

## SKILLS FOR RURAL INDUSTRIES

DIVERSIFICATION FOR LAND-BASED TOURISM BUSINESSES





# What is farm diversification?

Diversification is a process of a farm, rural Business or land-based business expanding its business activities beyond the traditional farming or agricultural enterprise in order to add value to its produce, build resilience, increase business profitability, reduce market, and price volatility, and highlight supply chain provenance.

#### Agritourism

"A tourism or leisure activity on a working farm, croft or estate which produces food."  $^{\rm 1}$ 

#### Land-based/Rural-based tourism

Tourism activities in a rural area

### Examples of diversified rural business

Farm Experiences: PYO Farm shops Food & Drink experiences: Farm cafés Restaurants Accommodation:

Glamping, Camping

B&Bs

Nature Walks Hunting Leisure : Quad biking Archery

Wedding venues Event Venues Coworking spaces Outdoor gyms **Outdoor experiences:** Adventure tourism

Spaces:

<sup>1</sup> Scottish Agritourism A Strategy for Sustainable Growth (visitscotland.org)

### Why start a business in landbased industries?

Diversifying strategies can support resilience to face the effect of external perturbations.

Motives for diversifying into land-based businesses include several considerations other than economic aspects such as personal choices and desires, current constraints, and goals.

No one solution fits all. It is important to understand the reasons and motivations behind the decision to diversify, identify different suitable diversification strategies and choose the one that aligns with set goals

#### **Economic benefits**

- New sources of revenue through new products and services
- Stable income, which gives high expected returns in the presence of changes.
- Adaptation for seasonality

### **Environmental benefits**

- Conservation of natural resources.
- Maintenance and conservation of biodiversity and landscapes.
- Land-based enterprises such as tourism have little environmental impact

### Social and communal benefits

- Improve livelihoods and living standards
- Promotion and development of the local area supporting other industries.



### SRUC HOW TO START A LAND-BASED TOURISM BUSINESS?

Knowing where you start and where you want to go

