

Sustaining production and strengthening the agritourism product: Linkages among Michigan agritourism destinations

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Abstract. Agricultural restructuring has disproportionately impacted smaller US farms, such as those in Michigan where the average farm size is 215 acres. To keep agricultural land in production, entrepreneurial Michigan farmers are utilizing agritourism as a value-added way to capitalize on their comparative advantages, their diverse agricultural products, and their locations near large, urban, tourist-generating areas. Using focus groups, this paper illustrates how entrepreneurial farmers have strengthened Michigan agritourism by fostering producer networks through brochures and web linkages, information sharing in refining the agritourism product, referrals to other agritourism businesses that serve different markets or offer different products, purchase linkages, and a regional approach to establishing agritourism destinations and increase visitation. Successful entrepreneurial, agritourism developers thus work cooperatively, rather than individualistically and competitively. Agritourism destinations facing stiff competition from alternative venues for leisure time and food purchases benefit from supportive linkages that help sustain a critical mass of producers who offer diverse goods, maintain land in agriculture, and thus, reinforce Michigan's image for agritourism.

Key words: Agritourism, Entrepreneurship, Farmer networks, Michigan, Producer marketing

Abbreviations: ATPA – Andean Trade Preference Act; MDA – Michigan Department of Agriculture

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Introduction

In advanced industrialized countries, small farmers have been challenged by changing economic and

social conditions such as increased global competition, falling commodity prices, and capital- and technology-intensive agricultural production. This paper will first discuss agricultural restructuring and the focus on agri-

tourism as a strategy that enables farmers to retain land in production. Then, it will discuss barriers to agritourism development, which are rooted in small farmers' commodity production orientation, and the problematic transition to selling differentiated attractions or experiences. Finally, using focus groups of Michigan agritourism operators, this paper will illustrate the informational and purchasing linkages among producers that help to overcome these barriers. These linkages bolster agritourism, which faces competition from both leisure and food purchase alternatives and from competing land uses. They also support a dedicated core of agritourism operators who produce the goods, services, and landscapes needed to further Michigan's image as an agritourism destination.

Agricultural restructuring and small farms

Commodity producers in advanced industrialized countries have been impacted by physical and human limits to production, price-cost squeezes, global competition, and the increased mobility of capital. Regarding agricultural producers specifically, this crisis in production has been driven by declining prices for agricultural commodities, a need to adopt capital-intensive technologies via intensive production on large-scale farms in order to be economically competitive, and a resulting cost-price squeeze. At the same time, the public's environmental concerns about industrialized agricultural production and the pressure to reduce agricultural subsidies have grown (Wilson, 1995). These changing economic and social conditions have had a disproportionate impact on smaller farms in Europe and the United States (Kenney et al., 1989).

Michigan farms, which average 215 acres, face these competitive problems, as capital- and technology-intensive agricultural production favors larger farms farther west. While current farm size is, on average, twice what it was in 1950, and well exceeds the 86-acre average in 1900 (Moses, 1999a), increasing scale does not necessarily yield profitability. Larger farms such as the one farmed by Jon Drodz, which produces corn and soybeans on 5000 acres in western Michigan's Allegan, Kalamazoo, and Van Buren counties, would not be able to make it without federal subsidies totaling \$460,618 in 2000. According to Sarah Black, national legislative counsel for the Michigan Farm Bureau, such subsidies help many Michigan farms cope with low crop prices and the economic slowdown (Hoffman and Finnerty, 2001).

In addition, intensified global competition by foreign producers benefiting from declining tariffs and lower labor costs also has affected Michigan's commodity farmers. For instance, the Andean Trade Preference

Act (ATPA) of 1991, which promoted the development of non-drug related crops in Bolivia, Columbia, Ecuador, and Peru by increasing their access to the US market, has led to imports that are displacing the production of high-value, labor-intensive asparagus, especially in Michigan and Washington. In 2000, processed asparagus accounted for approximately 86% and 68% of the crop in these two states respectively (US General Accounting Office, 2001). According to Jerry Dekryger, executive director of the Michigan Asparagus Advisory Board, the price offered to growers by processors who can utilize cheaper imports is nine cents per pound, the lowest since the 1980s (Parker, 2001). Yet, according to the US General Accounting Office, domestic, processed asparagus production will be displaced even without the lower ATPA tariff, given Peru's advantages in climate and labor costs. Additionally, Michigan asparagus producers face increasing competition from Mexico, the leading source of imported asparagus, and one which benefits from reduced tariffs under the North American Free Trade Agreement (US General Accounting Office, 2001).

Global competition is likely to be intensified with China's joining the World Trade Organization and the resulting Permanent Normal Trade Relations (PNTR) with China. While the Michigan Department of Agriculture (MDA) felt that PNTR with China would benefit Michigan agriculture by reducing Chinese tariffs on US agricultural products, loosening Chinese import regulations, creating anti-dumping provisions, and lowering Chinese export subsidies (Michigan Department of Agriculture, 2002), China's extremely low labor and production costs (relative to those of Michigan) may increase imports. China's apple juice exports have contributed to the declining prices of and demand for domestic apples (Finnerty, 2001). Additionally, honey imports from China dramatically increased from 27,616,690 pounds in 1998 to 53,516,855 pounds in 2000 (National Honey Board, 2003). Thus, China's exports of honey and apple juice have impacted two of Michigan's most important products.

At the same time, Michigan farmers face low-cost global suppliers of agricultural commodities and the escalating demand to use farmland for urban residential and commercial purposes. While Michigan's population is not growing, the land consumed by an increasingly suburban and exurban population is growing. In Michigan, 142,000 acres of farmland were converted to urban land from 1982 to 1992. This represents 31% of the state's total land that was converted to developed land (Moses, 1999b). The increasing use of agricultural lands for residential and commercial development threatens future production as farms converted for suburban tracts are forever lost to farming.

Agritourism: A panacea for farm woes?

[Montrose Orchards] was a retail/wholesale operation up until probably thirty-five years ago. It's now currently 90%–95% retail and pick-your-own. Some of the things that drove us into that area, of course were locations to markets, fluctuation of pricing on the wholesale markets, and the ability of the wholesaler to demand the price they wanted and then actually let you drop at a minute's notice if someone else is a penny cheaper than you are. So, being a price maker. . . you know, being a price maker is a lot better than the price taker (D. Hill, diversified Michigan farmer, personal communication).

Agritourism, another consumptive use of farmland, may help preserve farms. Agritourism has increasingly been proposed as a means for economic diversification and landscape preservation in agricultural regions undergoing restructuring as well as a means to satisfy increased demand for amenity countryside uses. Lobo (2001) has defined agritourism as the act of visiting a working farm or any agricultural, horticultural, or agribusiness operation for the purpose of enjoyment, education, or active involvement in the activities of the farm or operation. In a similar fashion, Maetzold (2002) views agritourism as an alternative enterprise that links value-added or non-traditional agricultural production or marketing with travel to a farm or ranch. Broadly defined, then, agritourism is any agricultural operation that caters directly to the general public with retail sales and/or the provision of services, involving food, fiber, flowers, trees, shrubs, and other farm products and conducting sales at the production location. While farms classified as agritourist operations must offer on-site commercial sales to the general public, they may also be conventional wholesale operations.

The European Union has encouraged agritourism development to support farming regions. Since 1991, EU countries have spent \$2 billion to subsidize agritourism development in rural farming areas (Tagliabue, 1998) that cannot compete in the global marketplace because declining commodity prices favor large-scale North American farms. Agritourism development has provided farms with an alternative income source (e.g., 5%–10% of total income on one Bavarian farm) (Tagliabue, 1998). Thus, it serves the social purposes of keeping farmers on the land, protecting picturesque rural landscapes that attract tourists, educating urban populations about food production, and supporting the production of distinctive regional agricultural products (Busby and Rendle, 2000; Oppermann, 1995).

Agritourism also has been utilized to help diversify agricultural-based economies of the US Midwest (Cross, 1987; Kennedy et al., 1987; Garcia, 1995).

Although agritourism has a long history in Michigan, from turn-of-the-century farm-based, summer resorts along Lake Michigan (Kraus, 1999) to tree farms in central Michigan and historic apple orchards and berry fields in the southwest, the need for agritourism development is intensified by agricultural restructuring. Like farms in the densely populated EU countries, Michigan farms, also, are well positioned for agritourism development with their diverse crop production and their locations near large, urban tourist-generating areas.

Barriers to agritourism development and marketing

Marketing-related barriers, however, have hampered agritourism from developing to its fullest potential. Marketing problems stem, in part, from the orientation of geographically isolated farmers. Independent decision-making has focused on improving production, rather than on marketing and consumptive uses of farmland. This orientation more readily allows for innovations such as new hybrids, chemicals, tillage practices, new feeding regimes, and equipment, than for new, interdependent ways of doing business (Holmlund and Fulton, 1999). Additionally, established agricultural networks and marketing channels exist only for standardized, bulk commodities designed for further processing and marketing. Commodity cooperatives that improve product quality without selecting for a small group of "elite" producers or violating their "equal treatment provisos" cannot easily be adapted to the differentiated agritourism product which relies on the provider for high quality and improved performance (Hjalager, 1996). Independent producers of homogeneous commodities also often lack interpersonal skills and innovative, value-added product development that can differentiate farm destinations (Busby and Rendle, 2000). Furthermore, as evidenced in the problematic implementation of the \$2 billion EU agritourism initiative, the interorganizational set-up for marketing and quality control of the differentiated rural tourism product is currently underdeveloped (Clarke, 1996, 1999). To the degree marketing exists, the focus is at the individual farm level. This fragmented focus has hampered agritourism's growth.

Marketing and strategy theorists have long recognized the competitive advantages that can be created by forming horizontal alliances for collaborative marketing. The increased efficiency created by these alliances has been called a "value web" (Brandeburger and Nalebuff, 1996), a "cooperative competency" (Sivadas and Dwyer, 2000), and a "value net" (Cartwright and Oliver, 2000). Ray Noorda, the former chief executive officer of Novell, coined the term "co-opetition" to describe the phenomenon in which businesses co-operate

and compete at the same time (Brandeburger and Nalebuff, 1996). These cooperative arrangements can be particularly valuable when companies find that it is more advantageous and feasible to attempt to increase the size of the overall market than it is to seek to grow individual market share (Hill, 1998). Marketing alliances have been formed to share resources related to a number of mutually beneficial functions, including advertising, promotion, and marketing information.

Greater inter-organizational linkages are needed to improve the marketing and development of agritourism. In England, there has been a growing trend away from individual advertising towards joint campaigns developed by groups of 15–20 farmers to market a particular image of the farm tourism. The benefits of a market consortium include increased bookings and longer seasons, the opportunity to exchange ideas, discuss experiences, attend courses, and arrange bulk buying, etc. (Frater, 1983). Synergies can help support the development of the agritourism niche market and territorially based rural production. Vermont's Ben & Jerry's, which produces luxury ice cream and frozen yogurt, supports the state's dairy farmers through its purchases, by attracting over 250,000 visitors per year, and by informally promoting rural tourism in the state (Lane and Yoshinaga, 1994).

While Ben & Jerry's may have had exceptional success at attracting visitors seeking rural landscapes, smaller and medium-sized agritourism operations can and do work together to market and develop regions as agritourism destinations. Using focus groups comprised of Michigan agritourism operators, this paper argues that successful, entrepreneurial agritourism developers can work cooperatively rather than individually and competitively. These operators have developed supportive, informational linkages as well as purchasing linkages to help sustain a critical mass of producers who offer diverse goods, maintain land in agriculture, and thus reinforce Michigan's image for agritourism.

Methods

Focus groups comprised of agritourism producers were convened during February 2002 as part of a project funded by the US Department of Agriculture and administered by the MDA to determine the impact of agriculture-based destinations on Michigan's tourism economy. Representatives from the MDA and Michigan State University Extension invited a range of individual agritourism producers to the focus groups so that the diversity of Michigan's agricultural products (e.g., apples/cider, wine, peaches, cherries, asparagus, pumpkins, squash) would be represented. Primarily, farmers selling fruits and vegetables and associated value-added

products were selected for the agritourism focus groups. These small to medium-sized producers were overrepresented in Michigan agritourism relative to larger commodity-oriented corn, soybean, and dairy farmers.

In addition to representing agricultural product diversity, the focus groups also were set up to include the geographical diversity of producers, their customer bases, and the residential and commercial pressures facing farmers. Three focus groups, each concentrating on a different region of the state, were convened (Figure 1). The southwestern Michigan group included both tree fruit and pumpkin producers who catered predominantly to Kalamazoo-Battle Creek metropolitan area customers as well as operators located further west who drew half of their customers from South Bend, Indiana, and Chicago, Illinois. One participating farmer indicated that 50%–70% of his customers came from the Chicago metropolitan area. These Chicago tourists included both second home/cottage owners and day visitors. In the case of an organic winery in southwestern Michigan, customers traveled from as far away as St. Louis, Missouri to purchase wines they could not obtain through their local retail outlets or by mail order. The Traverse City area focus group, likewise, contained mainly tree fruit producers, but cherry-based products and Christmas trees were more important. These producers served long-distance Chicago and Detroit metro area tourists and second homeowners.

Lastly, the central and southeast Michigan focus group contained tree fruit, berry, and pumpkin producers who predominately attracted nearby suburban customers. The expanding metropolitan areas, especially surrounding greater Detroit, generated the farm market and a family and experience-oriented customer base. This group also represented a region of intense development pressures.

Using focus groups, the authors identified key issues with respect to marketing and the development of Michigan agritourism. Participating agritourism producers were asked about their experience with agritourism, general perceptions and knowledge of other agritourism sites, potential of agritourism (i.e., benefits and downsides), what constitutes successful and unsuccessful agritourism operations, promotion, and the impact of agritourism in Michigan. Information provided by the focus groups was also used to develop a survey instrument sent to owners of Michigan agritourism operations. This on-going survey will help secure accurate data on the economic impact of agritourism in Michigan and, in turn, will be valuable in securing additional recognition for the industry when applying for future promotional or advertising funds available at the state or federal level. Key concepts regarding the cooperative marketing and development of agritourism also were identified from video and audiotapes and transcripts of the focus groups. This paper will now discuss the

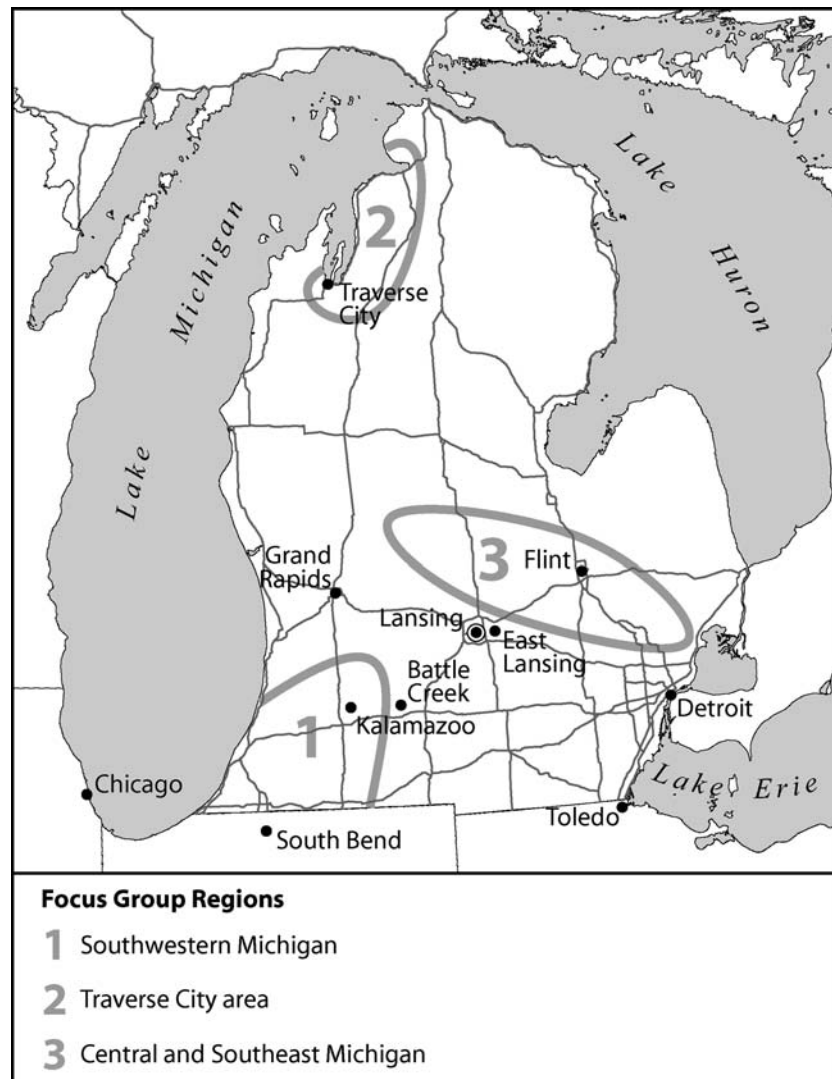


Figure 1. Michigan agritourism focus group regions.

importance of (1) brochures and web linkages with state and local tourism promotion organizations and the MDA; (2) information sharing in refining the agritourism product; (3) referrals to other agritourism businesses; (4) purchasing linkages; and (5) developing a regional approach to establishing agritourism destinations and increasing visitation. Together, these concepts highlight how Michigan agritourism producers work cooperatively rather than competitively to strengthen this important segment of Michigan tourism.

Brochures and web linkages connecting dispersed producers and customers

New marketing and communication channels such as brochures and web linkages can provide consumers

with information on previously isolated agritourism providers. For instance, the Southern Vancouver Island Direct Farm Market Association (SVIDFMA) in British Columbia developed and distributed 160,000 copies of a guidebook that lists its members. The organization estimates the guidebook is responsible for a 15%–30% yearly increase in direct farm sales (Lazarus, 1998).

In Michigan, the MDA, similarly, has published a successful U-pick brochure available on-line and in hard copy, which provides an inexpensive way for geographically dispersed farm markets to reach customers. For approximately \$50 every 2 years, a farm market can be listed in the MDA U-pick guide. Over 100,000 copies of the guide are distributed each year (S. Hill, Michigan Department of Agriculture, Agriculture Development Division, personal communication) by mail, at Michigan Department of Transportation rest

stops/welcome centers, and at agritourism destinations. One focus group participant, who felt the guides brought dollars to Michigan and supported small businesses, said, "We have more people from out of state taking those things than we do people from in the state. And, we get rid of the big box they send us every year and we run out early, and so I think that's helping these little farm markets all together..."

In addition to the U-pick brochure, participating farm markets and agritourism producers also are listed on the MDA website under Select Michigan, a new campaign for Michigan-produced agricultural goods. The Select Michigan label addresses the findings of a 1997 survey of Michigan consumers who found that while 75% of those surveyed were more likely to buy a product from Michigan, 62% found it difficult to identify Michigan products. Select Michigan clearly identifies products as Michigan-grown or processed. The logo helps the state's agricultural industry capitalize on the loyalty of Michigan consumers for Michigan products, which they view as fresher, great-tasting, safe, and of higher quality (Michigan Department of Agriculture, 2003). While only about a quarter of farm markets and like operations are listed in the guide or on the web, the MDA, ultimately, will have an updated web database of agritourism producers to help them schedule events and provide customers with desired travel planning information. Such an information channel can help the majority of people who, according to the state tourism office (i.e., Travel Michigan), plan and make their decisions on when and where they are going on vacation just fourteen days in advance (S. Hill, personal communication).

Information sharing to improve the agritourism product

Small agritourism producers link through the sharing of information. They cooperate with other tourism enterprises and learn from other entrepreneurs' experiences. In Michigan, agritourism producers illustrated their interdependence in contrast to the traditional view of the individualistic commodity producer. For example, they shared operations-related information on suppliers (e.g., where one can get a donut machine, or an oven for a bakery/cider mill facility). More importantly, they also picked up marketing ideas from each other that could be used for continually improving the agritourism product. One farm marketer, Denise, noted that "the nature of our business (is) that we're self-supporting and...so you're just willing to pick up any idea anywhere and take it and run with it." Another agritourism operator jokingly referred to learning from other operators as:

basically, legalized theft that occurs when you walk on the Beck farm and see what they're doing that's working right. We take their good ideas and then we discard all of the stuff they did wrong... so basically if one person does something right, you know, makes the effort and tries something good, the rest of the industry picks it up pretty quickly 'cause that's working good. We're going to go with that way too. We all make our own mistakes so we...at least in the entertainment side...in the retail side, we're not so compartmented... We share that knowledge back and forth very freely.

This same farmer contrasted the agritourism industry with commodity food production. The latter he felt was well-known for its lack of services to customers as well as to peers. "You know, right or wrong, they never let anything out. So, consistently, they can all make the same mistakes every year without there ever being a greater source of knowledge." In contrast, constant innovation through the sharing of ideas strengthens Michigan agritourism.

Referrals to other agritourism producers

Another service-oriented linkage among agritourism producers comes from referring customers to other businesses that can satisfy their needs. Referrals occurred, in part, because producers did not view other agritourism operators as their competitors. Rather, they felt they competed with supermarkets and other entertainment outlets for customers' food and leisure expenditures. An agritourism farmer noted that he referred customers to other farms because:

if...if there's something we don't carry, somebody wants something, we specifically refer them to a farm as soon as possible because that gets the folks... if they want to find something, it's...it's outside of the city border, so if it's out on a farm, it's out on a non-main road. That goes back to, I guess, identifying who our competition really is. A lot of it could figure that the big box store, there's some wholesale supermarket...And that...that becomes our competition as far as to spend the money. As we go in the entertainment side of it, it's not a matter of, can I get something cheaper, certainly they can. We're not going to win that war. But, where are they going to spend that money on weekend or a weekday trip that's good?

Service, a key aspect of agritourism specifically and of rural tourism generally, involves satisfying the customer. Ideally, an operator will have the product a customer walking through the door wants, but when this is not the case, referring people to other businesses can build good will for individual businesses, for agritourism, and for Michigan farmers, who only make up 2%

of the state's population. Agritourism operators, then, have service-derived goodwill as their comparative advantage relative to the supermarkets. Such referrals can help generate the tourist dollars needed to keep land in production. Another agritourism farmer expressed the importance of service and referrals in getting repeat customers this way:

If everybody in the room and everybody that was in the business networked and passed these [brochures] out, most of us are in these various things, it just becomes one help...one hand helping the other and there's enough, really enough business for everybody, I mean, to go around. I've sent people to competitors if they're looking for something. This is probably one of the best services you can provide. If...if somebody's looking for something specific, try to...your best to find it for them. And they remember that.

Referrals occur, in part, because Michigan agritourism businesses are differentiated in terms of the products and services they offer and their resulting customers. Still another agritourist operator, described the niches in Michigan agritourism that allow essential cooperation:

Bob [pumpkin farmer participating in the same focus group], we did a corporate picnic for a farm credit services, and Bob was one of 600 people... But, Bob was at our place, and I... I... we're not in competition with the same people, but in October, we're both selling pumpkins, and that's a big month for both of us, maybe more for him because...and before he left, he said, could I have some of your cards or brochures? He says, because what you're doing, as far as the corporate picnic thing, I don't... I don't touch that market, and I'd be willing to promote you. And, I'd never met him before. He was literally a guest for...as...come from farm credit, and I sent you a note and appreciate it very much, and that's the type of thing, if you don't do it, I think you're... we don't have a chance to survive.

Purchasing linkages

In addition to the informational linkages that help generate tourist expenditures, agritourism operators also support their peers by purchasing items they do not produce or that they utilize in value-added processes. For agritourism operators, purchasing from neighboring farms helps keep land in production and in the aesthetic, agrarian landscapes that attract tourists. For farmers and other agritourism operators, selling to small and medium-sized tourism operations can yield higher prices than if they sold their crops to large wholesalers whose purchasing-power forces prices down. Two neighboring agritourism

operations in the Traverse City area had mutually beneficial production and purchasing linkages. Friske's farm market had a large orchard operation, including its own packing line. Pond Hill Farm produced fruit, but its limited resources constrained it from having a large orchard operation. As a result, Pond Hill bought products from Friske's, in order to expand its own on-site offerings, while Friske's was able to profitably sell the apples and cider it could not sell on-site to other local farm markets and area grocery stores. Such profitable on-site sales and sales to other local farm markets help sustain agricultural production.

In addition to supporting other agritourism operations through purchasing linkages, agritourism also benefits primary producers who are key suppliers of the ingredients used in value-added agritourism processing. Peterson's Winery, one of the few organic wine producers in the world, made purchasing decisions that explicitly took into account the price that farmers needed to turn a profit and keep the land in production.

As owner, Duane Peterson, noted:

We pay a good price for top quality fruit and, in fact, my first question to every grower is, what do you need to make a profit? Not how cheap can you sell me the product? 'Cause I only want the best. They have to make money or they can't stay in business, and if they're not in business, I don't have anything to make wine out of...

I don't need their money. I don't want their money. As long as I can make what I need to make, and I know what I have to pay to make that, then I'll pay them, whether they ask for it or not. And if that kind of concept could be going on with the whole industry, everybody would make money, period. It's just a different way of looking at it, or...or a different picture, but something like that has to happen. You've got to look out for each other, but the processor, and has got to...you know, I can't believe those guys aren't smart enough to realize, if their farmers go out of business, they've got nothing to process.

Whether they are involved in agritourism or not, farmers are dependent on processors. They need to consider the prices they receive from them as well as the long-term survival of those processors. Given global competition, Michigan's fruit growers cannot survive by selling commodities for limited processing (i.e., bagging or juice). Since 1998, one in five apple growers in southwest Michigan has left the business. Poor growing seasons have compounded the problems associated with a worldwide overproduction of apples and China's exporting of apple juice to the US (Finnerty, 2001). Those commodity producers, who remain in business, become dependent on financially strapped processors like Hartford, Michigan's Shafer Lake Fruit Inc., one of only a few concerns that still packs for 40-60 area

apple growers and ships to grocers. In contrast, value-added agritourism operators such as Peterson's Winery can afford to pay farmers what they need to stay in business. Peterson's produces specialty organic wines that people are willing to purchase at a premium. The ability to increase the price of value-added products, and the amount paid to suppliers does not exist for Michigan processors of undifferentiated apple juice or canned asparagus, for they rely on cheaper imports.

Strengthening territorially based agritourism

Finally, a cooperative approach, rather than a competitive one, also can help strengthen an area's agritourism reputation. A group of small-scale operators can achieve the critical mass of resources and attractions necessary for effective promotion to target markets and provide a geographic identity (Weaver et al., 1996). In the United Kingdom, for example, the Farm Holiday Bureau's local area group (LAGs) highlight tourism areas or areas with a distinct sense of place. LAGs emphasize local identity through the use of local recipes, produce, building materials and architectural styles – features that can help to differentiate an area from the global homogeneity of tourist destinations (Clarke, 1999). Currently, wine producing regions in Europe, Australia, and North America have developed geographically specialized networks and routes around local identity. These routes based on collective action and the social relations of small entrepreneurs can foster a regional reputation, differentiated products, and premium prices (Brunori and Rossi, 2000; Telfer, 2001).

Even when agritourism operations do not sell the same product (e.g., wine), individual small and medium-sized enterprises can realize image improvement and competitive advantage as part of a larger network's publicity and credibility. As a result, the destination can be more broadly marketed than would have been possible by an individual operator and the region's attractiveness as a tourist destination heightened. Ideally, this cooperation leads to the long-term survival of rural areas, an increased sense of cohesion, community spirit, and self-reliance as these areas hold a competitive advantage over other tourism destinations (Halme and Fadeeva, 2000).

In Michigan, working together strengthens an area's agritourism reputation. Through the Southwestern Michigan Tourist Council, agricultural businesses that once worked independently came together to promote the region's agricultural offerings. The council has packaged area farms by placing a compiled list and a map on its web site (McCall, 2002). Its "Drive Among the Blossoms," links all the agritourism businesses in

southwestern Michigan and helps bring in visitors from the Chicago metro area.

Cooperation sustains the critical mass of agritourism producers needed to attract people to a town's farmers market or to the region itself. Farmers markets in Traverse City and Boyne City, which have the most vendors, are excellent examples. As one vendor noted, the traffic in Traverse City and Boyne City is ten times the normal rate on market days. This leads to spin-off sales of gas, impulse buying, etc. that benefit the community. Likewise, greater numbers of on-site agritourism producers in an area also create a greater draw for customers as one orchard operator explained:

In our small area [rapidly urbanizing Macomb Township], there's quite a few different markets and I actually think that it brings the customers to our area, knowing that we have a lot of markets there and a lot of different choices, so I think it's to our benefit.

As operations work together, they build the territorially based, agritourism industry.

Agritourism operators' cooperation and survival in an era of agricultural restructuring

Agricultural restructuring characterized by increasing global competition and capital and technology-intensive production has impacted Michigan's relatively small farmers. At the same time, the increasing demand for land to develop outside the state's sprawling cities and the greater profit in growing houses rather than commodity crops place pressures on farmers. In response, some Michigan farmers have focused on the retail, entertainment side of the business and moved out of wholesale production altogether as they try to maintain the family farm.

In shifting towards the service-oriented agritourism industry, the operators who participated in our focus groups cited the importance of cooperative linkages to strengthen the Michigan agritourism product. Cooperation can take the form of pooling resources for the production of brochures and web linkages, sharing information to improve operations and the agritourism product, referrals to other businesses, purchasing linkages, and working together to create a place-based agritourism identity. Such linkages have been formed as destination operators realize they are not competing with one another, but rather with alternative leisure and purchasing outlets. "Big box" supermarkets certainly sell apples for less, but these businesses don't offer the agritourism experience. As one participant noted, "A lot of folks, when we get that point, they're not so specific as the single site that they're in as the fact why they're going out to a site, that is, to get away from or

get a different product from what they can find in the city.”

Agritourism operators need to increase their visibility among suburban and urban customers *vis-à-vis* their competitors, most of the alternative purchasing and leisure options. One Christmas tree business owner identified his biggest competition as the artificial tree, but now “we are getting more and more people every year who used to have that enemy, and now they want the real tree. . .”

Alternative opportunities that target the limited time people have available on weekends pose a greater threat to farm tourism than do other agritourism businesses. One large agritourism operator explained that he does not compete with a farm market eight miles away, but rather does business with it. As their big business is on weekends, “it is the other places having big (weekend) events (i.e., Michigan State University home football games) that we consider a competition and that are getting the people away from us.” Competition by non-agricultural attractions and events can siphon off customers from seasonal, weather-dependent, agritourism businesses. Another agritourism entrepreneur noted that if in October, his busiest month, he has one rainy weekend followed by a weekend with alternative attractions, his overall revenues, especially those from customers of the boomer generation, are seriously impacted.

In the words of one farmer, “it goes back to the theory that somebody mentioned earlier that we are not our own competition.” The survival of their individual businesses and that of the agritourism industry depends on their working together. The latter requires a critical mass of agritourism operators so that an area can develop a place-based identity for tourists. It also requires the development of a service orientation, rather than the production orientation that farmers have traditionally held. If customers have a positive experience at one farm market or agritourism destination, it carries over and reflects on agritourism and farming as a whole. An orchard owner noted that customers who had gone to other agritourism sites in the area had the confidence to go to hers.

According to entrepreneurial farmers, agritourism and its associated value-added items and “edutainment” are ways in which they can maintain the family farm. They also see the agritourism strategy as a means to stem further losses of farmland to exurban development. Instead of viewing other farmers as competition, they view them as collaborators helping to build Michigan’s agritourism product. At the close of one focus group session, one participant suggested that more farmers should be encouraged to enter the agritourism industry as a way to deal with agricultural restructuring:

Hopefully, something will come out of this that will encourage farmers that are maybe on the verge of losing the farm, giving up the commercial farming, cause

you can’t make money at it today, unless you’re super huge, and even those are going under... an information type of packet or something could come out to provide, maybe the basis for someone to start the tourism...agritourism aspect, that maybe they had never thought of. Maybe this just had generations of get on the tractor and go out in the field and...and do your thing and sell it to the wholesalers and take what you can get. So, maybe the information put together would benefit people that aren’t here today that may want to eventually get into the business.

In light of the changes facing Michigan’s farm sector, it is important to support and promote this growing trend. With the exception of the tree farms and some of the fruit U-picks, agritourism operations in the past were seen as providing little more than butter-and-egg money, with visitor schedules tucked around the “real” farm work. This is no longer the case. As farms participate in agritourism, increase in number, and diversify the product mix, they will make an increasing contribution to rural Michigan’s economy. Michigan agritourism will contribute to the tax base, to employment opportunities, to consumers’ choices, and to shoring up rural communities.

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