - if your location is more accessible or remote than that of other successful events
- if your proposed experience is new to the region
- if other regional events are scheduled for the same time period
- if there are marketing partnership possibilities (with other attractions, activities or accommodations)
- Networking is invaluable, but at times it is inconvenient or uncomfortable to discuss the pros and cons of a similar business with neighbouring organizers. In these situations, contact is advocated with a related association, tourism organization or operators in another region or province. In many cases, there is more strength in co-operating with a related group than there is trying to achieve success as an individual. The pooling of skills and marketing dollars often benefits all of the co-operating organizations.
- Targeting your customers is important and sometimes difficult to do. Often, markets are not as initially perceived. Local and regional markets may have valued traditions concerning where and when to vacation, as well as what to spend their money on. Distant and long haul markets may be difficult to access. Some ideas for targeting customers are:
 - obtaining a profile (age, sex, lifestyle, family, couple, origin, length of stay) of current visitors to other agricultural events and festivals
 - considering proximity to large urban areas and international airports or alternatively deciding what unique characteristic of your event may draw customers (e.g. rural lifestyle, nearby attractions, on the way to noted destination, theme, design or service component)
 - taking advantage of the popularity of Alberta farmers' markets and market gardens by offering the extra step that encourages these same people to try an on-farm experience
 - studying the important role that nostalgia plays as people become further removed from their rural roots. Many wish to reaffirm traditional values by rediscovering farm/ranch lifestyles through rural special events (e.g., 96% of Canadians live in urban areas)
 - identifying and accessing a new demand for learning vacations from a generation of the urban based population that has little or no link to farm and ranch practices

³ *Agri-Tourism: Looking at New Horizons*, OATI, 1996

⁴ Compiled from assessing *The Potential for Farm and Ranch Recreation*, Neil R. Rimbey and Richard L. Gardner, 1992. University of Idaho, College of Agriculture, Cooperative Extension System, Bulletin No. 699.

- Advertising and promotion can be effectively started once you have defined both your festival/event theme and your potential customers. The next step is to get the word out.
- Walk in your customer's shoes by anticipating how your product and service will be perceived before your customers arrive. As the saying goes, you never get a second chance to make a first impression. Everything you do contributes to your organization's image. The following is a checklist of marketing techniques for use when operating a special event/festival.
 - positive first impressions (presentation, smile and attitude)
 - an orderly and eye-pleasing presentation
 - good directions and attractive, well-positioned signage
 - a layout of the event that is easy to navigate
 - safety precautions in place (emergency measures – police, ambulance and fire)
 - staff that is trained to be an ambassador for the region (knowledge of attractions, history and local services)
 - adequate and organized parking

Table No. 3 A Checklist of Promotional Vehicles for Event Organizers

Vehicle	Type of Audience	Who it Serves Best	Pro	Con	Price Range
Internet web site	General to special interest	Distant travellers (US, overseas and other provinces)	Available 24 hrs per day, 365 days of the year; easily updated	25% of population on-line	\$100 - \$1,000 to develop – annual hosting \$100 - \$500
Newspaper	General	Regional market	Possible free coverage for newsworthy item	Can have limited audiences	\$250 - \$3,000 per ad
Radio	Household segments determined by programming	Local to regional	Able to pinpoint target markets	Frequent use required; expensive	\$35 - \$120 for 30 seconds + development costs
TV	Varies based on time of day	Special events, major attractions	Professional appearance; large audience	Expensive; Needs repetition to be effective	One 30 second announcement \$200 - \$3,000 + development costs
Magazine	General to special interest	Special events, attractions	Can penetrate special interest markets	Expensive; limited exposure	Classified ads \$85 +; display ads \$1,000 and up
Brochure	Follow-up for initial enquiries	Small to medium operator	Quick checklist of offerings	Needs annual update	\$1,000 to \$5,000 (depends on sophistication)
Word of mouth	Specific	Special interest	Free; based upon good performance and networking	Time required to build reputation	N/A
Direct mail	Targeted by interests/location	Follow-up with existing customers	Low cost; measurable	Confused with junk mail	Current postage rates
Coupons/Gift certificate	Special interest	Attractions, events; current customers	Attracts new clients; repeat bookings	May be thrown away	\$100 - \$3,000
Trade shows	Targeted	Businesses with excellent presentation skills	Creates awareness; may lead to sales	Requires long-term presence	\$750 - \$1,500
Tourism association/ organization marketing	Targeted	Co-operative approach	Can be cost-effective	Individual product profile diminished	Varies based on formula

Source: Format adapted from Market Planning Skills Program, Alberta Tourism, 1991; updated with revisions, additions and 1999 pricing by CANtravel.

- Place value in your product and service as it is important to your event. The establishment and operation of an agri-tourism festival or event is often initiated for reasons other than profit, such as unused facility capacity and pride in community. As events mature, costs often escalate. If these events are to endure, they need to be organized and run like a business. Therefore, the initial setting of prices must take into account real costs and place a fair value on the experience generated.
- New entrants to the marketplace need to:
 - make a careful assessment of the ability to supply working capital while the event is maturing
 - be knowledgeable about the marketing costs and procedures necessary to place a product in the marketplace
 - recognize that the ability to develop new and wider markets for special events in rural communities is largely reliant upon a volunteer management structure
 - understand that entrepreneur special events need to be tied to other related farm activities that are enduring
- *The critical marketing issues* for rural tour and special event organizers are:
 - anticipating the changing trends in the industry
 - understanding the origin of visitors
 - developing a marketing plan to promote the business

4. Operation Basics

- Organizers may need to refine their event in the first few years of operation in order to determine the features and practices that give the best results for a particular situation.
- The management issues for a rural event include: determining the availability of volunteers, partners and sponsorship; establishing a theme; determining the financial requirements; developing facilities; honing people skills; and, developing a marketing strategy.
- Before investing in resources, new entrants to event planning should be familiar with the following characteristics of tourism related businesses.
 - The market for tourism facilities and services is difficult to define due to changing trends, global competition, and the influence of high and low demand seasons.

- Customer loyalty may be difficult to earn unless the product is particularly unique, of high quality and well organized.
- Value-added experiences and products are in demand. This allows operators to bundle regional attractions, experiences and products as part of an agri-tourism promotional effort.
- Rural event and festival related enterprises are traditionally located in more remote locations. This often provides scenic appeal, but it may also be an initial hindrance to attracting markets.
- Based on the key features of a rural event location, markets may be very narrowly defined. This requires a targeted marketing strategy.
- Successful rural events are usually located no more than two hours driving time from a large urban centre.
- *The critical operational issues* that operators must address include:
 - developing a business that is suitable for the location and reflects anticipated demand
 - having a targeted marketing strategy
 - being able to refine the business within the first few years to entice visitors and remain cost competitive

5. Economic/Finance Basics

- New entrants to event planning must carefully assess the profitability and cash flow implications of their proposed operation.
- Community-based events are often reliant upon significant volunteer labour, as well as cash or in-kind donations from various public and private sources.
- New Alberta festivals are often planned for areas with emerging tourism appeal. This requires an even greater commitment to long-term growth.
- For existing farm and ranch operators, special events are initially advocated as an add-on to existing farm/ranch production.
- Start-up and operational budget information for agri-related tourism events is limited as there are no standard operations within Alberta. Networking with existing event organizers is necessary.
- Most rural festivals and special events are held over a short time span, usually two to four days.

- The long-term viability of a special event operation depends on:
 - a view to a long-term commitment
 - a commitment to a consistent and dedicated marketing and packaging strategy
 - achieving acceptable visitor capacity levels
 - managing operating costs
 - placing an appropriate value on the experience
 - providing an exemplary product and service
 - having a sound marketing strategy in place

Budget Worksheet for a Rural Festival/Special Event

	Projected	Actual
Expenses		
Fixed Expenses		
Facilities	_____	_____
Food/refreshments	_____	_____
Insurance	_____	_____
Wages	_____	_____
Professional fees	_____	_____
Speaker fees	_____	_____
Honorariums	_____	_____
Equipment rental	_____	_____
Entertainment	_____	_____
Taxes	_____	_____
Permits and licenses	_____	_____
Signage	_____	_____
Display company	_____	_____
Variable Expenses	_____	_____
Security	_____	_____
Handout materials	_____	_____
Door prizes	_____	_____
Office supplies	_____	_____
Utilities	_____	_____
Miscellaneous	_____	_____
Interest on loans	_____	_____
Total Expenses	_____	_____
Revenue		
Fixed Revenue		
Donations	_____	_____
Grants	_____	_____
Sponsorship	_____	_____
Variable Revenue		
Admission/gate fees	_____	_____
Exhibitors (% of sales or booth fee)	_____	_____
Parking fees	_____	_____
Souvenir sales	_____	_____
Total Revenue	_____	_____
Profit/Loss = Total Revenue - Total Expenses	_____	_____

6. Resources

Publications

Agri-Tourism: Looking at New Horizons, 1996
Published by – Ontario Agricultural Training Institute (OATI)
405-491 Eglinton Avenue West
Toronto, Ontario M5N 1A8
Phone: (416) 485-3677
E-mail: infooati@oati.com

A Study of Agri-tourism in Newfoundland and Labrador
Prepared for – Government of Newfoundland and Labrador
Department of Forest Resources and Agrifoods
March, 1999
PO Box 8700
St. John's, Newfoundland A1B 4J6
Phone: (709) 729-6645

Agri-tourism in Austria and its Implications for Japanese Rural Tourism
Published in *Rural Tourism Management, Sustainable Options*
International Conference, September, 1988
Published by – The Scottish Agricultural College (SAC)
Auchincruive, Ayr
Scotland UK KA6 5HW
Phone: 44 1292 525056

Assessing the Potential for Farm & Ranch Recreation;
Bulletin No. 699
Published by the – University of Idaho, College of Agriculture, Cooperative, Extension System Moscow, Idaho 83843
Phone: (208) 885-7911

Farmers' Markets in Alberta: A Direct Channel of Distribution, January, 1998
Alberta Agriculture, Food and Rural Development and the Department of Human Ecology,
University of Alberta,
AARI Report – Project #95CR16

Festivals, Special Events and Tourism; Donald Getz
University of Calgary
Published by – Van Norstrand Reinhold, 1991
115 - 5 Ave., New York, NY

Recreation on Agricultural Land in Alberta, Chapter V,
Farm-Based Recreation and Tourism Enterprises,
1982 Published by the Environment Council of Alberta
Edmonton, Alberta

Saskatchewan Agritourism Strategy, 1998
Published by – the Saskatchewan Wheat Pool
2625 Victoria Avenue
Regina, Saskatchewan S4T 7T9
Phone: (306) 569-4411

Small Farm News, Small Farm Center, Cooperative Extension, University of California
Agricultural Tourism: Emerging Opportunity
Published by the Small Farm Center
University of California, One Shields Avenue
Davis, California
Phone: (530) 752-8136
E-mail: sfcenter@ucdavis.edu

The Agri-Tourism Industry in Manitoba: A Profile of Operations and Issues, 1997
Published by the Rural Development Institute,
Brandon University
270 - 18th Street
Brandon, Manitoba R7A 6A9

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7. Key Management Issues

- In order to undertake the planning necessary for a successful festival/event you need to be able to answer the following questions about the presentation, marketing and management of an agri-tourism enterprise. These include:
 - Are you prepared to learn all you can about event operations and marketing by visiting existing festivals, attending workshops and reading all you can about providing the experience?
 - Have you clearly defined the market(s) and customers that you will be marketing to? Have you clearly defined the operational practices you need to implement in order to produce the quality of product required by your markets?
 - Have you clearly defined the marketing activities that you should perform in order to access the specific market segments that you have identified?
 - Are you aware of the amount of time required to organize your event, search out partners and solicit sponsorship?
 - Are you aware of the human and financial resources required to establish a festival, as well as the returns that can be expected?
 - Are you prepared to manage the risks associated with a special event?

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