

MARYLAND AGRITOURISM

- A BASELINE PROFILE -



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Why Agritourism?

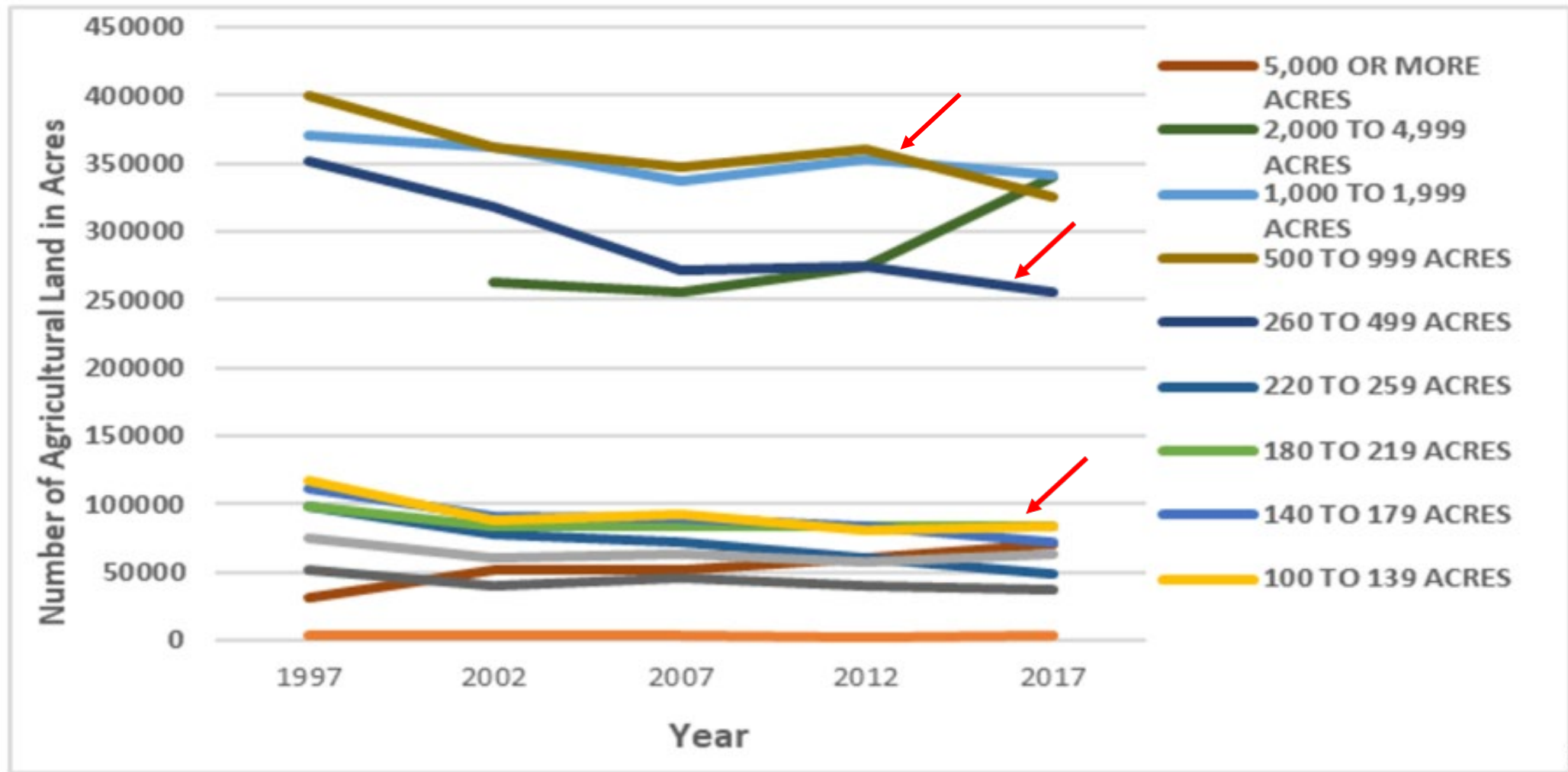
- Farmers venture into agritourism to augment farm income, make full use of assets and available resources, maintain agricultural farm heritage and land holding, and provide additional employment opportunities
- Rural areas need such investments to encourage rural development, enhance rural businesses' earnings, and diversify local communities.
- Small- and medium-sized farm operators in Maryland are increasingly dependent on agritourism as a source of additional income to maintain their farm holdings.
- Many small- and medium-scale farms are unable to meet farm management's modern demands in cost, technology, labor, and efficiency. Over the years, this has resulted in a decrease in farmland size, impacting farms' productivity and lucrativeness

Need for the Assessment

- The State of Maryland currently lacks a concise, real-time compendium of its agritourism assets and their locations, services, consumer base, infrastructure, education, research, and developmental requirements, as agritourism policy is yet unfolding in the state.
- However, the University of Maryland's Agricultural Law Education Initiative (ALEI) has examined diverse legal issues involved in the establishment and management of agritourism, such as limiting liabilities and the legal challenges involved in the farm-to-table direct marketing of produce.
- The present report primarily assembled information to explain agritourism typology, locations, and services in the state.

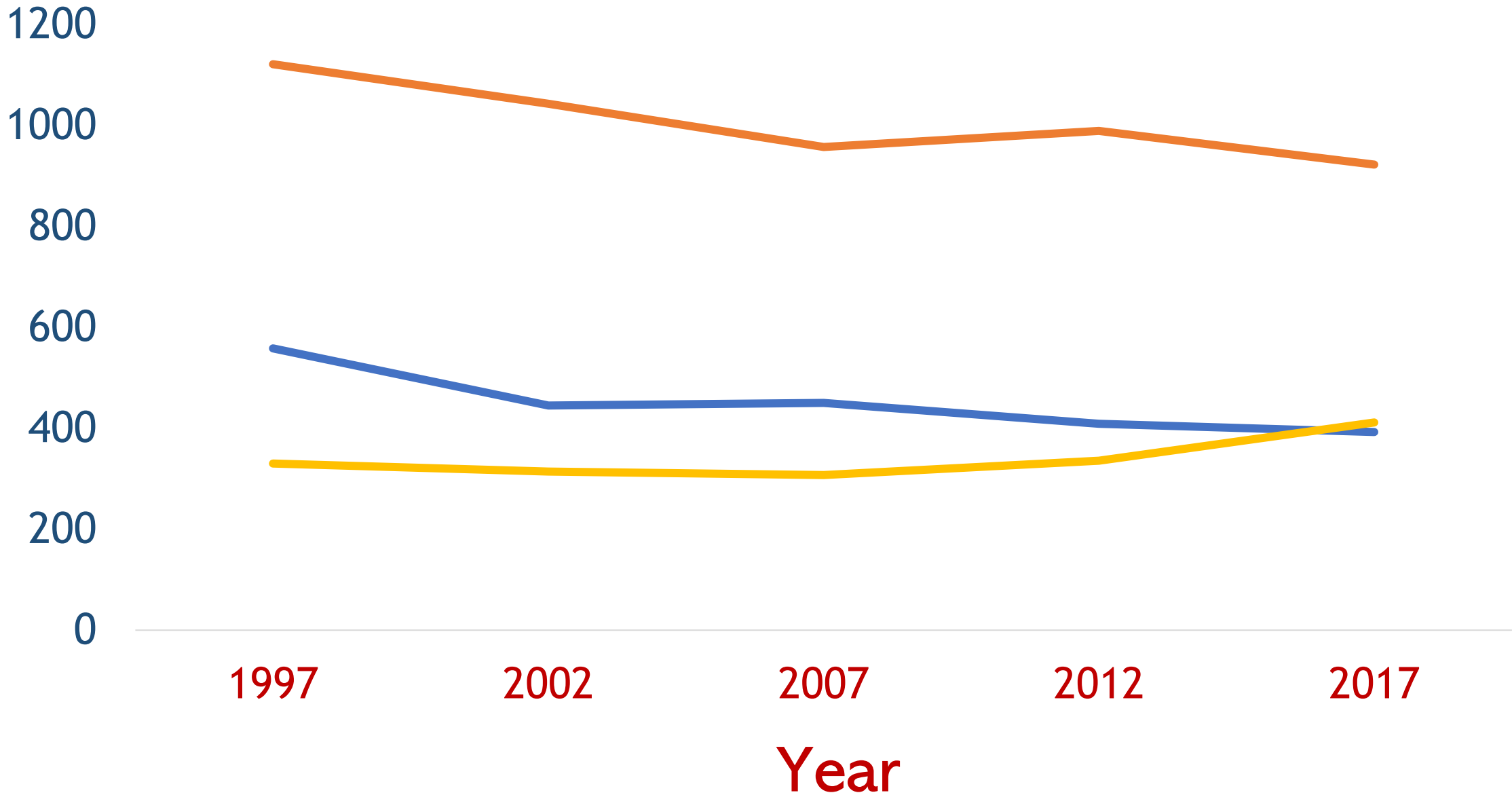
BACKGROUND

This figure and the next, show the change in acres of farm sizes among small, medium, and large farmland classes in Maryland over 20 years. The number of agricultural land acres consistently declined for small- and medium-scale farms from 1997 to 2017.



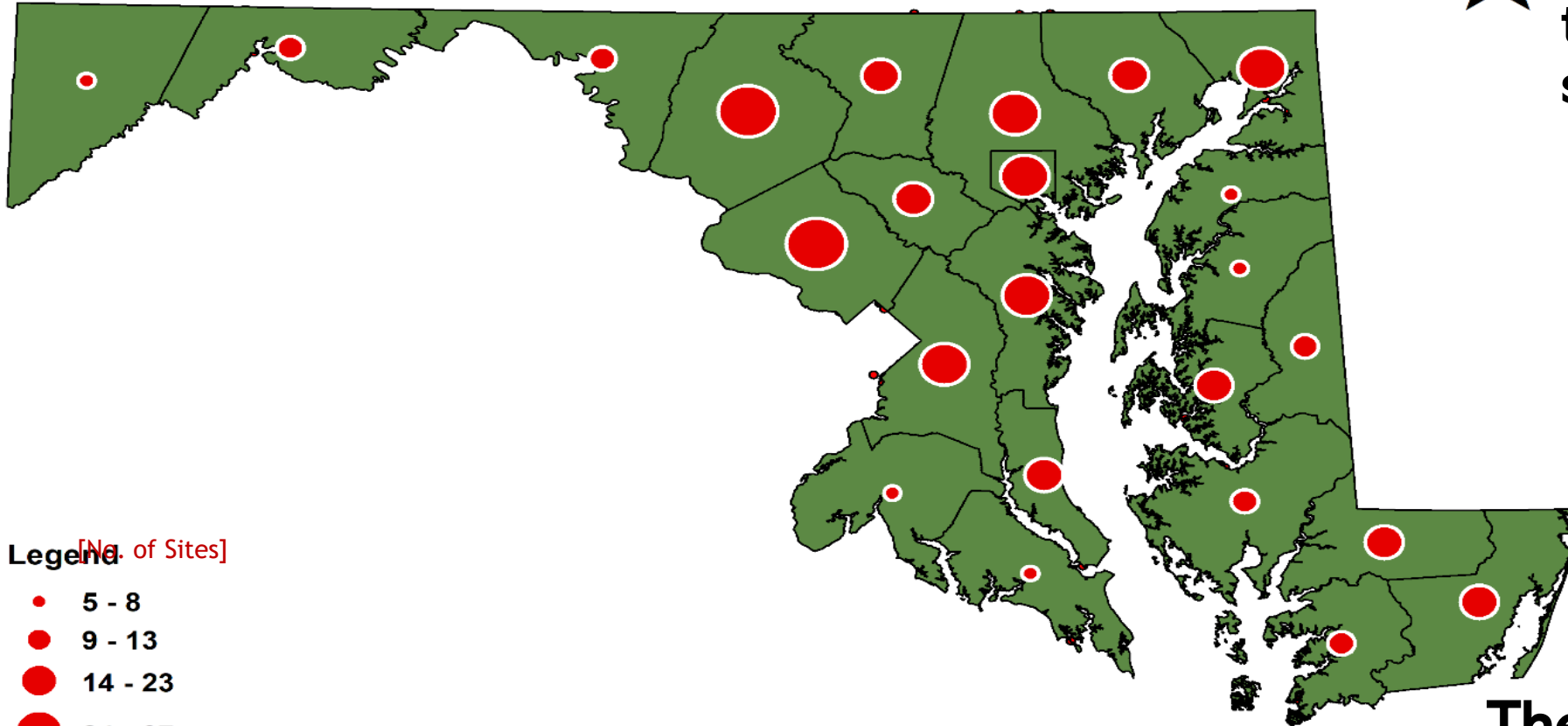
Thousands of acres

Small farms (< 259.9 ACRES) Medium farm (259 to 1,999 acres) Large farms (>2,000 acres)



AGRITOURISM DENSITY IN MARYLAND

Maryland Agritourism locations by county



Legend [No. of Sites]

- 5 - 8
- 9 - 13
- 14 - 23
- 24 - 37
- 38 - 57

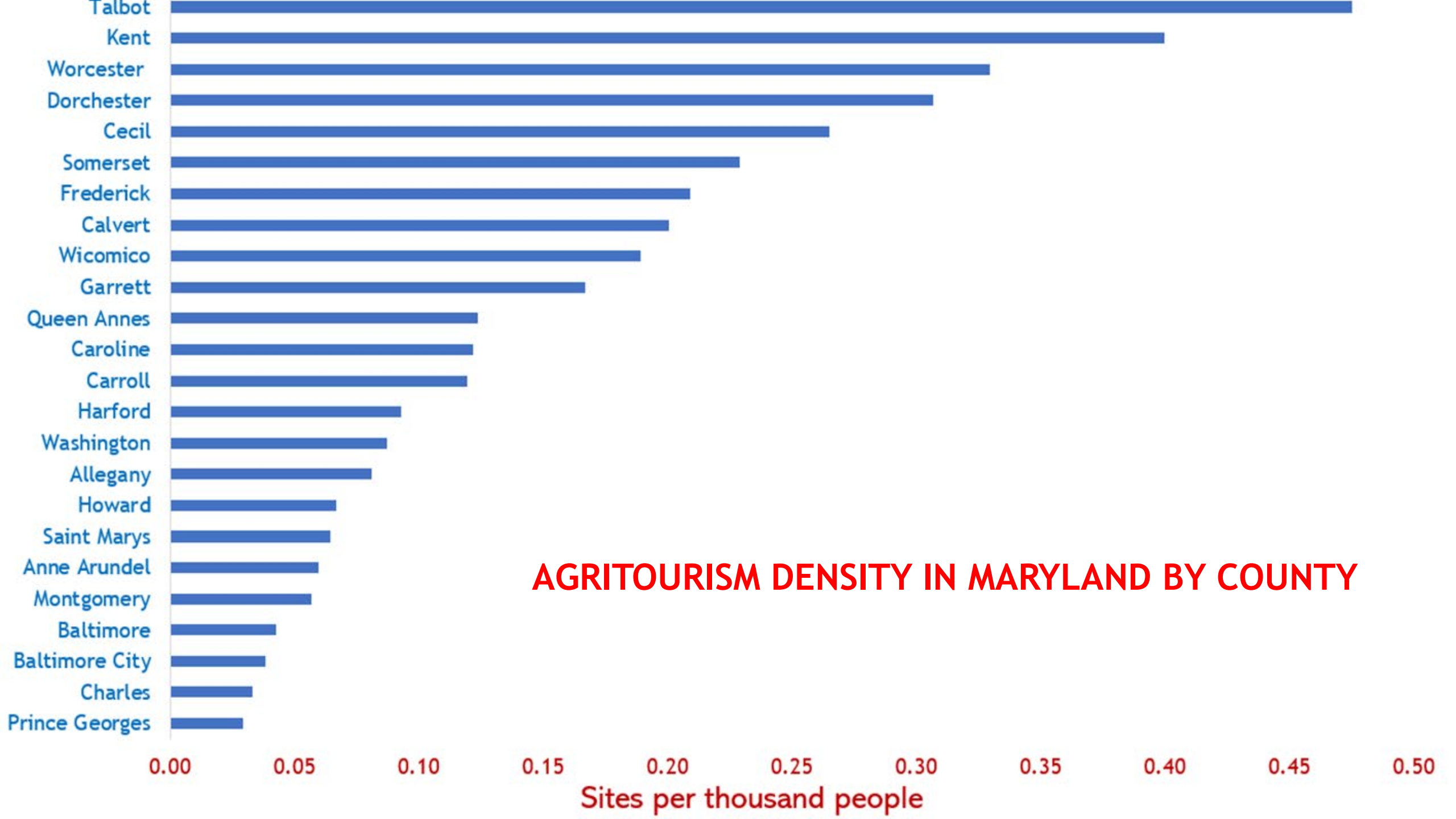
0 10 20 40 60 80 Miles

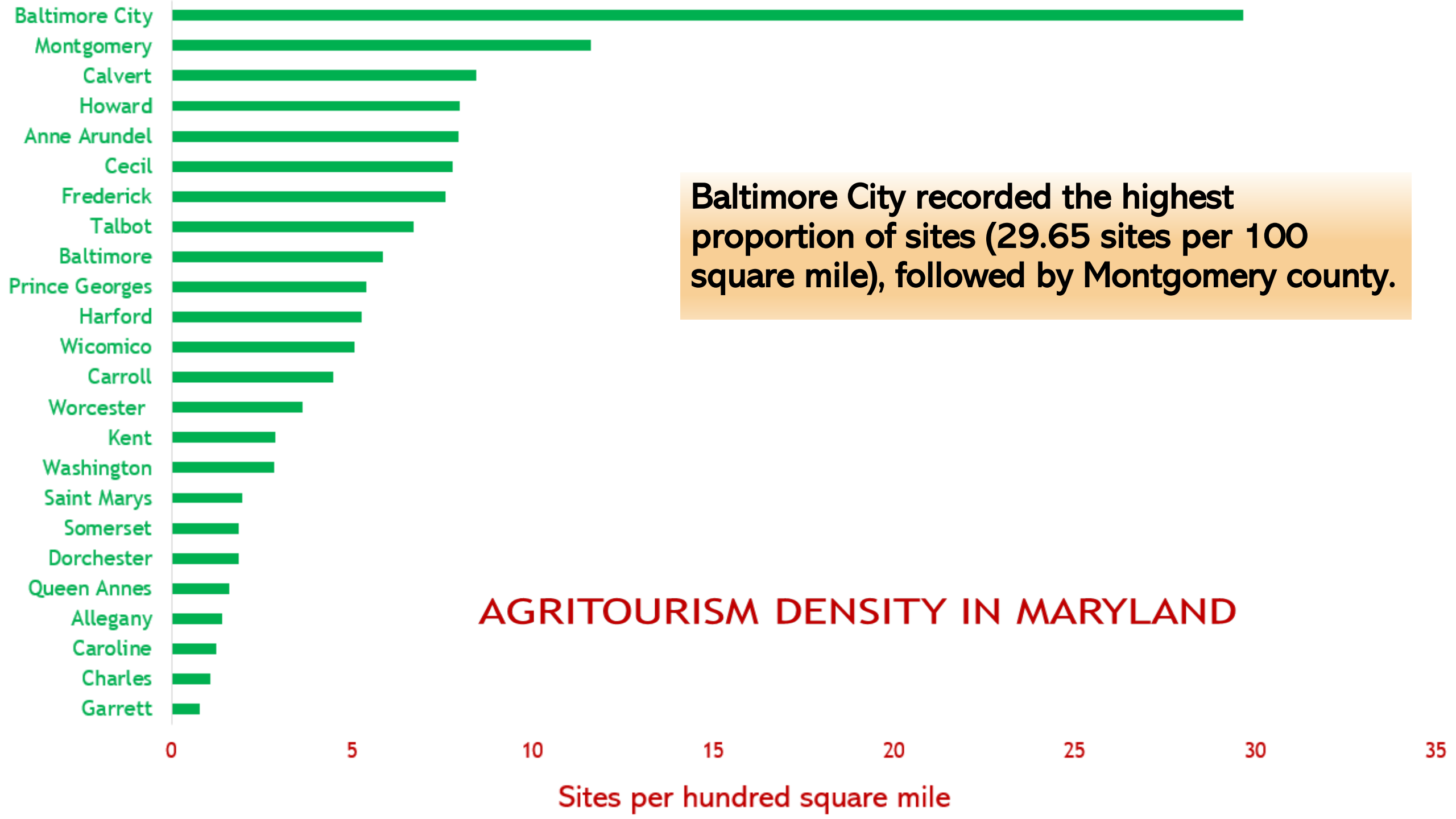


Approximately **45%** of the entities engaged in agritourism offered more than one agritourism service in 2019.

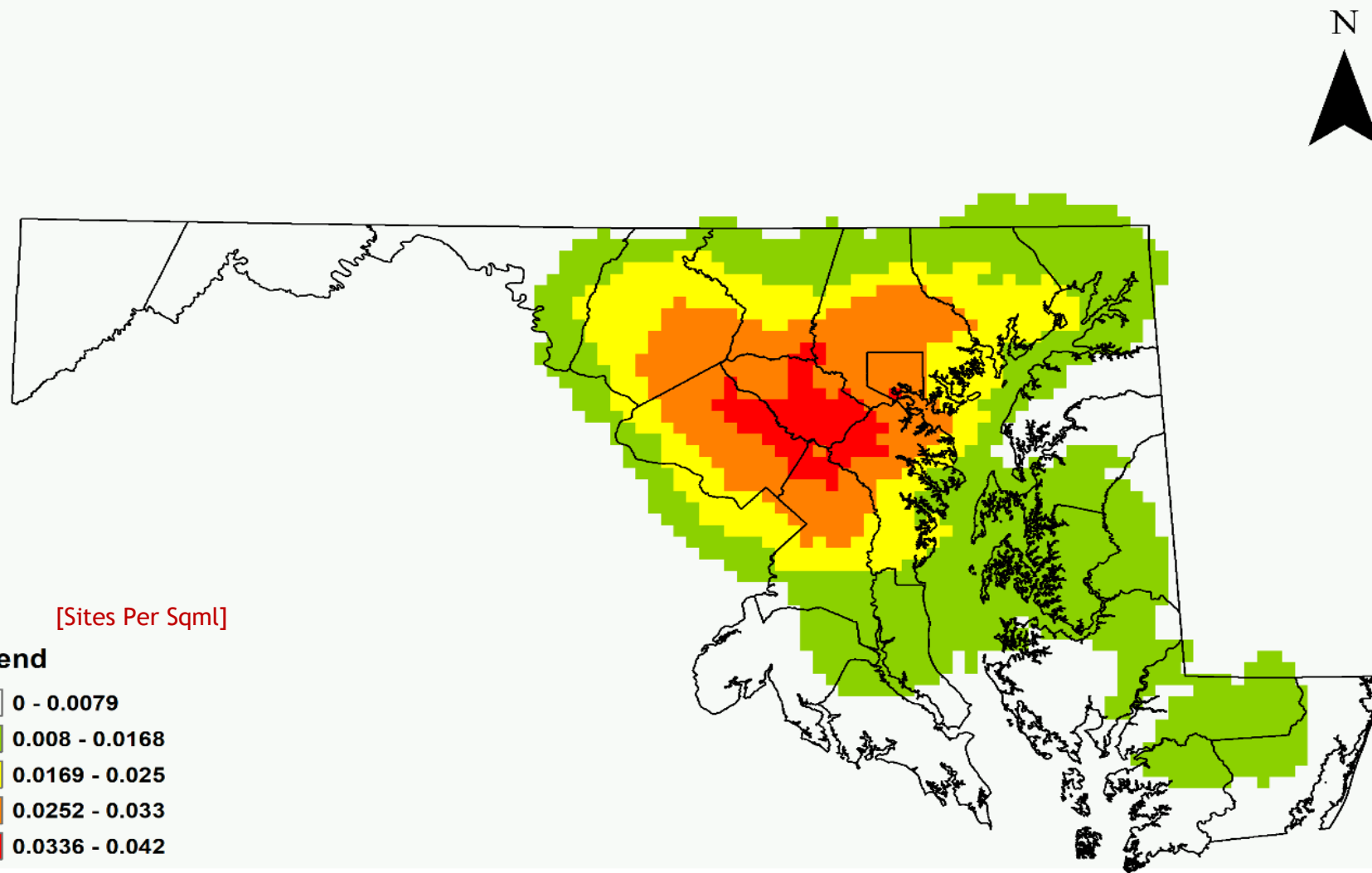
For a craft brewery: the brewery is recorded as a primary service; if it owns a restaurant or bar (that promotes brewery products), this is recorded as a secondary service.

The study identified **485** agritourism locations in the State.





Maryland Agritourism density map (agritourism locations by proximity)

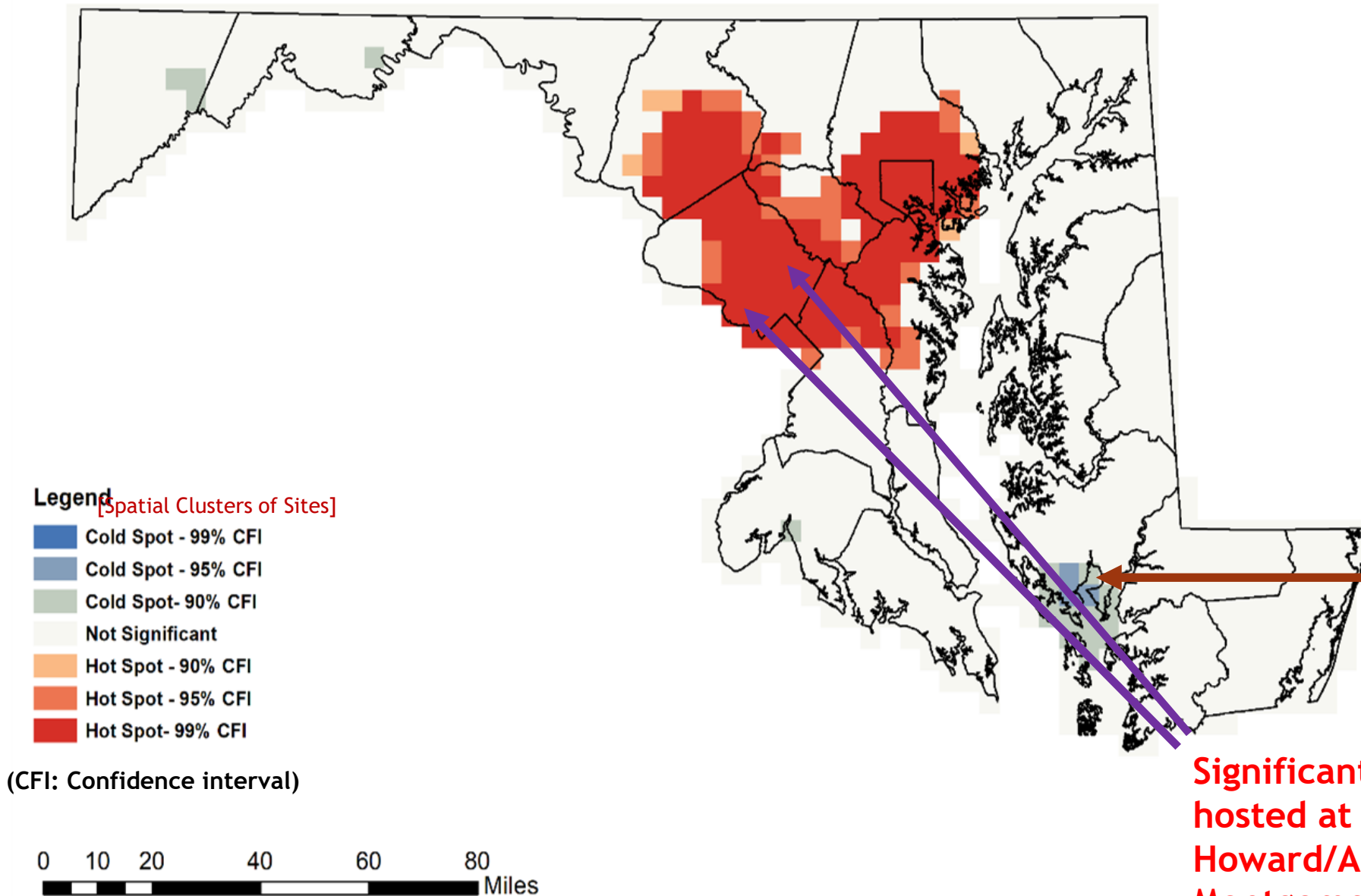


The **RED** areas between Howard and Anne Arundel counties reveal a spatial agglomeration of agritourism services.

Montgomery, Frederick, Baltimore, and Prince Georges counties have significant secondary hotspots hosts (colors go from bright red to light yellow).

0 10 20 40 60 80 Miles

Maryland agritourism location clusters

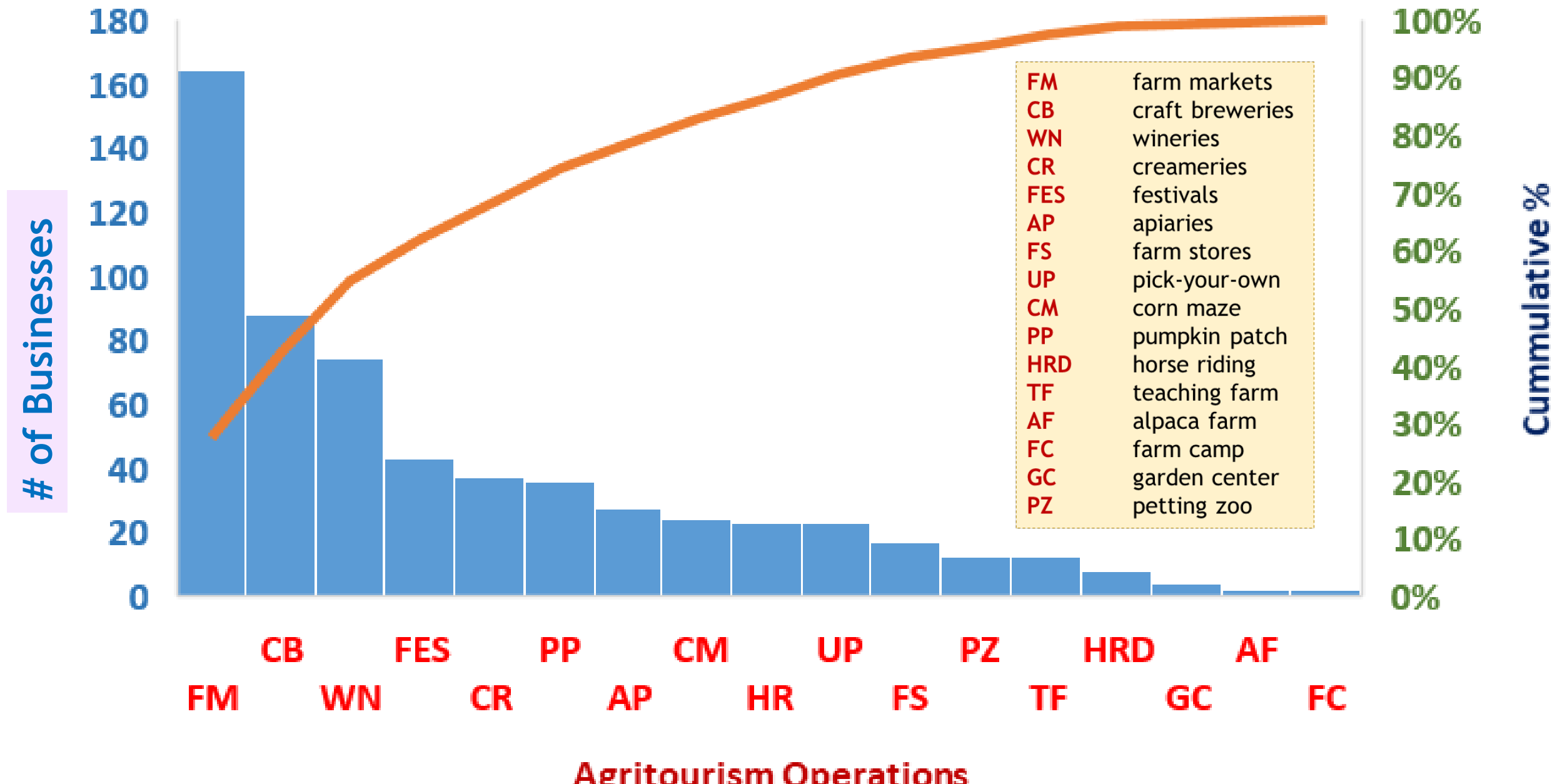


- Howard, Montgomery, Anne Arundel, and Baltimore as the major hotspot counties for agritourism services.
- The upper and lower eastern shore counties had a bluer tone indicating cold spots.

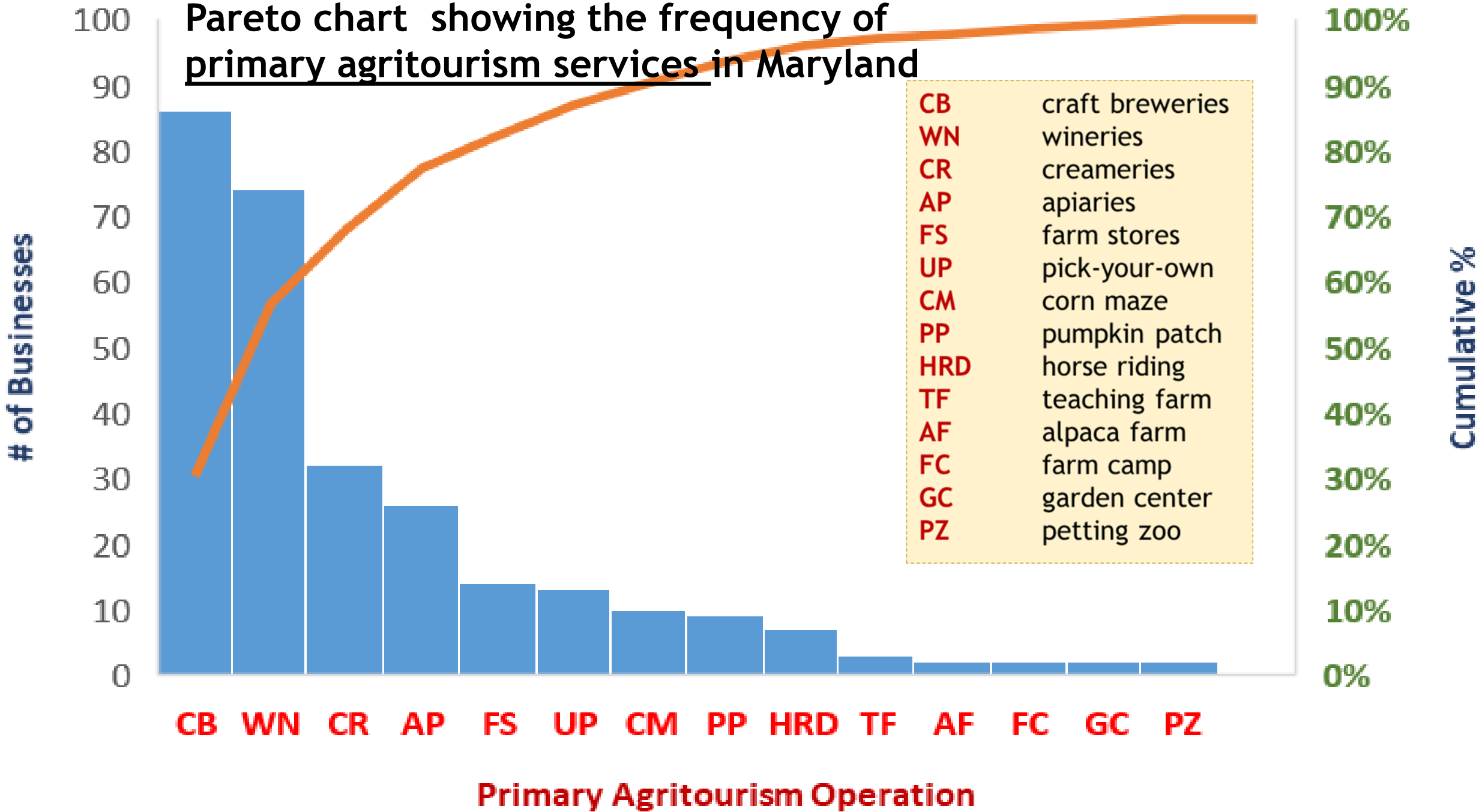
These areas possess significantly lower than average number of agritourism locations

Significant agritourism activity is hosted at the borders of Howard/Anne Arundel, and Montgomery/Prince Georges Counties

Pareto chart showing the frequency of all the agritourism services in Maryland



Pareto chart showing the frequency of primary agritourism services in Maryland



FACTORS AFFECTING PARTICIPATION & LOCATION OF AGRITOURISM FACILITIES

- Two types of factors affect the capacity and motivation to be involved in farm recreation business:

Placed-based factors

- Distance to the nearest urban city
- Population density of the area
- County highway mileage
- Natural amenities index

Farm-based factors

- Operator's net worth
- Farm acreage, and
- Hours spent on the farm

DISTANCE TO LARGE POPULATED AREAS

Major cities in Maryland



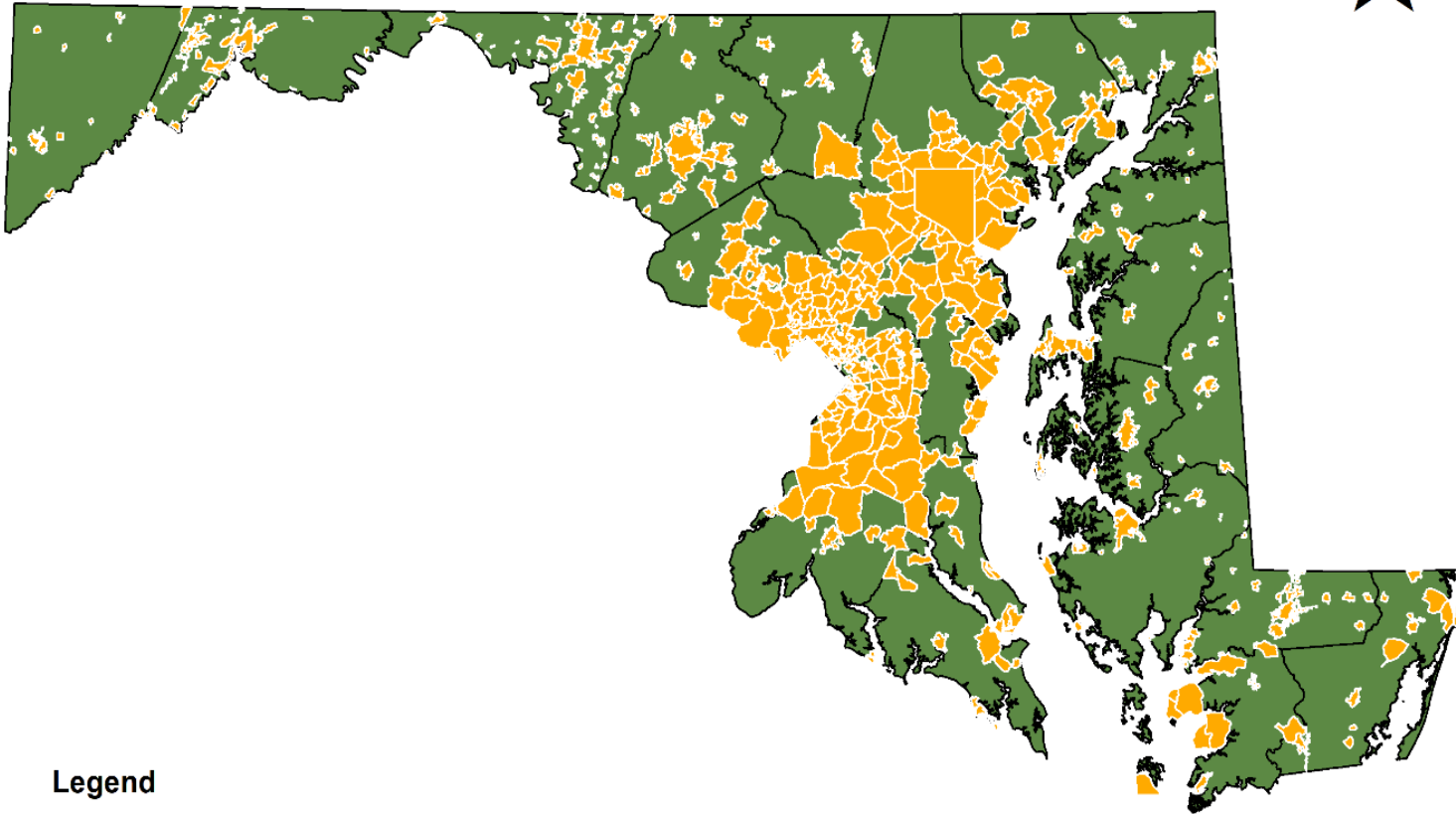
Cities, population and the likelihood of hosting an agritourism operation.

The importance of public access, high natural and environmental qualities, and a large potential consumer market.

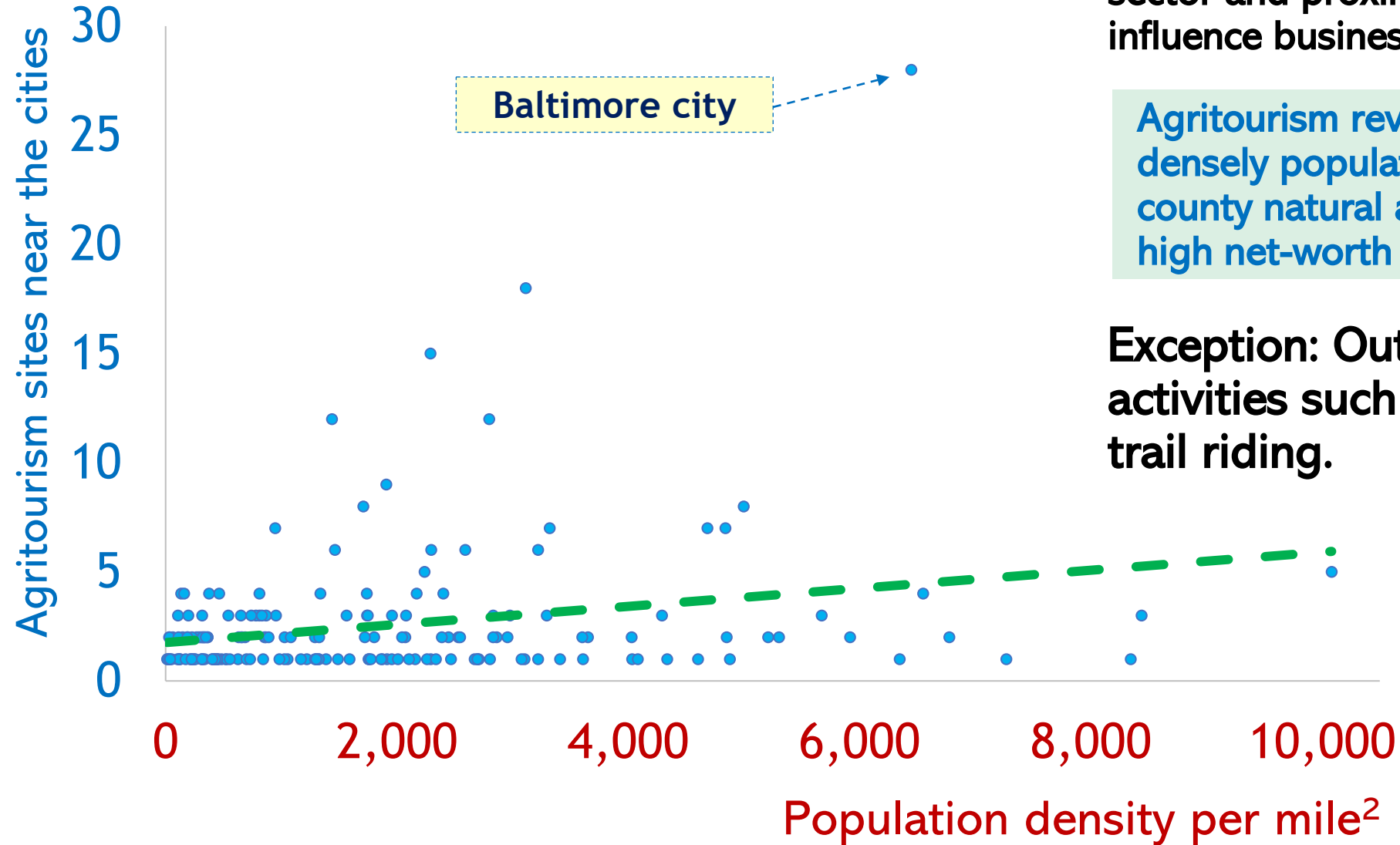
Legend

 Maryland Cities

0 10 20 40 60 80
Miles



CITY POPULATION DENSITY



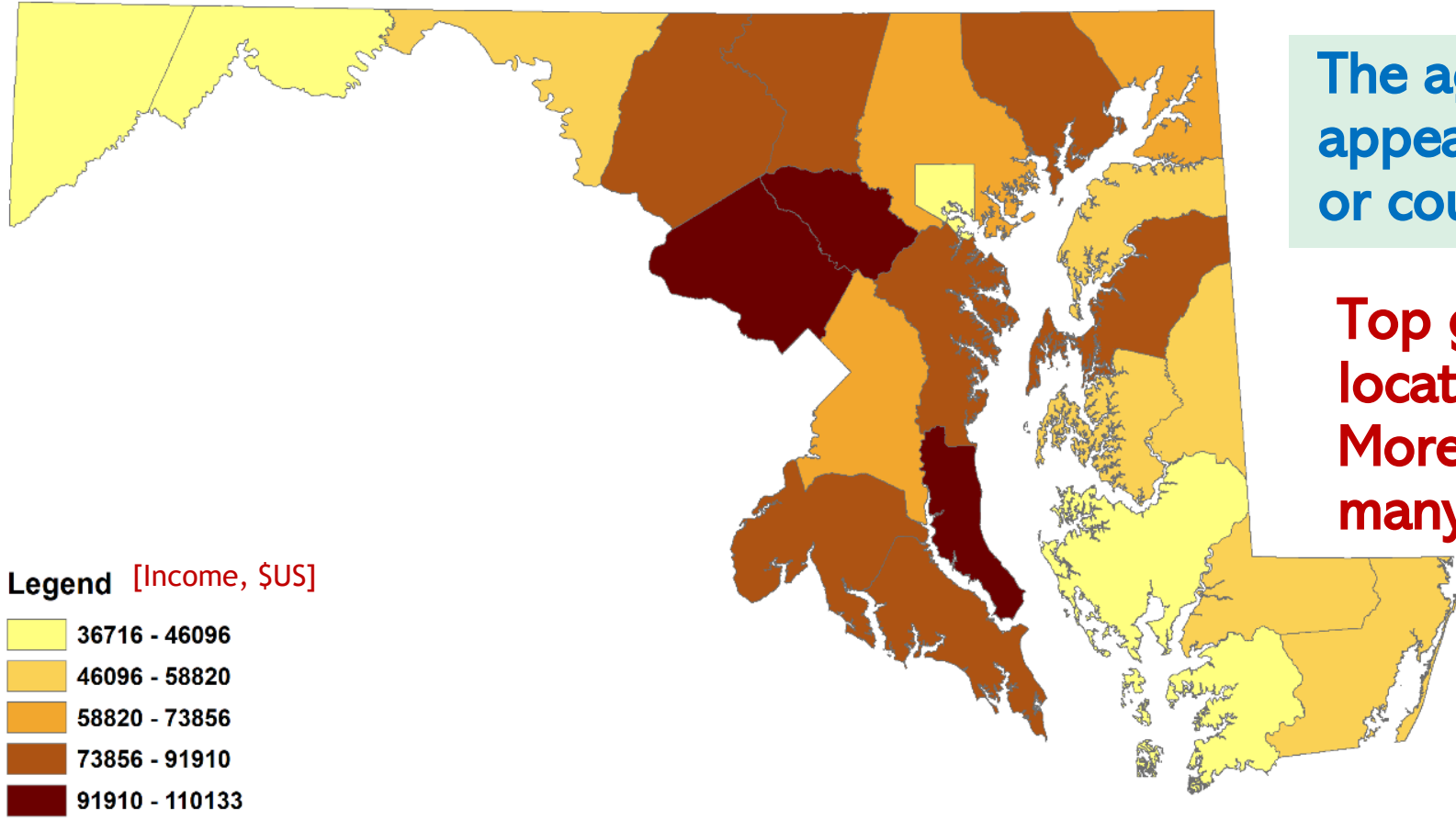
Spatial clusters of firms within the same sector and proximity to major urban centers influence business locations.

Agritourism revenues are higher in densely populated counties, with high county natural amenities score and with a high net-worth ownership.

Exception: Outdoor recreational activities such as hunting, fishing and trail riding.

CITY RESIDENTS' MEDIAN INCOME

Median income level by county

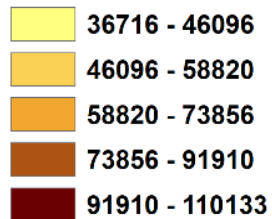


Establishing an agritourism facility near metropolitan city areas attracts residents with high purchasing power.

The agritourism facilities may also appeal to visitors from other states or countries.

Top gross-income counties are located in the center of the State. More than half of these counties host many agritourism operations.

Legend [Income, \$US]

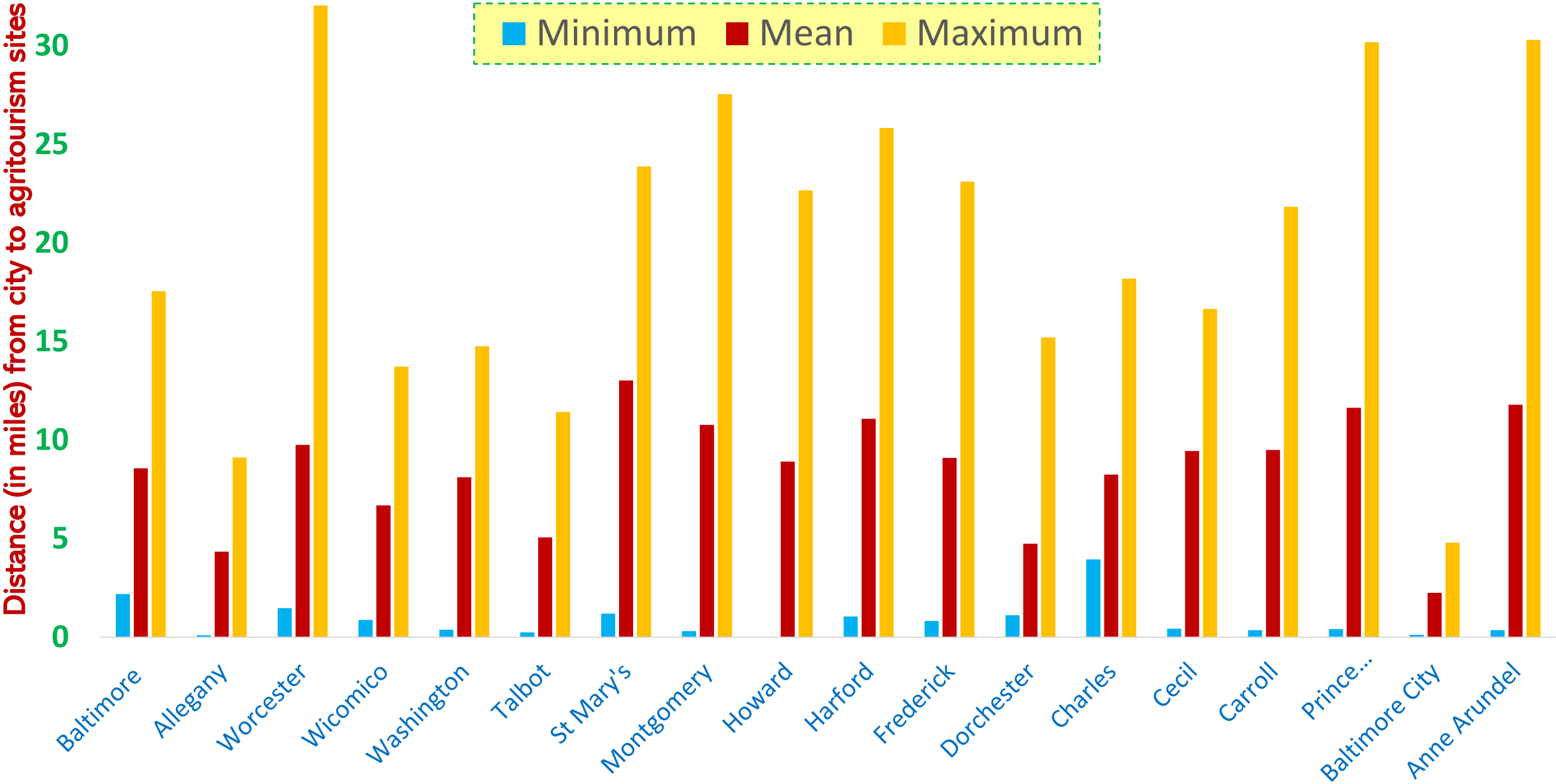


0 10 20 40 60 80 Miles

PROXIMITY TO CONSUMERS

- Proximity to a consumer base impacts an agritourism operation's success.
- We examined the distance from urban cities (>10,000 people) to agritourism facilities in each county.
- The maximum distance occurred in Worcester County (32 miles), whereas the minimum was in Howard County.

Distance from city to agritourism sites by county



TRANSPORTATION

- A good transport system is essential in the tourist experience.
- Availability of options (buses, taxis, bicycles), accessibility (during any time of the day), and proximity of transport infrastructure may influence consumer's touristic destinations.

The agribusiness's proximity to the transportation routes also impacts the search of cost-effective labor – which is often seasonal

A **Routing Analysis** was conducted to estimate the proximity of agritourism centers to major transportation routes in Maryland by applying the **origin-to-destination distance (OD)** technique to represent the cost of transportation.

The report provides detailed results per Maryland subregion.

Proximity to agritourism locations vs routes

Distance (Miles)

120
100
80
60
40
20
0

MEAN STD

US40

US1

MD140

I-95

I-70

I-270

Route



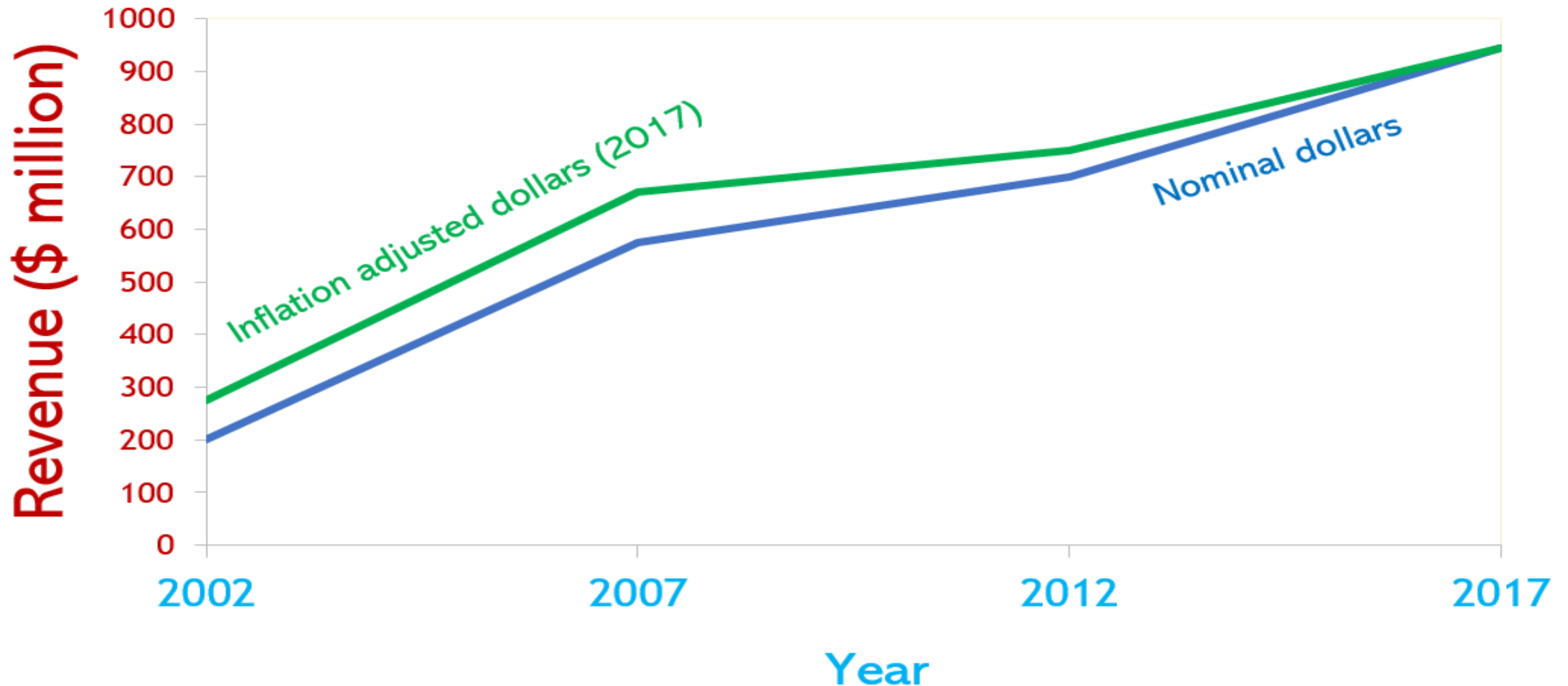
INCOME GENERATION

In 2016, about 42 million tourists within and outside the State spent about 17.3 billion dollars, generating 2.35 billion dollars in taxes paid to the state and local governments.

- This income supported about 145,000 workers on a tourism industry-related payroll, equivalent to 6 billion dollars.
- The revenue generated from tourist travel in 2016 was 2.7% higher than in 2015.

Agritourism strengthens farms' economy by creating alternative sources of sustainable income.

US INCOME FROM AGRITOURISM

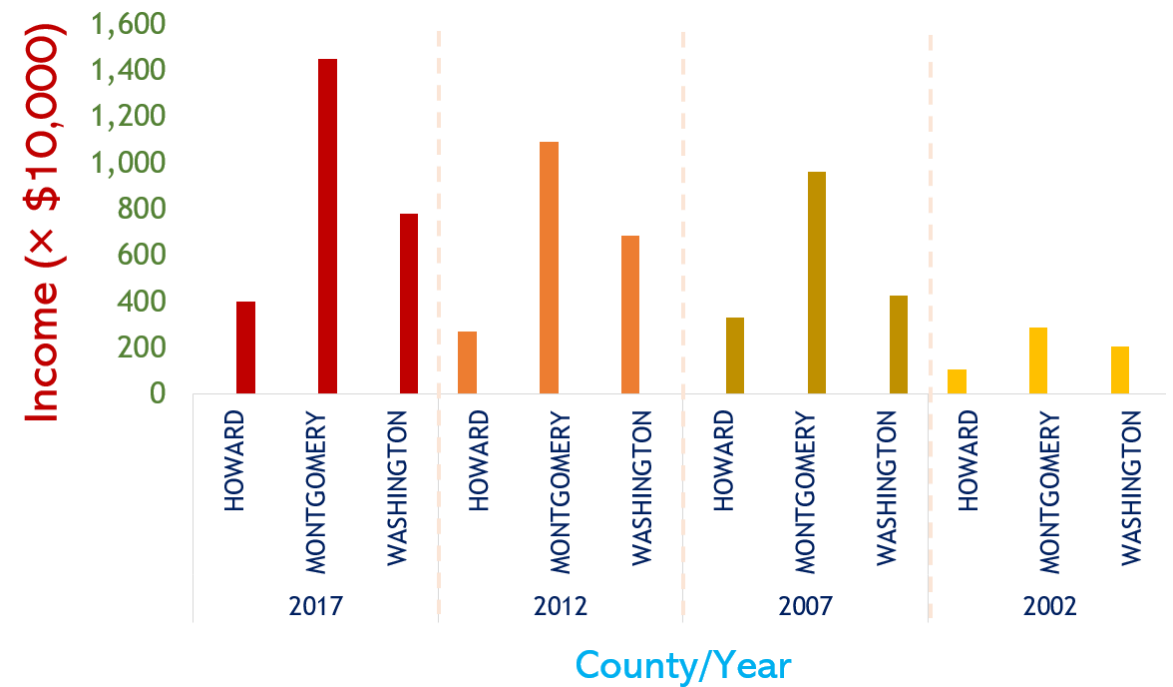
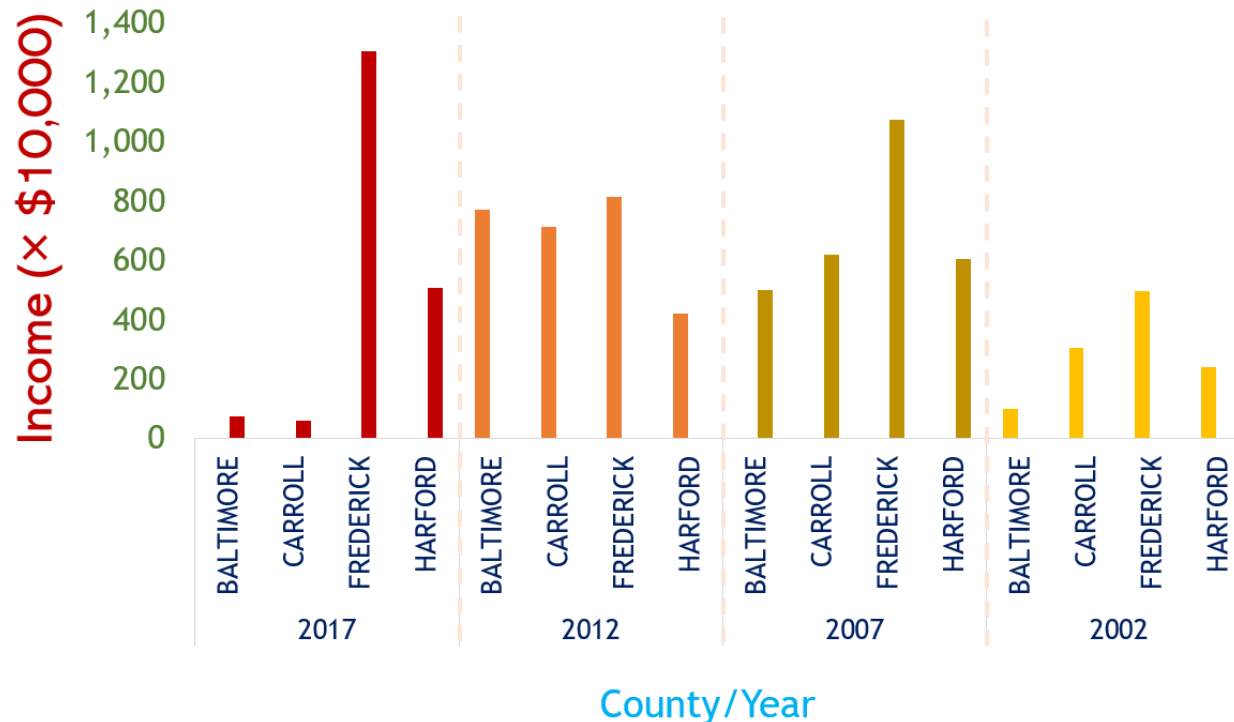


The average U.S. agritourism revenue from 2002 to 2017, which indicates that the sectorial income increased almost three times in the fifteen-year period

MARYLAND NORTH-CENTRAL COUNTIES

- Income from agritourism has increased steadily for the past decades.
- Montgomery and Frederick counties have consistently reported the high revenue from agritourism recreational activities

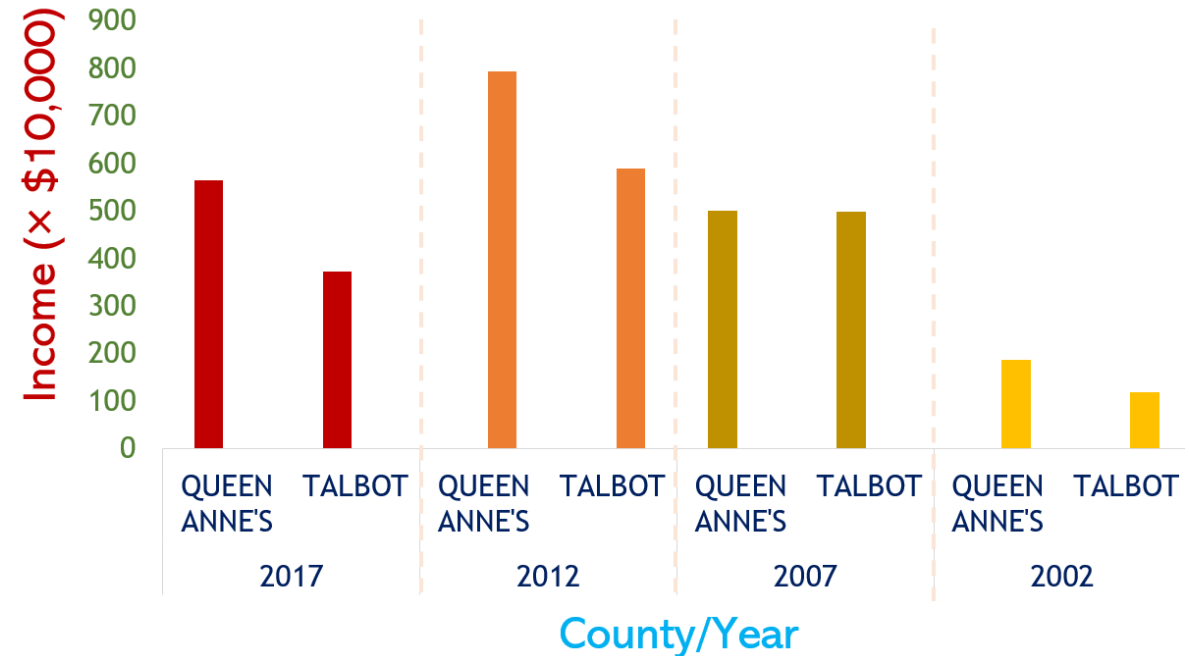
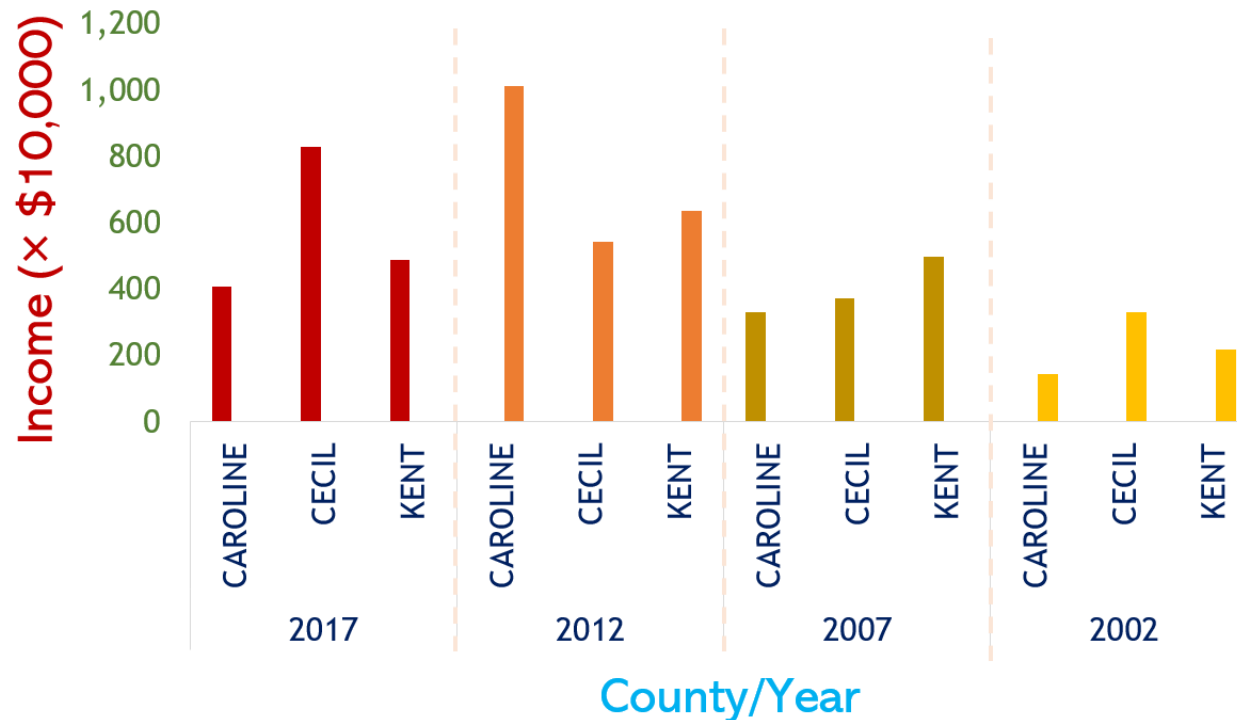
An annual increase in revenue of +27.8% for Montgomery (from \$2.8 million to \$14.5 million in 2017) and +13.5% for Frederick County (from \$4.3 million in 2002 to \$13 million in 2017).



MARYLAND UPPER EASTERN SHORE

Agritourism income in the upper eastern shore has changed considerably over fifteen years, with peak in 2012

However, in 2017, revenue from agritourism decreased by -60% in Caroline County, and by -29% in Queen Anne. This shows that agritourism income in this region continues to be unsteady in Maryland, with no clear definite trend.



MARYLAND AGRITOURISM CHALLENGES

- **Inconsistent legal framework and policies for managing agritourism. Lacking a uniform definition hinders development because:**
 - 1. Impacts the ability to create policies for the development of agritourism**
 - 2. Hinders marketing strategies and capability to market services to consumers**
 - Access to transportation network
 - Provision of durable road signs
 - Labor (including seasonal periods)
 - Information and training
 - Marketing, and
 - Networking opportunities.

NEED FOR EXTENSION EDUCATION

Extension education provides a platform to enhance the progress and sustainability of agritourism businesses in the State of Maryland.

This report was followed with a full assessment survey where the stakeholders would be asked to complete questionnaires about the needs, challenges, and motivations of agritourism.

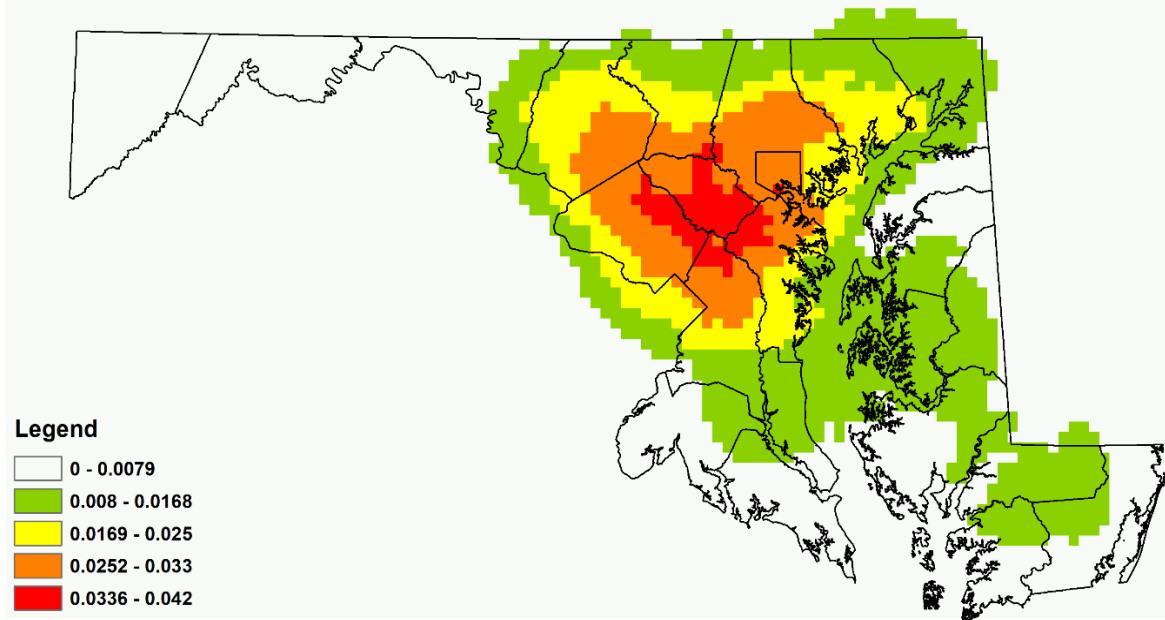
- The primary motivation for agritourism is as additional source of income and to retain farm holdings.**
- This would require coordinated networking systems and training on management and marketing protocols to ensure sustainability -areas which can be supported by Extension.**

CONCLUSIONS

- This report addressed:
 - Agritourism typology and distribution
 - Factors that may influence a farmers agritourism decision
 - Income generation, and potential liabilities
 - Need for extension education support
- Next Steps:
 - Survey of stakeholders to seek inputs to the project (Farmers, program officers, extension educators, policy makers etc.)
 - Agritourism database development
 - Outreach, and informational service workshops
 - Online Digital database -hosting mapping and search tools

THANK YOU!

Maryland agritourism density map



0 10 20 40 60 80 Miles