

Agri-tourism operations management



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Introduction

Agri-tourism is increasing in popularity, and is sought by many farmers as an alternative source of on-farm income. It is a popular concept among the European farmers for nearly a century [Busby & Rendle 2000]. Defined as a tourist or recreation enterprise on a fully working farm, agri-tourism can include plenty of attractions, activities, accommodation, amenities etc. Two primary reasons are cited for the recent increase in agri-tourism development. The first reason is linked to a growing interest amongst tourists for on-farm experiences. The second primary reason for increasing agri-tourism development is the state of farming in modern society. Changes in farming practices make it increasingly difficult for farmers to support themselves solely through farming. It is for the latter reasons that Blackberry Hill Farm was developed as a tourist centre. However, the farm has been unable to cope with its overwhelming popularity, which has created a few complexities in the management of everyday operations. The overall objective of this report is to recommend changes to improve the day-to-day operations of Blackberry Hill Farm.

Capacity Constraints

Jim and Mandy Walker define very specific personal, family and business goals for Blackberry Hill Farm. Their goals are tied to a set of values concerning family, environment and community that have grown through time. Their challenge is to develop a whole farm strategy that, over a course of five, ten years or more, would live up to their values and goals, by taking advantage of their current business strengths and perceived market opportunities. While there are numerous potential advantages for Jim and

Mandy in becoming involved in agri-tourism, the business is not without its potential risks and associated costs. From the case study, some of the frequently mentioned challenges relate to:

- Incurring unforeseen or prohibitive developmental and marketing costs
- Placing unforeseen and excessive demand on farm and community services and activities
- Providing only seasonal employment opportunities
- Creating unforeseen environmental and social impacts

Given these concerns, it is imperative that Jim and Mandy take a proactive role in planning and managing the development of the farm.

Short Term Operations Issues

The pick-your-own operation initiated at the Blackberry Hill Farm has been a reasonable success primarily due to many operations related reasons. First, Jim and Mandy are relieved of the burden of finding and paying temporary seasonal labour at harvest time. Second, it overcomes the farmers distaste for direct sales and provides them with opportunities to think like customers. However, the popularity of such an operation will necessitate Jim and Mandy to rethink about plenty of operational issues such as creating adequate parking space, having restrooms and a safe entertainment area for children. Children are best kept away from the picking area as they contribute disproportionately to damaged crops. Attention to these basics will help build repeat sales for the Blackberry Hill Farm. Furthermore, pick-your-own operations are primarily meant to target families who do not have the space to grow their own seasonal vegetables. The mix of vegetables and fruits will depend on customers' tastes, which can be identified by the customers'

frequent visits to the farm. This also gives ample scope for the Walkers to introduce home delivery of their favoured hand picked fruit and vegetable for a nominal fee.

Medium Term Planning and Control

Another critical component of operations strategy involves the plan for filling resource gaps. Making changes in the existing resource may mean making better use of under utilized resources. For example, Tractor rides are extremely popular with the visitors, though the overall capacity in comparison with the number of visitors during peak times is extremely low. Since, the Walkers are reluctant to invest in expanding capacity of the tractor rides, it is recommended that they introduce guided and themed walks within the farm during peak times as this will slightly reduce queuing for the tractor rides. Furthermore, average length of stay in the preserving kitchen should be reduced to off-peak time. To counter this, the Walkers could introduce short films on the preserving kitchen in a dedicated screening area away from the kitchen. The same principle could be employed to the bakery to reduce the bottle necks.

Furthermore, the case study illustrates there are parking problems during peak periods with complains from the local Police. To counter this, Blackberry Hill Farm should attempt to capitalize on the advantage of creating productive partnerships with local transport services to provide transport facilities to and from the farm to the nearest train and bus station during peak periods. This will not only encourage the visitors to use public transport, but will also ensure that there are reduced parking problems in the farm.

Long Term Strategic Issues

Porter (1996) argues that strategy is a set of activities in which an organization will excel to create a sustainable competitive advantage in the marketplace. This competitive advantage can be to deliver greater value to customers than competitors or to provide comparable value at lower prices. Nevertheless, organizational strategies have to be continuously monitored to reflect the changes in the business environment and to weave these changes within the organizational competencies. As Porter (1996) rightly concedes, operational effectiveness and organizational strategy are equally essential for superior performance. A company can outperform the rivals if it can establish a difference that it can preserve and these differences are derived from various activities initiated by the organization in the process of manufacturing, marketing and selling. Furthermore, operational effectiveness is performing the same activities better than the rivals.

The idea of developing a maize maze is a profitable option for long term planning and control and will help the farm with necessary revenue to further consolidate the farm's activities. It will also help in developing Mandy's idea of building up their business through organized school visits. To avoid occasional queues and to divert attention from other crowded attractions such as tractor rides and fixed exhibits within the farm, it is recommended that the maze is built a short distance away from the popular attractions such as fixed exhibits, petting zoo, pick-your-area, bakery, preserving kitchen etc. The maze in itself should keep the customers entertained for about two hours for a fee. Good crowd control, separate restroom facilities,

refreshments and farm products to sell, will divert the queues away from crowding.

Outdoor activities during summer months will make the customers thirsty. Ready-to-eat food and a selection of beverages that fits the farm's theme will form an interesting part of the farm's experience. Although, the case study illustrates that the farm has a bakery, café and a preserving kitchen selling food products, small handcarts selling homemade ice-creams, people dressed in traditional farmers clothes selling fruits and sandwiches from farmers baskets, barbeque etc at vantage points within the farm will spread the visitors evenly, thereby reducing queues.

Furthermore, improvements in inventory and storage management will help benefit the farm as a way to mitigate seasonal price and product declines. Since the farm shop at Blackberry Hill Farm is very profitable, investment in low-cost storage systems will help in preserving the produce and prolonging the marketing season. This will also help in retaining more permanent staff, rather than employing seasonal employees.

Conclusion

The development of agri-tourism in the recent years has increasingly created recreational and educational alternatives for citizens to have fun, to improve their quality of life and to satisfy the need of social interactions. In turn, the focus of traditional farm management is on operational effectiveness.

Innovative strategies for agri-tourism business management need to be considered to maintain and create successful businesses. Understanding visitor needs and offering unique services and products to meet those needs

are critical to the success of all businesses. In addition, careful study of who the visitors are and where they are coming from, as well as existing competitors, are essential.

References

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