A Disciplined Approach to Developing Agritourism and Understanding the Consumer Opportunity

Initial Research Findings

Prepared by Markitecture for:

THE RURAL LANDSCAPE INSTITUTE

A CATALYST FOR FOOD AND AGRICULTURAL INTEGRITY IN THE AMERICAN WEST

July 02, 2007

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Outline

I. Introduction to Markitecture

Introduction

MARKITECTURE

MARKETING
- >Singular focus on marketing
- >Marketing sciences heritage
- >Data-driven strategic insights
- >Demand based opportunity assessment
- >Great creative inspired by great strategy

INNOVATION TECHNIQUES
- >Marketing modeling
- >Customer lifetime value measurement
- >Demand driven product design
- >Property driven product design
- >Proprietary forecasting tools

ARCHITECTURE
- >Inception to In Market™ role
- >Best practices execution
- >Performance measurement
- >Intelligent Implementation™

MISSION STATEMENT

A BrandNew™ approach to marketing consulting.

Delivering organic growth through Insight, Innovation, and Implementation.

Markitecture's Uniqueness

Markitecture possesses a unique set of marketing strategy and research skills. Our goal is to build highly successful marketing programs that:

- Are driven by a blueprint for action
- Are implemented intelligently and creatively
- Have, at their core, solid research and data mining that inspire innovative strategies

Organizations of all types seek our services when they find themselves at a "turning point" that requires a shift in how they go to market:

- New product development/launch
- Repositioning/re-launch
- Turnarounds
- New channel strategy

BrandNew™/Brand Re-New™ – The Process

BrandNew is our 10-step process that moves from strategies and tactics to successful and actionable marketing solutions. We draw from this process to create a customized work plan for each client based on immediate and long-term needs

Phase 1 Generation

1. **Market Review**
2. **Opportunity Segmentation**
3. **Concept Creation/Screen**
4. **Concept Refinement**

Phase 2 Staging

5. **Design Optimization**
6. **In-Environment Testing**
7. **Tactical Testing**

Phase 3 Implementation

8. **Trade Validation**
9. **Test Market**
10. **Intelligent Implementation**

The Generation Phase identifies targets, uncovers unmet needs and develops new product opportunities around those needs.

The Staging Phase carefully refines and optimizes the most promising opportunities using quantitative research techniques. This ensures we invest additional resources in only the best opportunities with the most profitable return.

Implementation is where we distinguish ourselves from other consulting firms. Rather than just handing off the blueprints, our strategy teams stay intimately involved throughout the implementation of the overall solutions.

II. Background and Research Objectives

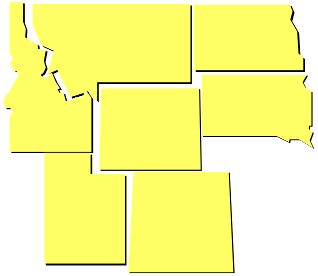
Background

- **Rural Landscape Institute (RLI) Farm and Ranch Resource Center was created in order to help develop Agritourism in the American West. The Mission is to:**

  "Enhance the economic vitality of farms and ranches and the integrity of food security throughout the region, thereby securing the health of the land, open space and sustainable rural communities"[1]

- **RLI would like to bring farmers/ranchers who are interested in supplementing their farm-based income together with consumers who would like to experience an authentic agrarian vacation**

- **RLI also wishes to develop a website, RanchStay.com, to provide information to consumers to learn more about Agritourism vacations and to reach out directly to farmers/ranchers in order to choose the best vacation option**



1.Rural Landscape Institute Executive Summary

Background

- **RLI has identified three key issues that must be addressed in order to create a successful Agritourism venture:**
  - Adequate producer supply, in particular supply that is qualified to participate based on RLI standards
  - High level of consumer awareness/demand
  - A convenient linkage mechanism that can bring together the two groups

- **However, current efforts to create successful Agritourism enterprises have been somewhat limited in scope, and fully-focused on the supplier and not the end-consumer**
  - Efforts to provide information on Agritourism to consumers has mainly been done on a multi-county or state level at best
  - Many initiatives fail to address the need to increase consumer awareness and demand for Agritourism in the U.S., and instead work primarily with suppliers
  - Many Agritourism initiatives lack the marketing expertise and resources to effectively reach potential visitors

All from The Farm & Ranch Resource Center Business Plan, page 2

Research Objectives

- **Therefore, RLI worked with Markitecture to develop a research plan to understand the current market opportunity for Agritourism**
- **The objectives of the research were to:**
  - Identify prospective customers for Agritourism as it relates to the development of the Rural Landscape Institute:
    - To understand prospective customers' travel-related attitudes and behaviors
    - To identify and profile target customers for Agritourism
    - To begin to understand how to reach those deemed to be highest potential targets
  - Gain initial concept feedback of the Agritourism concept:
    - To identify which elements of the RLI proposition are most/least appealing to potential customers
    - To identify areas where the value proposition could be enhanced to gain more prospective customers
    - To develop a rough volume estimate of today's market opportunity

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Review of Work Plan

Part I
Building the Knowledge Base

Part II
Understanding the Marketplace Needs & Drivers

Step 1: Market Review
- Identify key drivers, forces, and trends in tourism overall and Agritourism specifically

Step 2: Expert Interviews
- Conduct interviews with RLI staff, farmers, ranchers and travel professionals

Step 3: Quantitative Research to Identify the target
- Understand travel-related attitudes, behaviors and needs of prospects, including reactions to Agritourism
- Identify optimal target for Rural Landscape Institute

Today

III. Methodology

Sampling

- **A total of 500 online interviews were conducted between May 28 and June 6, 2007**
- **Survey length was approximately 25 minutes**
- **Respondents were screened to meet the following criteria:**
  - Between 30 and 74 years old
  - Have some or all decision-making responsibility in planning and booking vacations
  - Live in the following areas (quotas developed vs. Census):
    - Northeast: New York, New Jersey, Connecticut, New Hampshire, Pennsylvania, Vermont, Rhode Island, Ohio
    - South/Southeast: Florida, Georgia, Maryland, Delaware
    - West: California, Washington
    - Chicago Metro
  - Have taken a leisure vacation in the past two years of two or more nights
  - Have some level of openness to taking an outdoor/adventure vacation in the next two years
  - Half had children in household
  - Household income over $50,000 (approximately half over $100,000)

Defining High Value Targets

- A key objective of the research was to identify and profile travelers who would be most interested in Agritourism

- In order to identify this group, Markitecture took several steps:

Step 1

Gather Information

- **Gathered large quantitative set of data related to travel attitudes and behaviors and Agritourism**

- **Considered all the ways to segment the market, such as these single variables**
  1. Demos
  2. Attitudes
  3. Behaviors
  4. Etc.

Step 2

Determine Key Predictors

- **Constructed a high value target variable based on three key variable components:**
  1. Number of trips taken in past 12 months
  2. Amount spent on last trip
  3. Openness to Agritourism

Step 3

Analysis

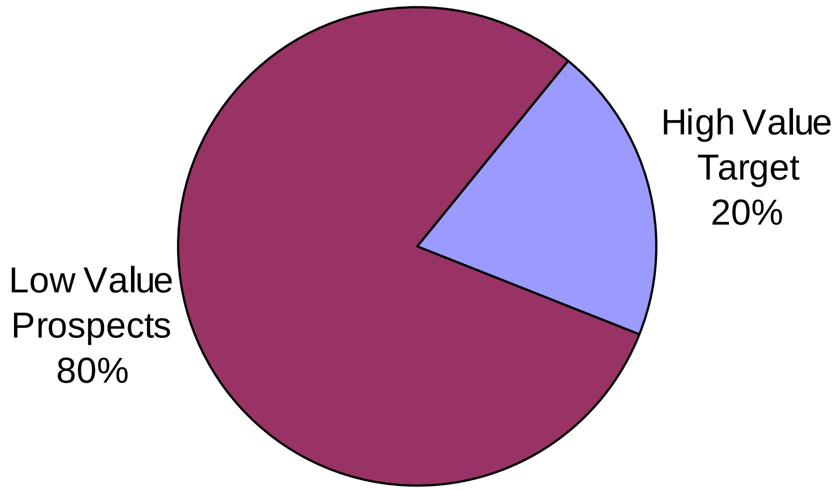
- **Analyzed the entire data set/questions in the survey against the high value group to better understand the optimal target group for Rural Landscape Institute**

- **Completed the profile of the high value target group compared to lower value prospects**

Sample Breakout

The High Value Target segment represents one-fifth of the sample and will be explained throughout the report.

Sample Breakout: High Value vs. Low Value



Report Introduction

Throughout the report:

- Statistically significant data at the 95% confidence level is noted with boxes (higher) and circles (lower)
- Data is typically presented by the following points:

	Total	High Value Target	Low Value Prospects
Number of respondents:	500	102	398

Demographic Profile

High Value Targets are more likely to live in the Southeast than Low Value (but no more likely than the Northeast). They are directionally more likely to have kids, and report significantly higher household incomes.

	Total	High Value Target	Low Value Prospects
Region Live:			
Northeast	40%	38%	40%
Southeast	30%	41%	27%
West	25%	19%	27%
Chicago Metro	5%	2%	6%
Gender			
Male	37%	36%	38%
Female	63%	64%	62%
Average Age	50 years old	49 years old	50 years old
Have Children < 18	50%	59%	48%
Average Household Income	$101,800	$110,600	$99,500

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IV. Executive Summary: *Findings*

Findings

1. General Travel

- **In general, respondents are involved and savvy travelers**
  - Most spend a lot of time researching vacation destinations (almost 13 hours per vacation)
  - Generally looking for a fun vacation that is also educational (and active)
  - Look for a vacation that is new and different
  - The element of relaxing on vacation is also important - over half also want to be pampered when they are on vacation

- **Most respondents are also frequent travelers**
  - Took an average of three leisure trips in the past 12 months (over half of the trips were 500 + miles away)
    - As a reference point, according to the Travel Industry of America, 55% of Americans took a leisure trip in the past year
  - Spent an average of almost $2,200 on their last leisure trip and spent seven days
  - Have taken a wide variety of vacations (cruises, resorts, group tours) and report a high prevalence of domestic and international destinations
    - Just under one-fifth said they're planning to visit one of the seven RLI states in the next two years

2. Researching and Booking Vacations

- **Several factors influence vacation planning; most influential is location, followed by:**
  - Time of year/season
  - Price
  - Ease of getting to final destination
  - Friend/Family recommendations
  - Word of mouth

- **Not surprisingly, the Internet plays a significant role in researching and booking travel**
  - Over two-thirds of their vacation research is done online
  - Majority of trips were booked online (57%); top sites: Expedia, Travelocity, or direct sites
    - Other less popular booking methods: over the phone direct with the property/airline, through a travel agent, or tour company

Findings

3. Importance of Vacation Features

- **Most respondents consider a lot of features when they are planning a leisure vacation. Most important are:**
  - Good value for the money / Affordable experience
  - Private bathrooms
  - Fun and relaxing experience
  - Unforgettable experience
  - Wide variety of activities
  - New and different
  - Authentic experience

- **While not top-mentions, a large percent of respondents also think it is important that a vacation is educational (58%), adventurous (56%), and environmentally-focused (46%)**

- **In terms of what type of vacation they are most interested in taking in the next two years, a beach vacation where they relax in the sun is the top-mention, followed by a "cultural experience"**
  - One-fifth are interested in experiencing farm/ranch life

4. Agritourism

- **Overall familiarity with Agritourism was low, but there was some interest after learning more about it**
  - A total of 11% of respondents said they had heard of Agritourism before this research
  - Experience with farm life in general was also limited – a total of 7% visited a farm in the past year

Most appealing features of Agritourism:

- Flexible schedule of activities
- Fun and easy ranch activities (picking apples, petting animals, enjoying the environment)
- Family-focused activities (wildlife viewing, feeding farm animals, storytelling)
- Guided hikes around the farm/ranch
- Knowing that you are helping to support family-owned farms/ranches
- Visiting an authentic farm in the American West

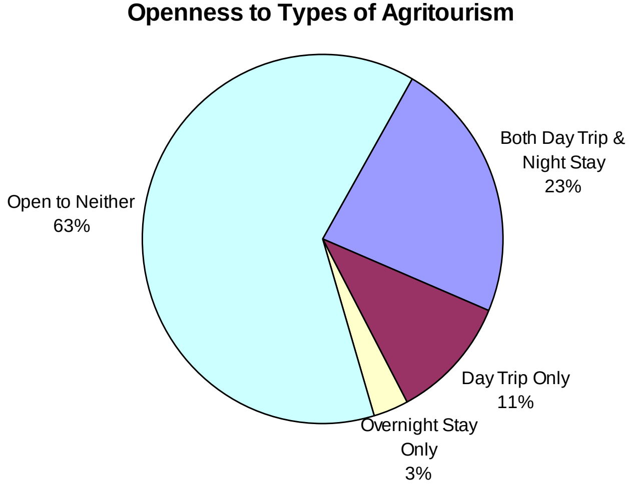
Most interesting activities to participate in:

- Horseback riding
- Wildlife watching
- Tour of the farm/ranch
- Hayride
- Fruit/produce picking
- Hiking

Findings

5. Reactions to Agritourism "Concepts"

- Approximately one-quarter of respondents expressed *some level* of openness to Agritourism – a daytrip or an overnight stay.



- One-third of respondents reported that Agritourism was more appealing to a ranch or farm in the seven state region

- Among those who are interested in an overnight stay, they were most interested in private accommodations (private house/room, private bathroom)

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Findings

6. Reactions to RanchStay.com

- After making respondents aware of Agritourism, there was moderate interest in visiting RanchStay.com
- However, ratings for ‘filling a need’ and ‘overall appeal’ were relatively low
- At this early stage, interest was higher for visiting and researching on the site than using it to book a trip

7. Defining the Target:

Research identified that there is a target group of upscale travelers who are most interested in Agritourism. The following table provides an overview of the differences between the target group and the lower value prospects:

	High Value Target	Low Value Prospects
Attitudes:	• More likely to look for something new and different in a vacation • More likely to want a vacation that is active, “authentic”, educational, and brings them closer to nature and the environment • More likely to consider themselves “outdoorsy”	• More interested in relaxing on vacation • Not interested in learning about the environment or being too active on vacation
Travel:	• Taken more trips in the past year • Spend more on vacations • Taken more types of trips (tour groups, cruises, educational and adventurous trips_ • More likely to travel with their children • Do a lot of research in booking trips; influenced by word of mouth, Internet, TV, books, magazines)	• More interested in a beach vacation that is relaxing • More interested in a vacation to an amusement park • More likely to rely on travel agent’s recommendations in planning trips
Agritourism:	• More likely to have visited a farm • More likely to be familiar with Agritourism • More open to Agritourism, either a daytrip or an overnight stay in the 7 state region • Very interested in all of the features of Agritourism and the activities	• Much less interested in Agritourism
Classification:	• Have higher household incomes, more likely to have kids • More likely to live in the Southeast	

V. Detailed Findings

General Vacation Attitudes and Behaviors

Vacation-Related Attitudes

Most respondents agreed that they spend a lot of time researching their vacations, wanted vacations that were fun and educational, look for something new and different, and like to stay active.

% Top 2 Box: Agree/Strongly Agree	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
I spend a lot of time researching vacation destinations before booking	70	72	70
Vacations should be fun, but educational too	67	75	65
I am always looking for something new and different when I plan a vacation	65	83	60
I like to stay active when on vacation and get a lot in	64	73	62
Expecting the unexpected makes leisure travel fun	59	72	55
I want to be pampered when I am on vacation	57	53	58
It is very important to me that my vacation experience is 'authentic'	52	71	47
It is important to me to support the well-being of local residents when I travel	51	71	46
All I want to do on vacation is relax	46	34	50

Please read the following list of statements about vacations and leisure travel and rate how much you agree or disagree with each statement

Vacation-Related Attitudes *(cont'd)*

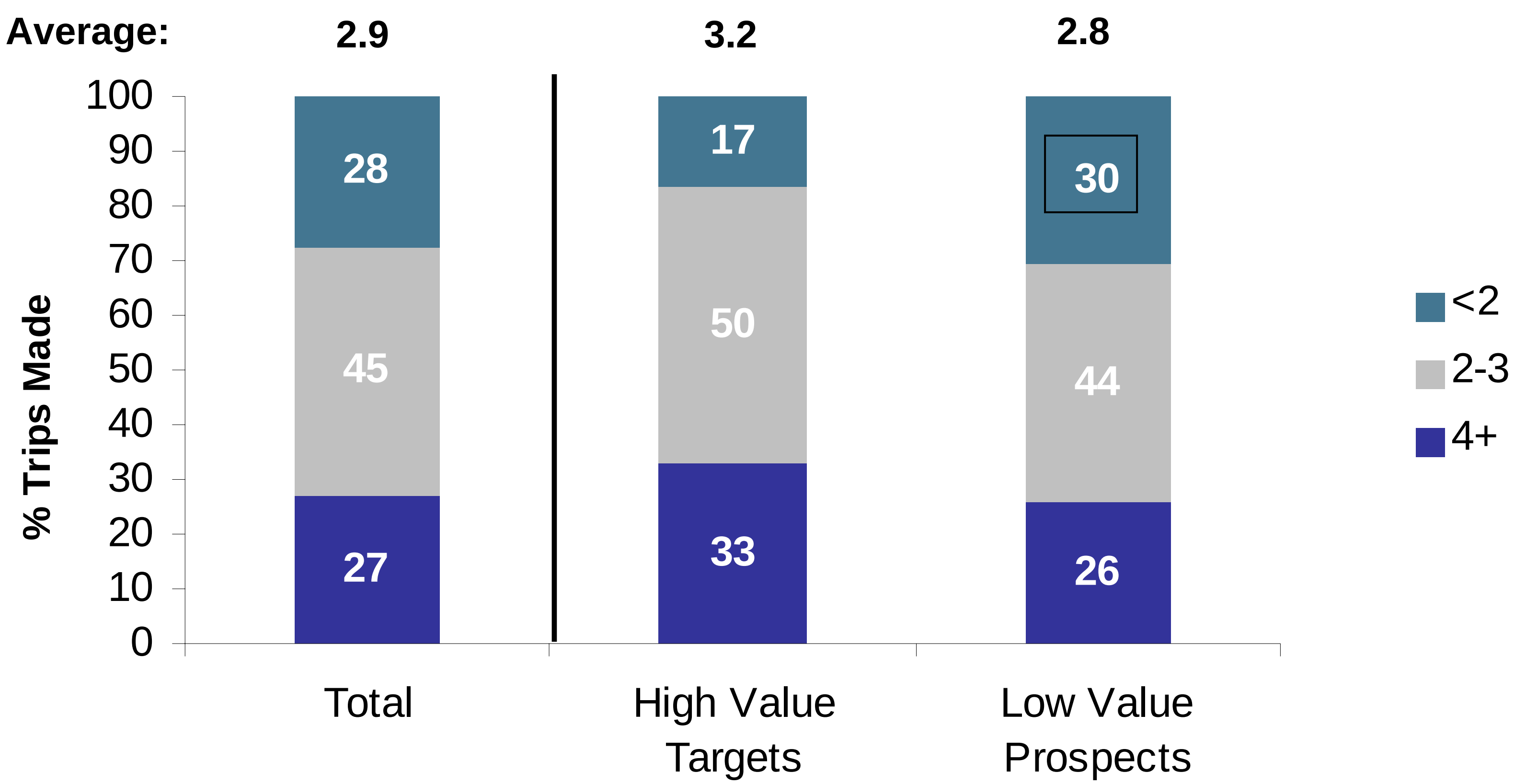
Respondents were least likely to agree that they prefer to give a travel agent all of the responsibility in planning their vacations.

% Top 2 Box: Agree/Strongly Agree	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Where I vacation says a lot about me as a person	41	50	38
I look to vacations as one way to bring me closer to nature and to learn about our environment	39	64	32
Vacation is better when the destination strengthens my ties to the natural environment	38	65	32
I wish there were more vacations that had a lot of activities for children	33	45	30
People think of me as an 'outdoorsy' person	28	40	24
I would be extremely interested in visiting a working farm or ranch for a vacation	24	49	17
I like vacations that challenge me physically	19	28	16
I prefer to give my travel agent all of the responsibility of planning my vacation	5	3	5

Please read the following list of statements about vacations and leisure travel and rate how much you agree or disagree with each statement

Number of Trips Taken in Past Year

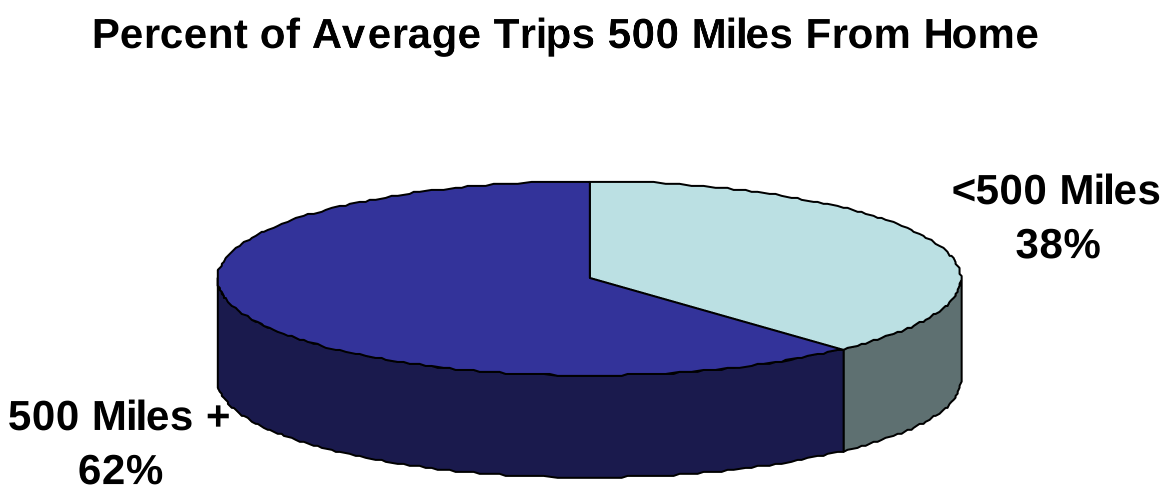
Respondents took an average of three leisure trips in the past year.



In the past year, how many leisure vacation trips did you take? Please think of "a vacation trip" as a trip that required an overnight stay.

Number of Trips Taken More than 500 Miles from Home

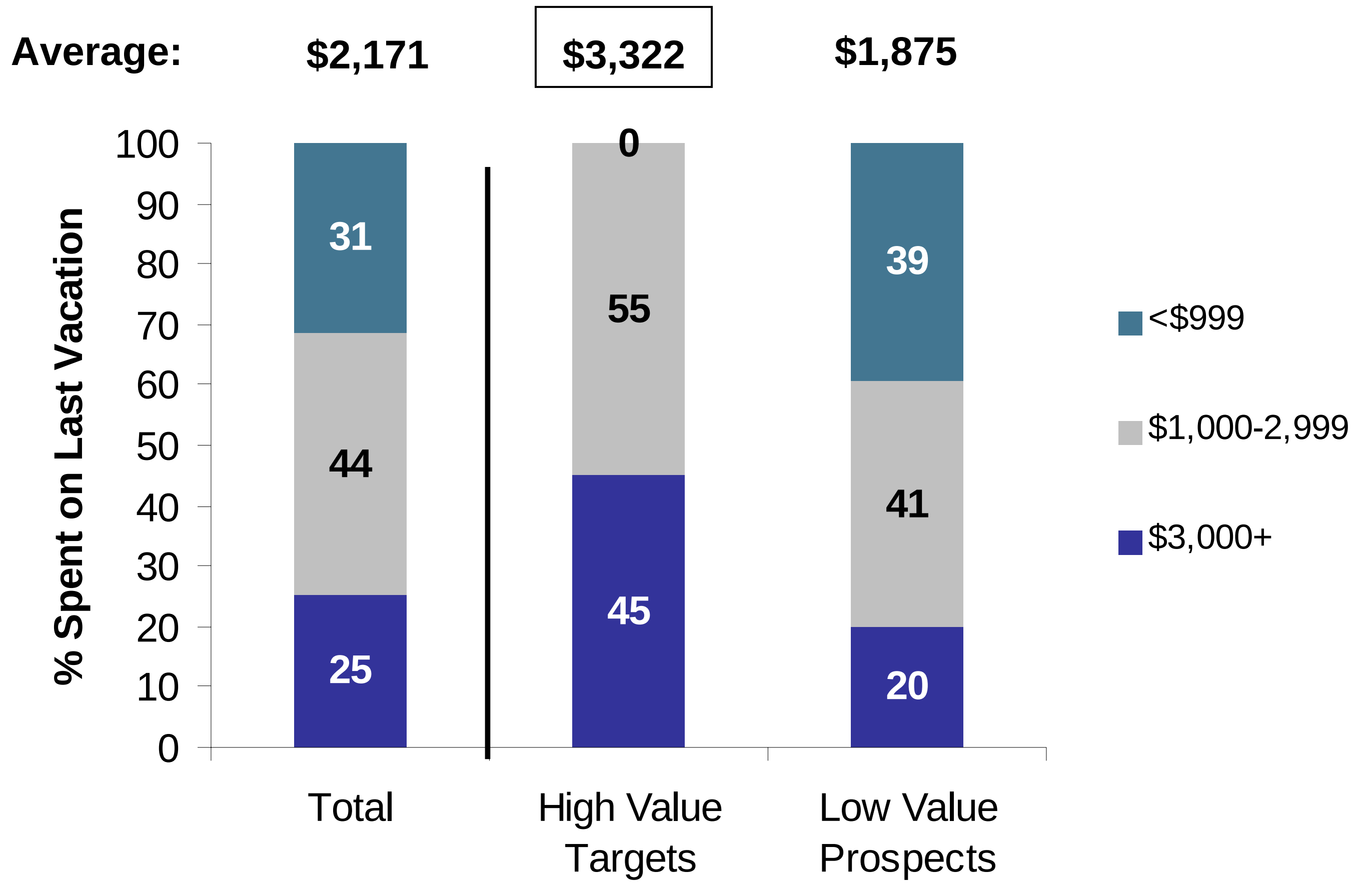
Nearly two-thirds of those three trips were more than 500 miles from home.



Of those leisure vacation trips, how many did you take where you traveled more than 500 miles from your home?

Amount Spent on Last Vacation Trip

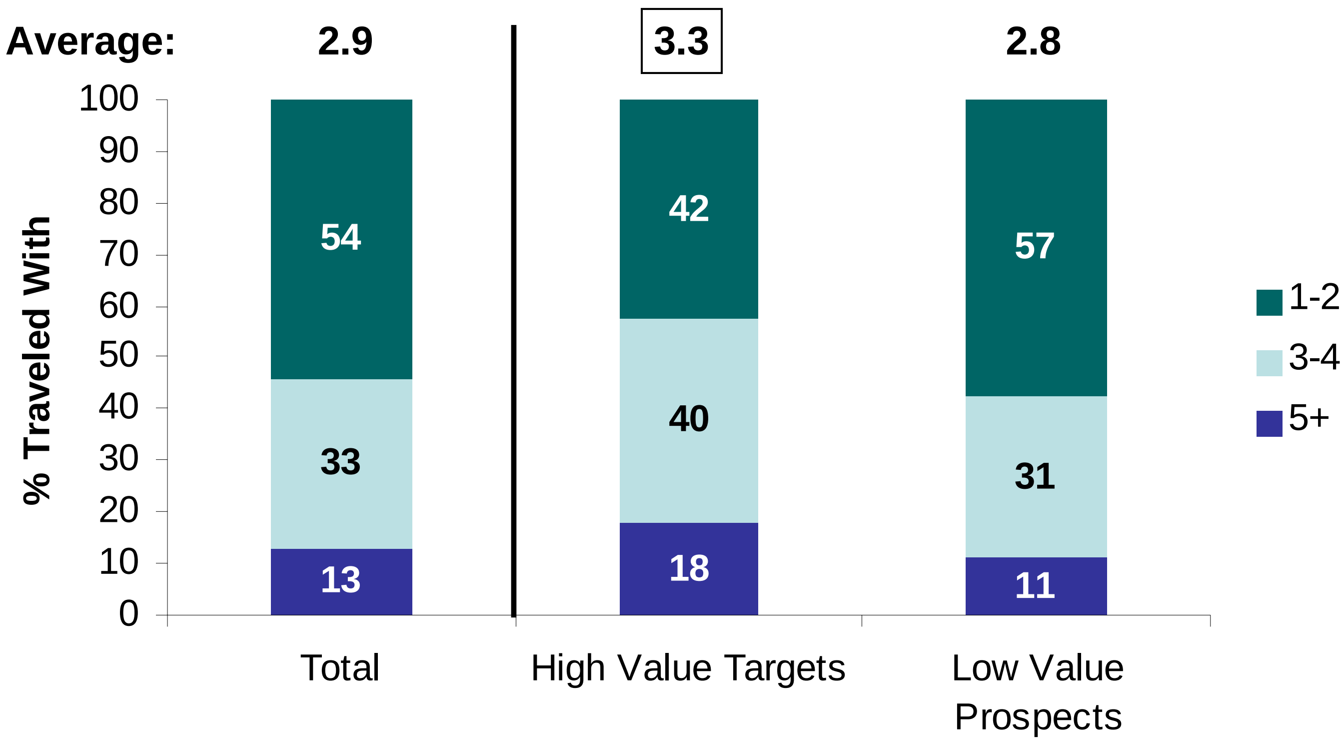
Respondents spent an average of approximately $2,200 on their last vacation; High Value Targets spent significantly more than Low Value Prospects.



Approximately how much have you spent in total on your last vacation trip? Please include all costs such as meals, accommodations, airfare, etc. for all family members/other people (if any) that traveled with you.

Number of People Traveled with on Vacation

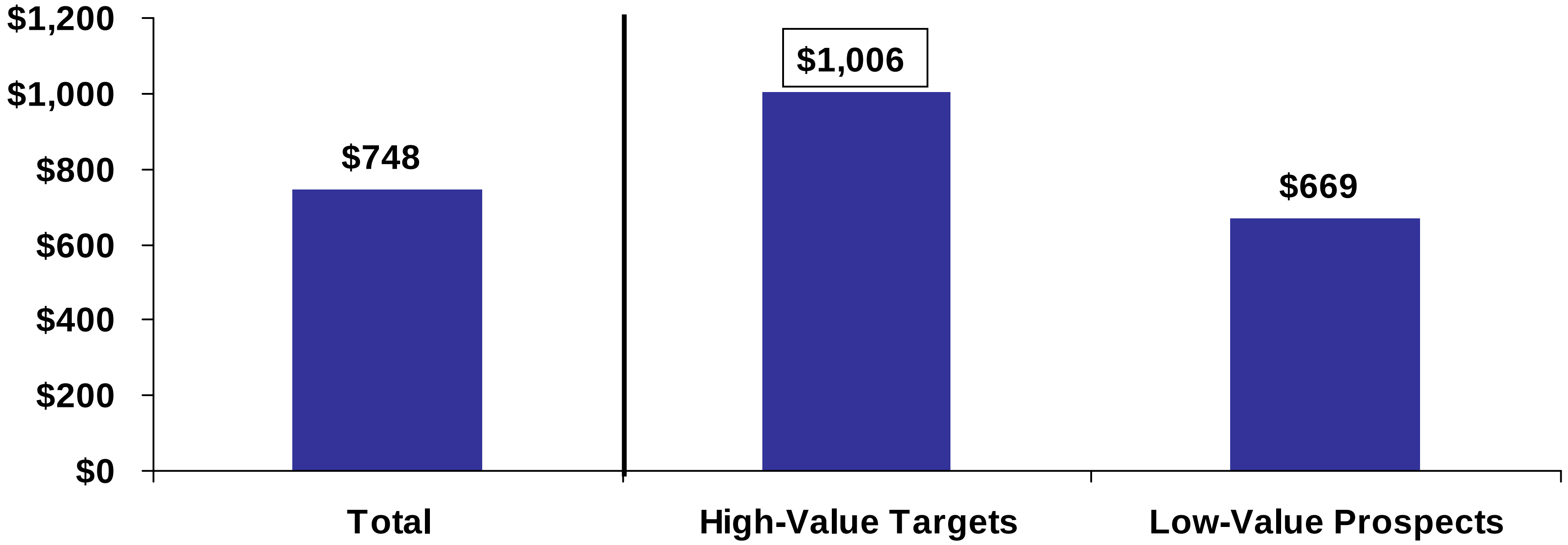
On average, travelers vacation with three people, including themselves.



How many people, including yourself, traveled with you on your last vacation trip?

Amount Spent Per Person on Vacation Trip (Calculated)

Respondents spent about $750/person on their last vacation trip; High Value Targets spent just over $1,000 per person on their last vacation trip



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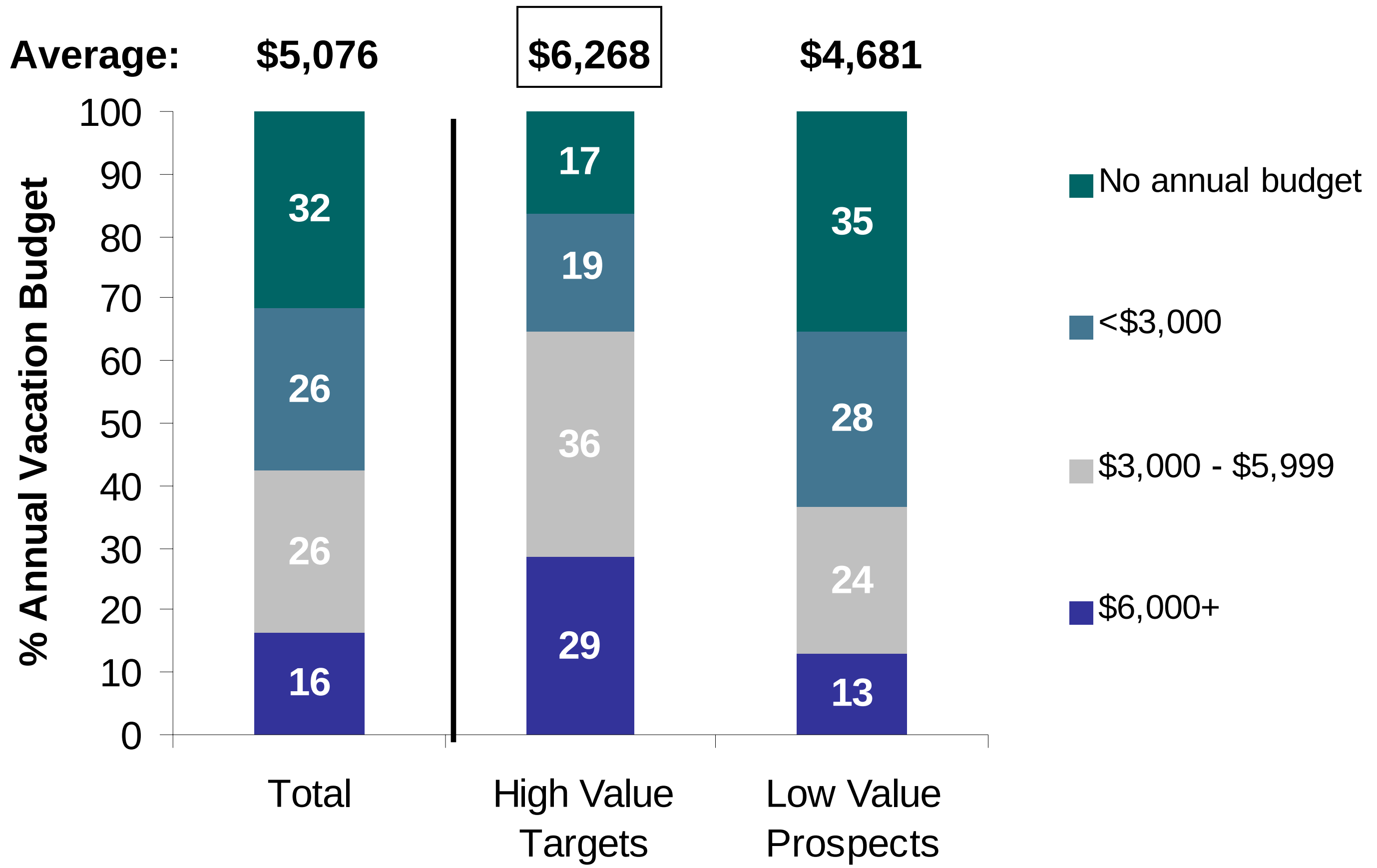
Annual Vacation Budget

On average respondents have an annual vacation budget of approximately $5,000; High Value Targets have a higher budget.



How much is your annual vacation budget for you and your family?

People Traveled with on Vacation

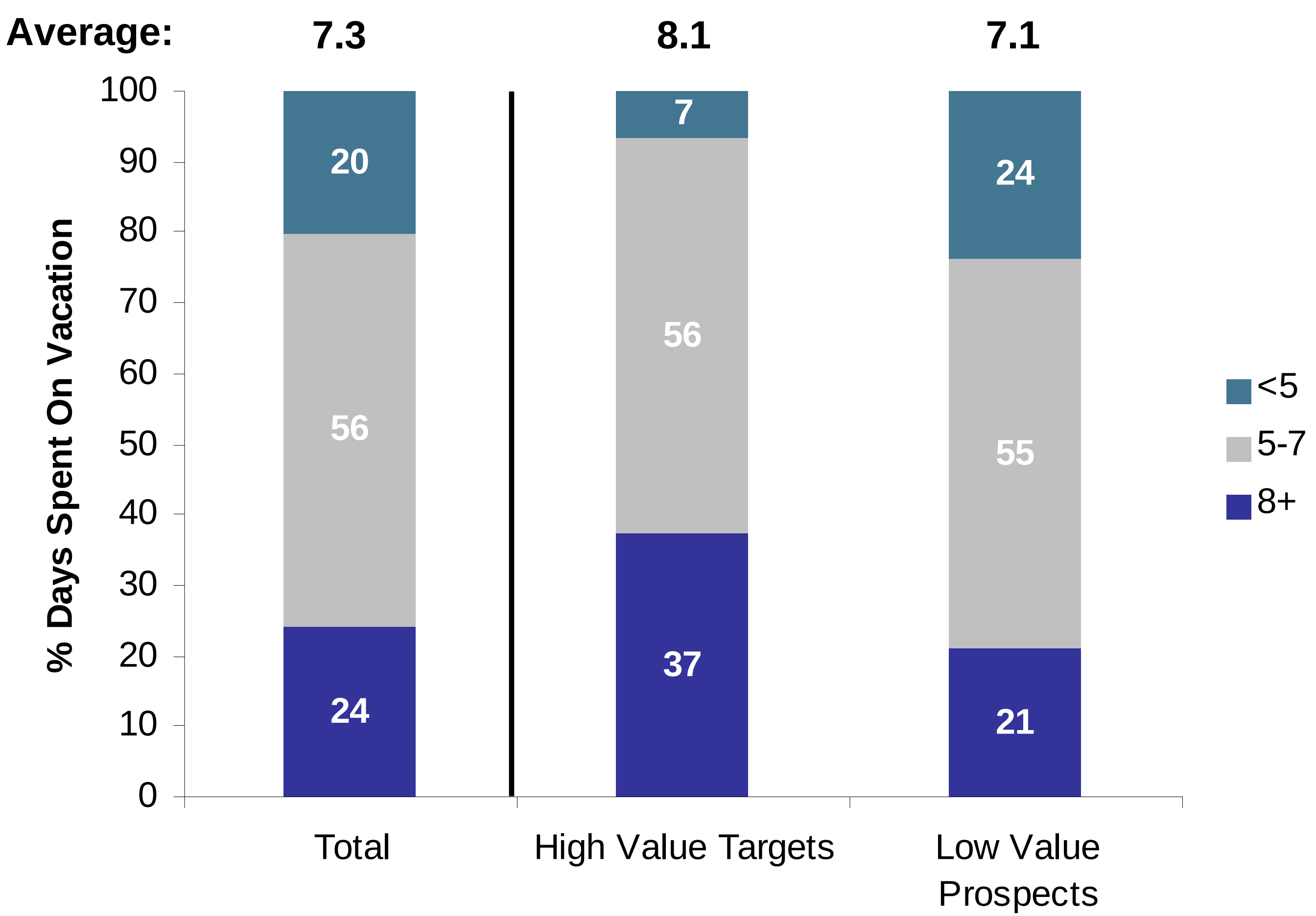
Most typically travel with their family, especially High Value Targets.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Spouse/significant other	86	94	84
Your children	45	56	42
Other family	18	18	18
Friends	17	19	17
Grandchildren	6	8	5

Who do you typically vacation with on leisure trips?

Number of Days Spent During a Vacation

Respondents typically spend seven days on a vacation trip.



How many vacation days do you typically spend on a vacation trip?

Types of Vacation Ever Taken

More than 75% of respondents have driven to a vacation destination that was 300 miles away, nearly half have taken a cruise, and one-third have gone to an all-inclusive.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Driven to your destination over 300 miles away	77	85	75
Taken a cruise	44	48	43
Gone to an all-inclusive resort	34	44	31
Traveled with a tour group operator with a small group of people (8 to 14 others)	18	22	17
Taken an educational tour vacation	16	28	12
Taken an adventure travel vacation	13	26	10
Taken an environmentally-focused vacation	5	11	3
Stayed on a dude ranch	4	6	3
Stayed on a working ranch or farm	2	5	1
None of the above	7	2	9

Thinking about the leisure vacation trips where you have stayed overnight, have you ever:

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Destinations Visited

The Southeast, Mid-Atlantic, and the West are the most common domestic places respondents have visited overall. Three-quarters traveled domestically for their last vacation.

Total Respondents	Ever Visited	Visited in Past Two Years	Visited on Last Vacation
Domestic (NET)	**100**	**97**	**76**
Southeast	79	49	25
Mid-Atlantic	70	42	13
West	61	34	15
Northeast	49	24	8
Southwest	46	17	5
Canada	43	15	2
Western Europe	41	12	4
Midwest	34	18	4
Hawaii	33	10	3
Mountains/Plains	29	8	3
Alaska	13	4	1

Which of these travel destinations have you ever been to? /Been to in last two years?/Last vacation?

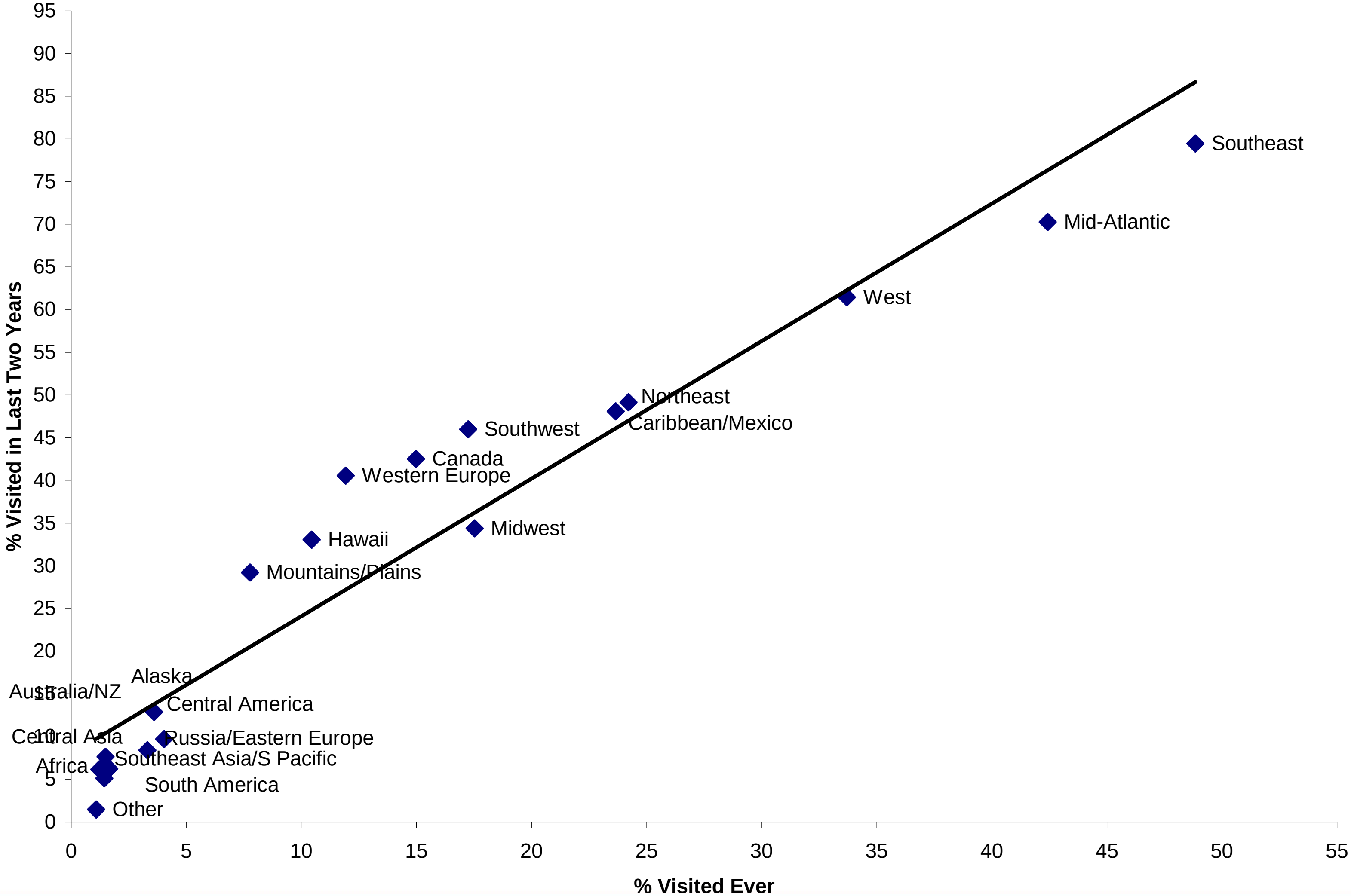
Destinations Visited *(cont'd)*

Three-quarters have also traveled internationally; the most frequently visited destination is the Caribbean/Mexico.

Total Respondents	Ever Visited	Visited in Past Two Years	Visited on Last Vacation
International (NET)	**73**	**44**	**24**
Caribbean/Mexico	48	24	14
Central America	10	4	1
Australia/New Zealand	8	1	0
Central Asia	6	2	1
South America	6	2	0
Eastern Europe	5	2	0
Africa	5	1	1
Southeast Asia	4	1	0
Russia	3	1	0
South Pacific	2	0	0
Other part of the world	1	1	1

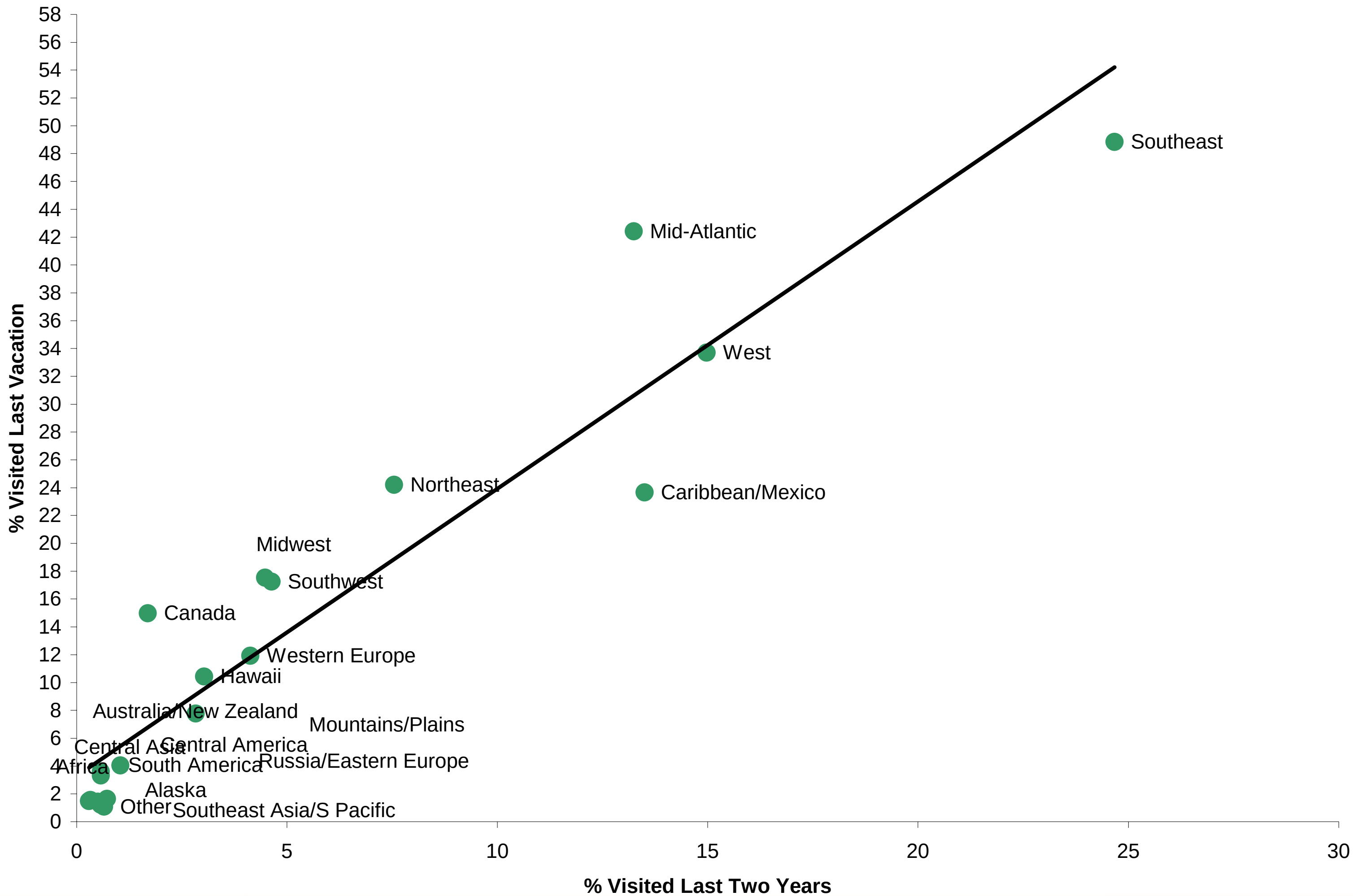
Which of these travel destinations have you ever been to? /Been to in last two years?/Last vacation?

Destinations Visited: *Ever vs. Last Two Years*



Which of these travel destinations have you ever been to? /Been to in last two years?

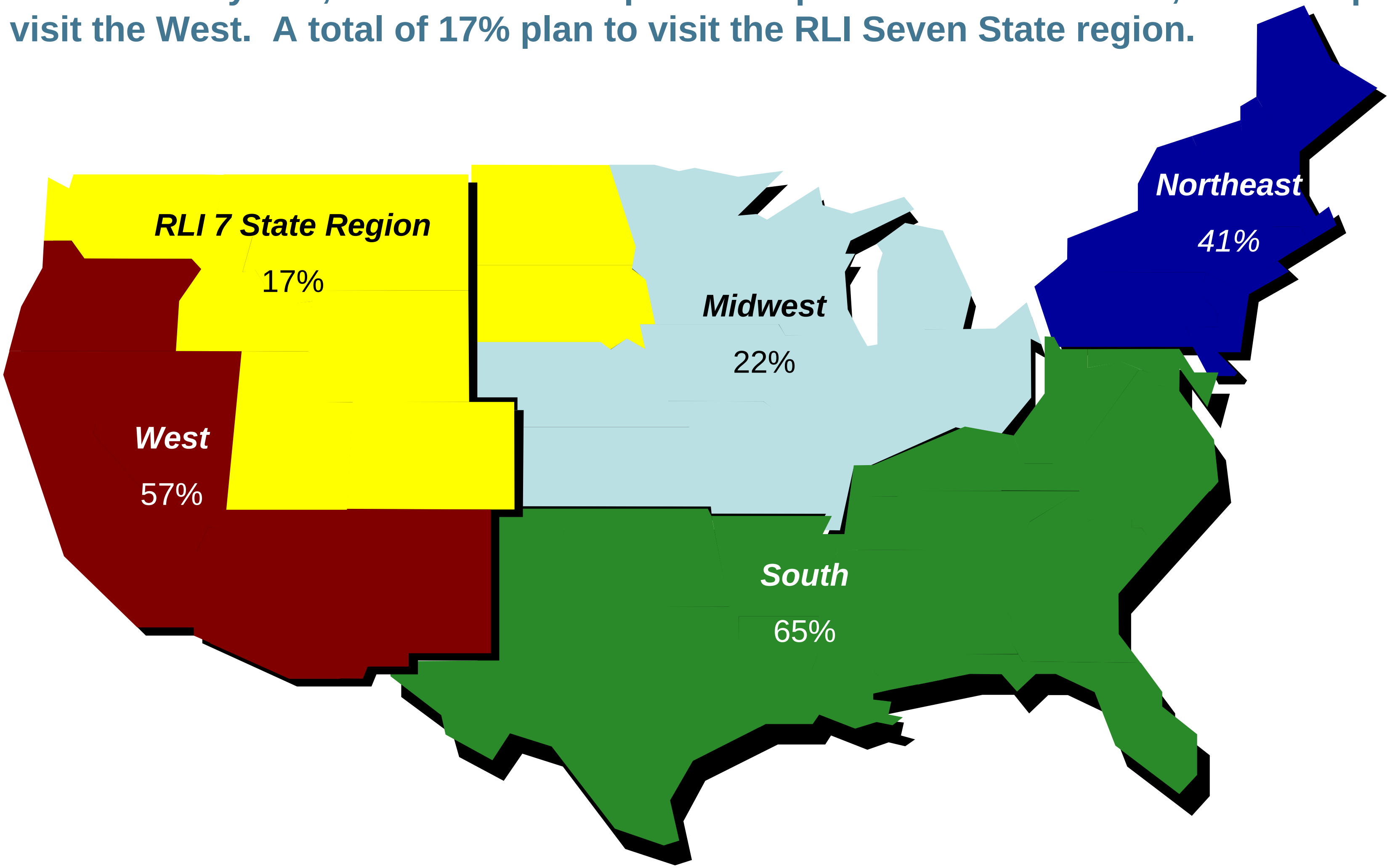
Destinations Visited: *Last Two Years vs. Last Vacation*



Which of these travel destinations have you ever been to in the past two years/
Where did you go on your last vacation?

States Planning to Visit in Next Two Years

In the next two years, two-thirds of respondents plan to visit the South, over half plan to visit the West. A total of 17% plan to visit the RLI Seven State region.



Which of the following states are you planning on traveling to for leisure travel vacations within the next two years?

Researching and Booking a Vacation

Influences in Booking a Vacation

Top vacation influences were location, time of year/season, price, and ease of getting to final destination.

% Top 2 Box: Very/Extremely Influential	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Location	86	91	84
Time of year/season	73	76	72
Price	69	67	70
Ease of getting to final destination	64	68	63
Friends/family's recommendations	56	60	54
Word of mouth	53	$\boxed{65}$	50
Familiarity with location/destination	49	48	49
That it is somewhere/something new and different	47	$\boxed{61}$	43
Travel guidebooks	38	45	36
Articles on travel websites	30	$\boxed{39}$	28

How influential are each of the following in your decision-making process when you're booking a leisure vacation?

Influences in Booking a Vacation *(cont'd)*

Respondents claimed that advertising in magazines/newspapers was the least influential in the decision-making process.

% Top 2 Box: Very/Extremely Influential	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Brochures/pamphlets provided by a travel company	27	$\boxed{38}$	24
Travel show on television	27	28	26
Online travel reviews (i.e. TripAdvisor)	26	29	26
Travel magazine features/stories	22	30	20
Local Tourist Office of destination/country	19	$\boxed{32}$	16
Travel section of the newspaper	17	18	17
Travel agent's recommendations	16	10	$\boxed{18}$
Editorials (i.e. newspaper or magazine editorials)	15	21	14
Videos provided to you by your travel agent or tour company	13	13	13
Advertising in magazine/newspaper	11	10	12

How influential are each of the following in your decision-making process when you're booking a leisure vacation?

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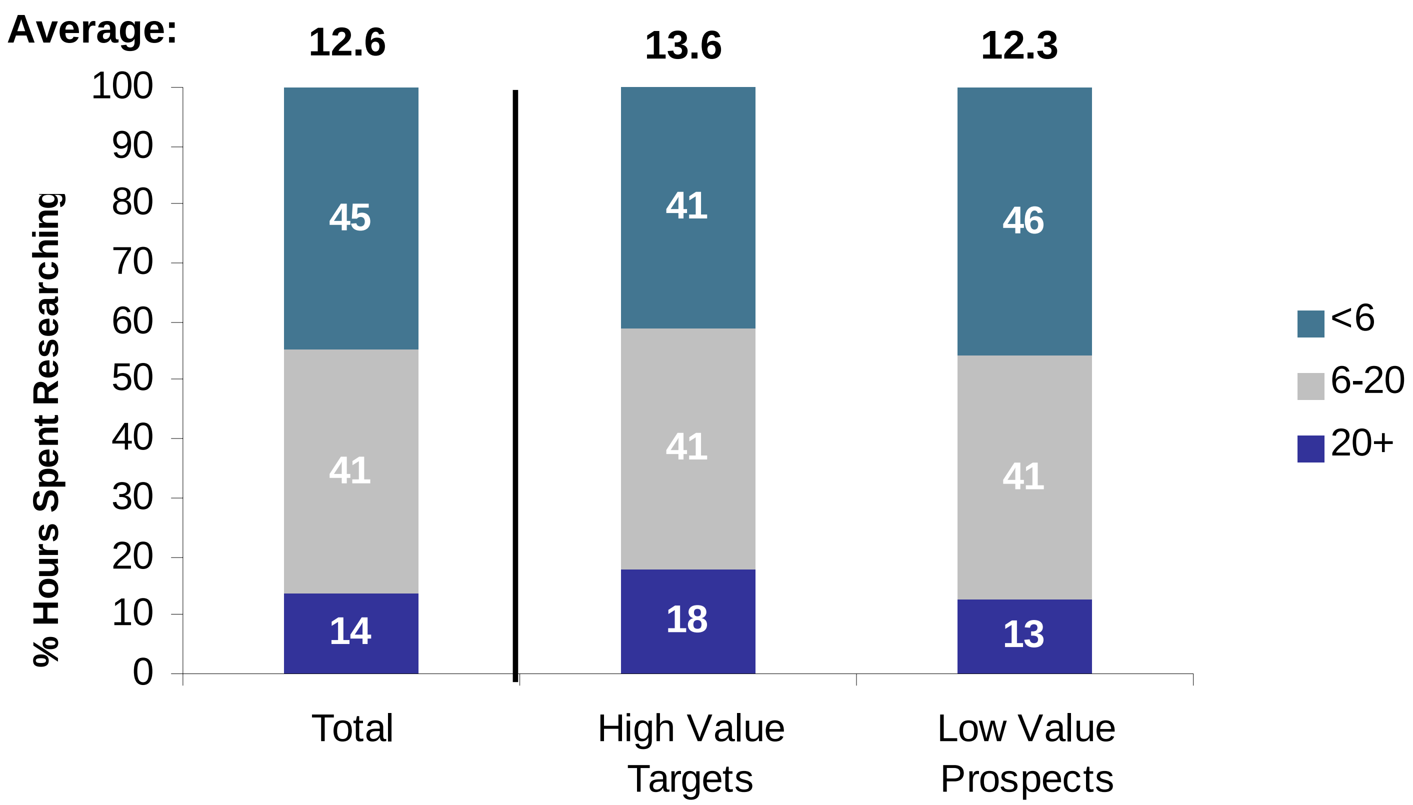
Amount of Time Spent Researching Vacation Trip

On average, respondents spend over 12 hours researching vacation trip.



When planning a trip, how much time do you typically spend researching your leisure vacation trips?

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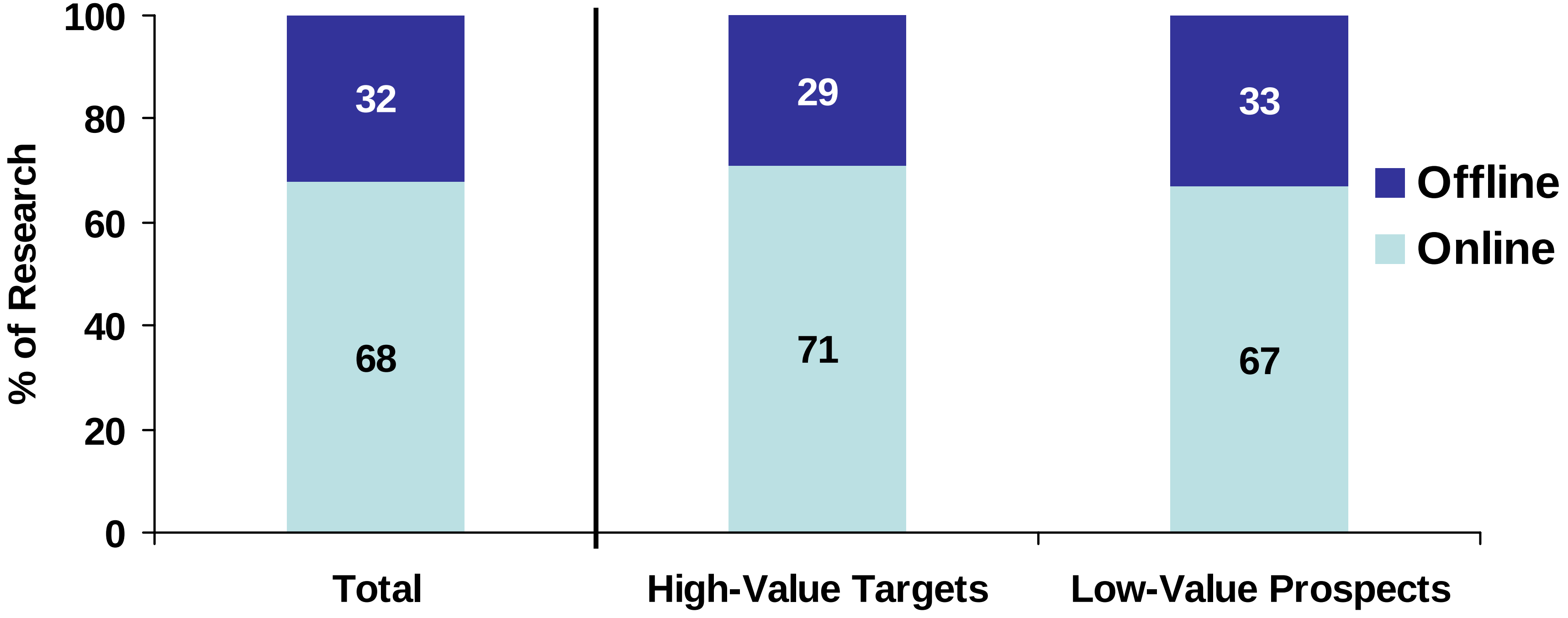
Online vs. Offline Research

Respondents do approximately two-thirds of their research online.



When you are researching leisure vacation trips, what percent of your researching is done online vs. offline (brochures/magazines, travel agent, word of mouth recommendations, etc.)?

Over half of all trips are booked online, either through a general travel website such as Orbitz or Expedia or direct with the hotel/airline's site.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Online (NET)	**57**	**66**	**55**
Online through a general travel website (Expedia, Orbitz, etc.)	30	35	29
Online through a hotel/airline's website	27	31	26
Offline (NET)	**30**	**26**	**32**
Over the phone directly with the hotel or airline	19	15	20
Through a travel agent	9	6	10
Through a tour company	2	$\boxed{5}$	2
Other	**12**	**9**	**13**

When you book leisure trips, what percent of your trips are booked online, over the phone directly with the hotel or airline, through a travel agent, tour company, or some other way?

Websites Used for Booking Vacations

Expedia, Travelocity, hotel/airline websites, and Orbitz were the most popular travel websites used for booking vacations.

	Total (481) %	High Value Targets (101) %	Low Value Prospects (380) %
Expedia	56	59	55
Travelocity	53	60	51
Hotel/Airline website	52	56	50
Orbitz	45	48	44
Search engines	41	46	40
Hotels.com	38	47	36
Priceline	29	35	28
State Tourism bureau	24	26	23
Hotwire	18	20	18
Tripadvisor	11	14	10
Sidestep	5	8	4
Kayak	4	9	3
None of the above	5	3	5

When you research and/or book your leisure vacations online, which websites do you use often?

Vacation Desirability Ratings

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Vacation Attributes: *Desirability Ratings*

The most desirable features were a vacation that is a good value for the money, has private bathrooms, is affordable, is fun and relaxing, and unforgettable.

Highly Desirable ***Average Desirability (0-100)***	**Total** **(500)** **%**	**High Value Targets** **(102)** **%**	**Low Value Prospects** **(398)** **%**
A good value for the money	85	87	84
Private bathrooms	84	86	83
An affordable experience	82	85	81
A fun and relaxing vacation	82	81	82
An unforgettable experience	79	84	77
A wide variety of activities	71	83	68
A new and different experience	70	80	68
An authentic experience	66	74	63

Now we would like you to think about leisure vacations in general. Please read the following list and rate how desirable each are to you in a leisure vacation.

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Vacation Attributes: *Desirability Ratings (con't)*

Moderately Desirable ***Average Desirability (0-100)***	**Total** **(500)** **%**	**High Value Targets** **(102)** **%**	**Low Value Prospects** **(398)** **%**
Transportation from airport to hotel/destination	64	64	64
Opportunity(ies) to be active	64	73	61
An experience rich in history	63	73	60
First-class accommodations	62	65	61
Fine dining options	60	60	60
A trip that is educational	58	66	56
The chance to be adventurous	56	69	52
A true sense of how other people live	54	70	50
A vacation geared towards families	53	62	51
Accessibility of technology at destination (i.e. internet, cell phone)	52	55	51

Now we would like you to think about leisure vacations in general. Please read the following list and rate how desirable each are to you in a leisure vacation.

Vacation Attributes: *Desirability Ratings (con't)*

The least desirable vacation feature was a rugged experience.

Less Desirable ***Average Desirability (0-100)***	**Total** **(500)** **%**	**High Value Targets** **(102)** **%**	**Low Value Prospects** **(398)** **%**
Something children would love	50	58	48
A vacation that is environmentally-focused	46	58	43
A vacation I could not have planned on my own	44	49	43
An opportunity to give back to society	41	50	39
The ability to handle special requests: dietary restrictions, disabled access, etc.	41	40	42
A rugged experience	32	44	29

Now we would like you to think about leisure vacations in general. Please read the following list and rate how desirable each are to you in a leisure vacation.

Vacation Activities

Interest in Vacation Activities

Respondents were most interested in a vacation that involves beach/relaxing in the sun and cultural experiences;

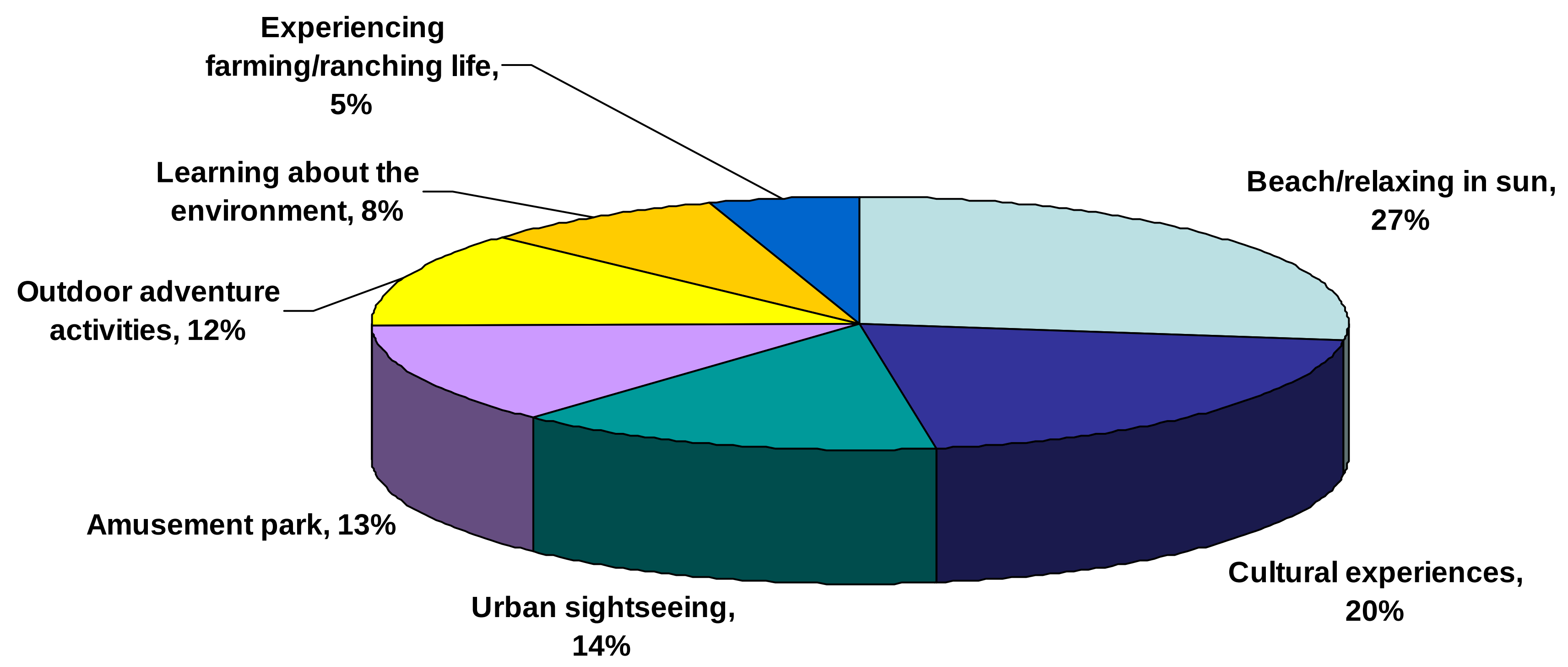
- High Value Targets were more likely to show interest in vacations with outdoor activities, learning about the environment, and experiencing farming/ranching life.

%Top 2 Box: Very/Extremely Interested	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Beach/relaxing in sun	66	62	67
Cultural experiences (e.g. visiting historical landmarks, museums, etc.)	63	$\boxed{76}$	59
Urban sightseeing (e.g. visiting/exploring big cities)	48	52	46
Amusement park	40	42	39
Outdoor adventure activities (e.g. hiking, rock climbing, fishing, hunting, etc.)	33	$\boxed{57}$	27
Learning about the environment	31	$\boxed{56}$	25
Experiencing farming/ranching life	20	$\boxed{41}$	14

How interested would you and your family, if applicable, be in taking a vacation that included each of the following activities in the next two years?

Build the Ideal Vacation: Sum 100%

According to respondents, the ideal vacation has many different components.



If you could plan the ideal vacation, what percent of each of the following would it include?
**Sums to 100%*

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Activities Open to Doing on Vacation

Relaxing, going to the beach, shopping and swimming were the top activities respondents would be open to doing on vacation.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Relaxing	71	$\boxed{79}$	69
Beach	60	59	60
Shopping	59	59	58
Swimming	57	$\boxed{68}$	55
Scenic driving	56	61	55
Historic sites	56	$\boxed{65}$	54
Trying new foods	53	$\boxed{63}$	51
Museums/Art Galleries	50	$\boxed{60}$	48
Amusement parks	49	51	48
Zoos	46	$\boxed{60}$	43
Cruise	43	50	41
Concerts	42	50	40
Theater	40	47	38
Wildlife viewing	39	$\boxed{60}$	34

Which of the following activities are you and your family (if applicable) open to doing in the next 12 months while on a vacation trip?

Activities Open to Doing on Vacation *(cont'd)*

	Total	High Value Targets	Low Value Prospects
	(500)	(102)	(398)
	%	%	%
Gourmet dining	38	46	36
Experiencing new cultures	35	52	31
Water parks	35	46	32
Rail tours	34	50	30
Hiking	33	53	28
Horseback Riding	30	53	25
Fishing	30	40	27
Camping	30	44	26
Gambling	30	33	29
Spa/Fitness	29	37	28
Learning a new skill	23	39	19
Canoeing	22	36	18
Volunteering	21	33	18
Whitewater Rafting	21	33	18
Hot air ballooning	20	29	17
Nightlife	19	25	18
Mine tours	19	30	17

Which of the following activities are you and your family (if applicable) open to doing in the next 12 months while on a vacation trip?

Activities Open to Doing on Vacation *(cont'd)*

	Total	High Value Targets	Low Value Prospects
	(500)	(102)	(398)
	%	%	%
Sailing	17	29	14
Archeology	16	24	14
Sleigh rides	15	26	12
Backpacking	14	29	11
Kayaking	13	26	10
Ice skating	13	17	11
Birding	12	24	9
Water skiing	11	15	10
Mountain biking	11	21	8
Jeeping/off-roading	9	15	8
Snowmobiling	9	15	7
Alpine skiing/snowboarding	8	11	7
Rock climbing	7	15	6
Dog sledding	7	13	6
Hang gliding/Paragliding	7	11	6
Snowshoeing	7	11	5
Hunting	4	8	4
Nordic skiing	3	7	2

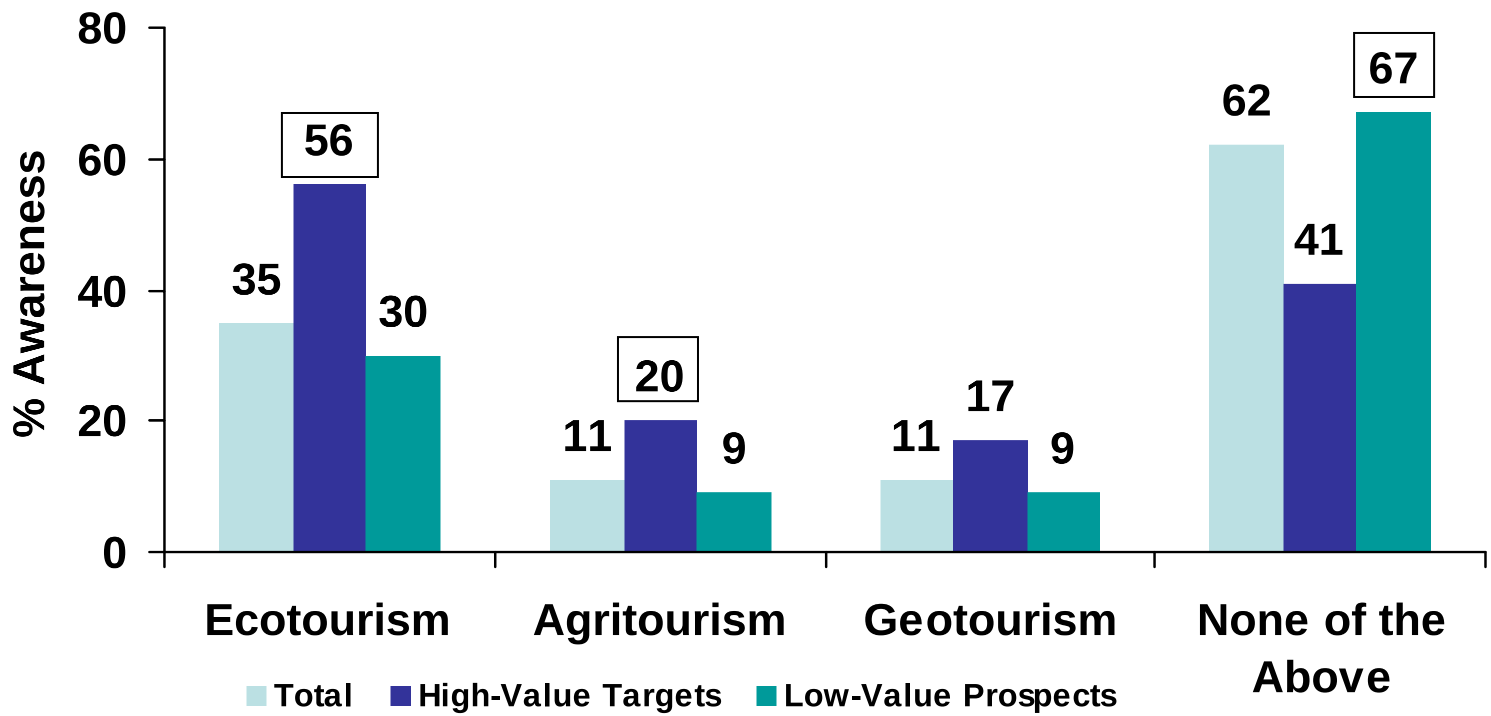
Which of the following activities are you and your family (if applicable) open to doing in the next 12 months while on a vacation trip?

Interest in Agritourism

Awareness of Agritourism, Geotourism & Ecotourism

One-third of respondents have heard of Ecotourism; 11% heard of Agritourism.

- High Value Targets were more likely to be familiar with all three types of tourism.



Which of the following types of travel have you ever heard of?

Agritourism as Defined by Respondents: Open-End

Among those aware of Agritourism, half defined it as participating in agricultural activities or some form of farm-related tourism.

Open-End Coded Responses:	Total (56) %	High Value Targets (21) %	Low Value Prospects (35) %
Participating in Agricultural Activities (Net)	**52**	**43**	**56**
Farming / Farm activities	32	26	36
Working a farm/ranch	19	23	17
Ranching / Ranch activities	14	10	17
Participating in agricultural activities	8	3	11
Tourism (Net)	**49**	**38**	**56**
Vacation at an agricultural/farm location	26	21	29
Touring agricultural sites / Tourism at agricultural sites	23	17	27
Other (Net)	**37**	**53**	**27**
Learning about agriculture / Agricultural education	25	31	21
Other	12	22	6

Please explain what you believe Agritourism is.

What Is Agritourism? - *A Sampling of Verbatim Comments*

"A get-away to a farm, ranch, winery, in a rural area geared toward merging the rural with the urban."

"Agritourism is staying on or near a ranch or farm and being involved in some of the activities of the farm or ranch such as feeding cattle or driving a tractor."

"People who have farms, ranches, innovative uses of the land, give the rest of us an opportunity to see how they work and enjoy their lifestyle. There is an opportunity to participate in the functions of their enterprise. They make it enjoyable, participatory, and educational."

"Tourism in which tourists take part in farm or village activities, as animal and crop care, cooking and cleaning, handicrafts, and entertainments. "

"You go to a farm and help work on the farm so you can learn about what it is like to live and work on a farm and appreciate more where our food comes from and how hard farmers work and how important they are to our lives."

Please explain what you believe Agritourism is.

Agritourism Concept Explained

All respondents were asked to read the following description of Agritourism:

Agritourism can be defined as tourism based on attracting guests to farm or ranch operations to enjoy, learn, recreate and experience one or more outdoor activities on the agricultural premises. Such activities could occur on a day or multi-day basis and range from a U-pick harvest activity to farm or ranch chores, to wildlife viewing, fishing, hunting, or just enjoying the rural landscape.

Familiarity with Agritourism

Familiarity with Agritourism is relatively low

- However, High Value Targets were more familiar than were Low Value Prospects.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Top 2 Box (NET)	**4**	**11**	**2**
Extremely familiar	2	6	1
Very familiar	2	5	2
Familiar	**13**	**23**	**11**
Bottom 2 Box (NET)	**83**	**67**	**87**
Not very familiar	35	45	33
Not familiar at all	47	21	54

How familiar are you with Agritourism?

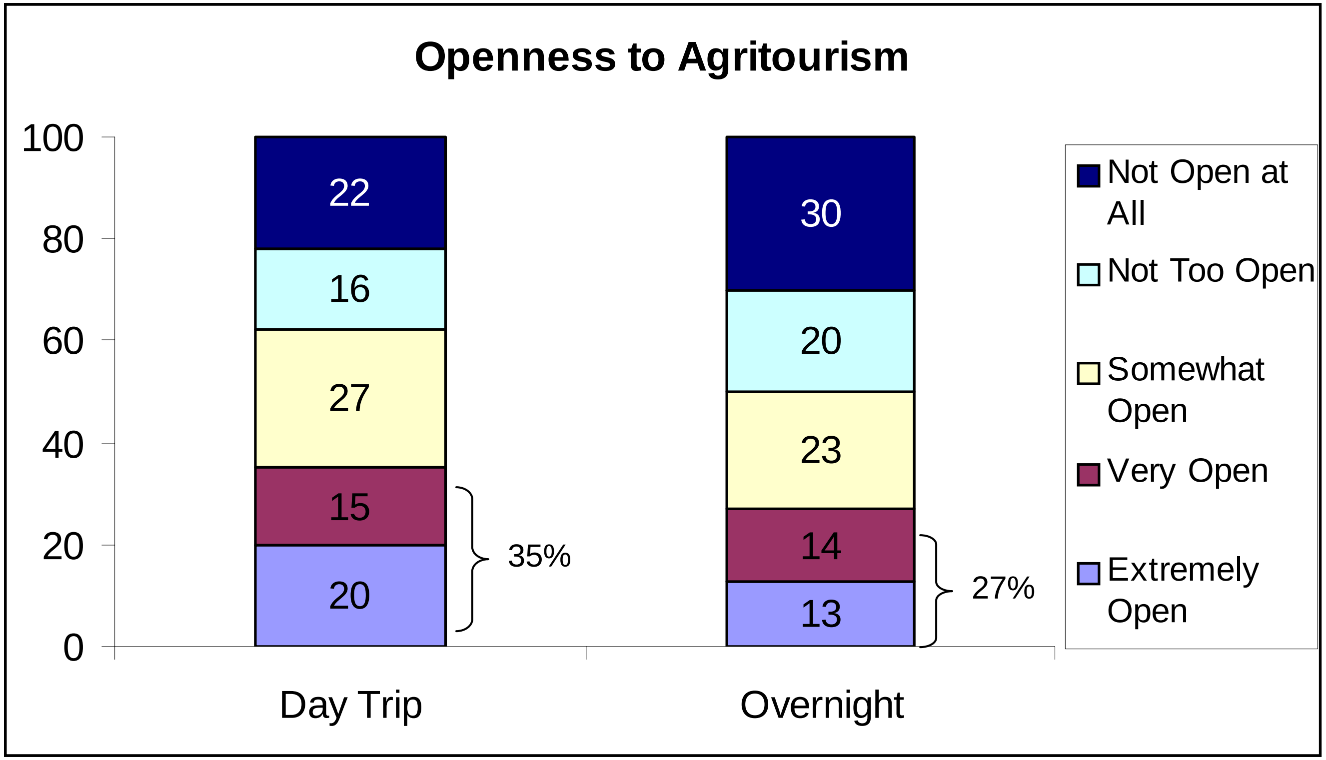
Explanation of Agritourism as it Relates to RLI's Farm and Ranch Resource Center

Next, all respondents were asked to read the following description of Agritourism as it relates to RLI's Farm and Ranch Resource Center:

Agritourism is growing rapidly in this country as an outdoor adventure industry. There are many different forms from day to multi-day experiences. Lodging options for overnight stays can vary from an RV pad, staying in the home of the hosts, to private cabins and home rentals. The next series of questions will refer to farms and ranches in the American West where Agritourism is growing, specifically within the seven state region of Montana, Wyoming, Utah, Colorado, Idaho, North Dakota and South Dakota.

Openness to Agritourism: *Day Trip vs. Overnight Stay*

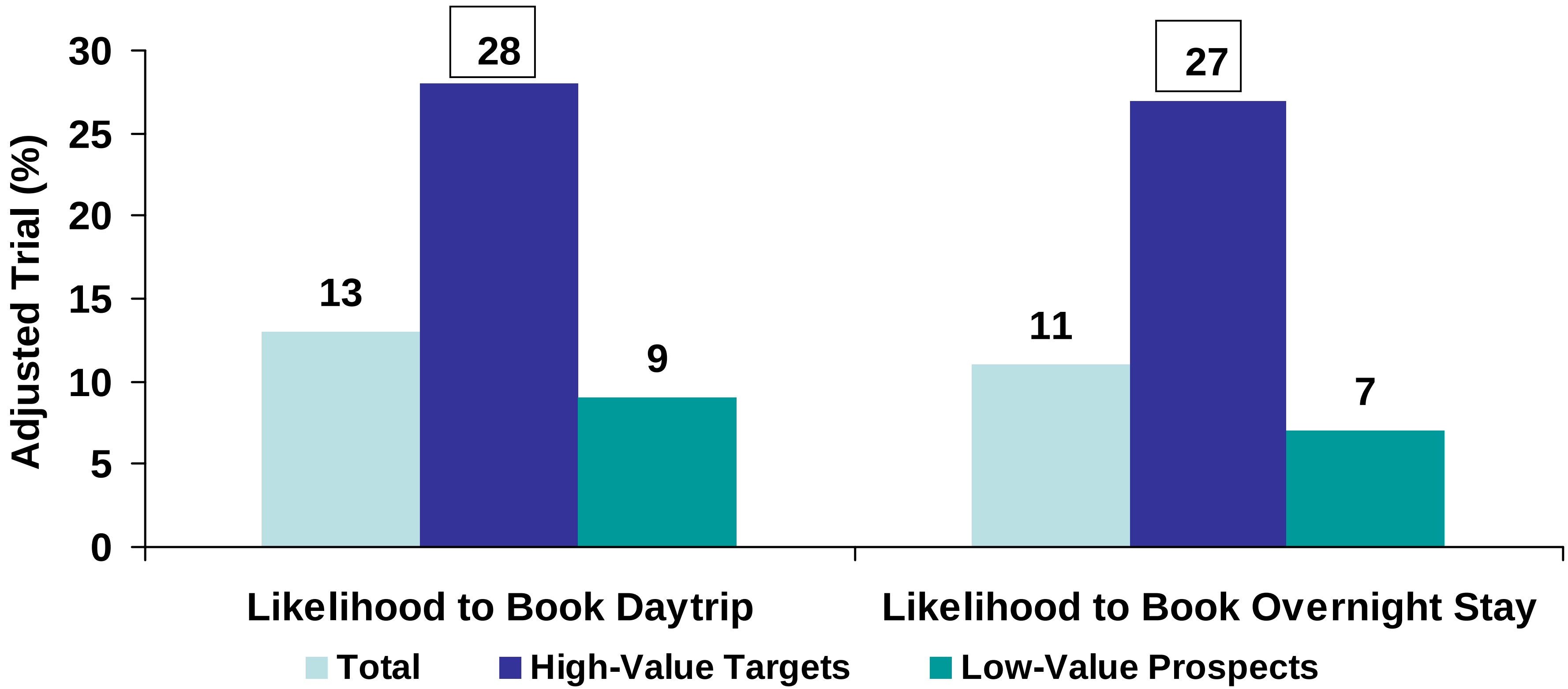
One-third of respondents are open to an Agritourism day trip, fewer are interested in an overnight trip.



How open are you to participating in any form of Agritourism, that is visiting a working farm or ranch for the day and spending the night on a working farm or ranch in the seven state region?

Likelihood to Book an Agritourism Vacation

The likelihood to book an Agritourism vacation was comparable for a daytrip and an overnight stay. Overall, High Value Targets showed a much higher likelihood to book an Agritourism trip than Low Value Prospects.



Given all that we've told you about Agritourism, how likely would you be to book an Agritourism trip to a working farm or ranch in the next 12 months within the seven state region?

Appeal of Agritourism Type: *Seven-State Region vs. Local*

One-third of respondents said Agritourism is more appealing in the seven-state region than it would be for a local trip, especially among High Value Targets.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Top 2 Box (NET)	**31**	**62**	**22**
Much more appealing	8	21	5
More appealing	22	41	18
Neither more appealing nor less appealing	**45**	**22**	**51**
Bottom 2 Box (NET)	**24**	**15**	**26**
Less appealing	10	9	10
Much less appealing	15	6	17

Given that these farms and ranches are located in the seven-state region of Montana, Wyoming, Utah, Colorado, Idaho, North Dakota and South Dakota, does that make it more or less appealing than visiting a local farm or ranch close to your home?

Appeal of Agritourism Features

Most appealing features of Agritourism are a flexible schedule of activities, as well as fun and easy activities

- High Value Targets were more likely to rate all features as appealing.

% Top 2 Box: Somewhat / Extremely Appealing	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
There is a flexible schedule of activities that allows you to pick and choose what you want to do	54	86	45
There are 'fun and easy' farm or ranch activities like picking apples, petting the animals, and enjoying the environment	52	86	43
There are family-focused activities such as viewing wildlife, feeding the farm animals, and storytelling	46	79	37
There are guided hikes around the farm or ranch	44	80	34
You know that you are helping to support family-owned farms and ranches	42	77	33
You can visit an authentic farm or ranch in the American West	42	83	32
You have private access to a stream or stretch of land for fishing or hunting not open to the public	38	62	32
You can visit a local farm or ranch close to your home	38	68	30

Thinking more about the Agritourism experience, how appealing would each of the following be?

Appeal of Agritourism Features, cont'd

Respondents were least likely to rate "real" farm/ranch activities and "tough" days on the farm/ranch as appealing.

% Top 2 Box: Somewhat / Extremely Appealing	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
By spending time with the farmer or rancher, you learn more about their life and the issues they face	37	74	27
Even inexperienced visitors can take part in as much of the farmer's or rancher's life as they want	37	73	28
Your children learn what it's like to live on a farm or ranch	34	63	27
There are activities that let you 'get your hands dirty' on the farm or ranch	32	70	23
You learn where your food comes from	29	55	23
You eat all your meals with the farmer or rancher and their family	28	55	22
There are 'real' farm or ranch activities like mending fences, herding cattle, milking cows	27	56	20
There are 'tough' days on the farm or ranch, but relaxing evenings	24	53	16

Thinking more about the Agritourism experience, how appealing would each of the following be?

Interest in Agritourism Activities

Interest was highest in horseback riding, wildlife watching, and touring the farm. High Value Targets were more likely to be interested in participating in all activities.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Horseback riding	51	72	45
Wildlife watching	50	77	44
Tour of the farm or ranch	49	78	42
Hay ride	45	58	41
Fruit/produce picking	44	64	39
Hiking	42	66	36
Fishing	39	55	35
Educational activities	36	56	30
Arts and crafts	35	48	32
Camping	35	52	31
Chicken eggs collecting	32	51	28
Spending time with the farm or ranch operator	30	58	22
Cow milking	29	57	21

Which of the following activities would you be interested in doing on your Agritourism trip (daytrip or overnight)?

Interest in Agritourism Activities *(cont'd)*

Interest levels were lowest for branding cattle and hunting.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Farm or ranch store shopping	28	41	25
Outdoor maze	27	35	25
Farm or ranch animal grooming	26	50	20
Christmas tree selection/cutting down	24	32	21
Rounding up cattle	19	34	15
Cattle drive	19	39	14
Farm or ranch chores	19	41	13
Hunting	10	19	7
Branding cattle	7	15	5
Other	2	2	1
None	16	-	20

Which of the following activities would you be interested in doing on your Agritourism trip (daytrip or overnight)?

Reactions to Lodging Options

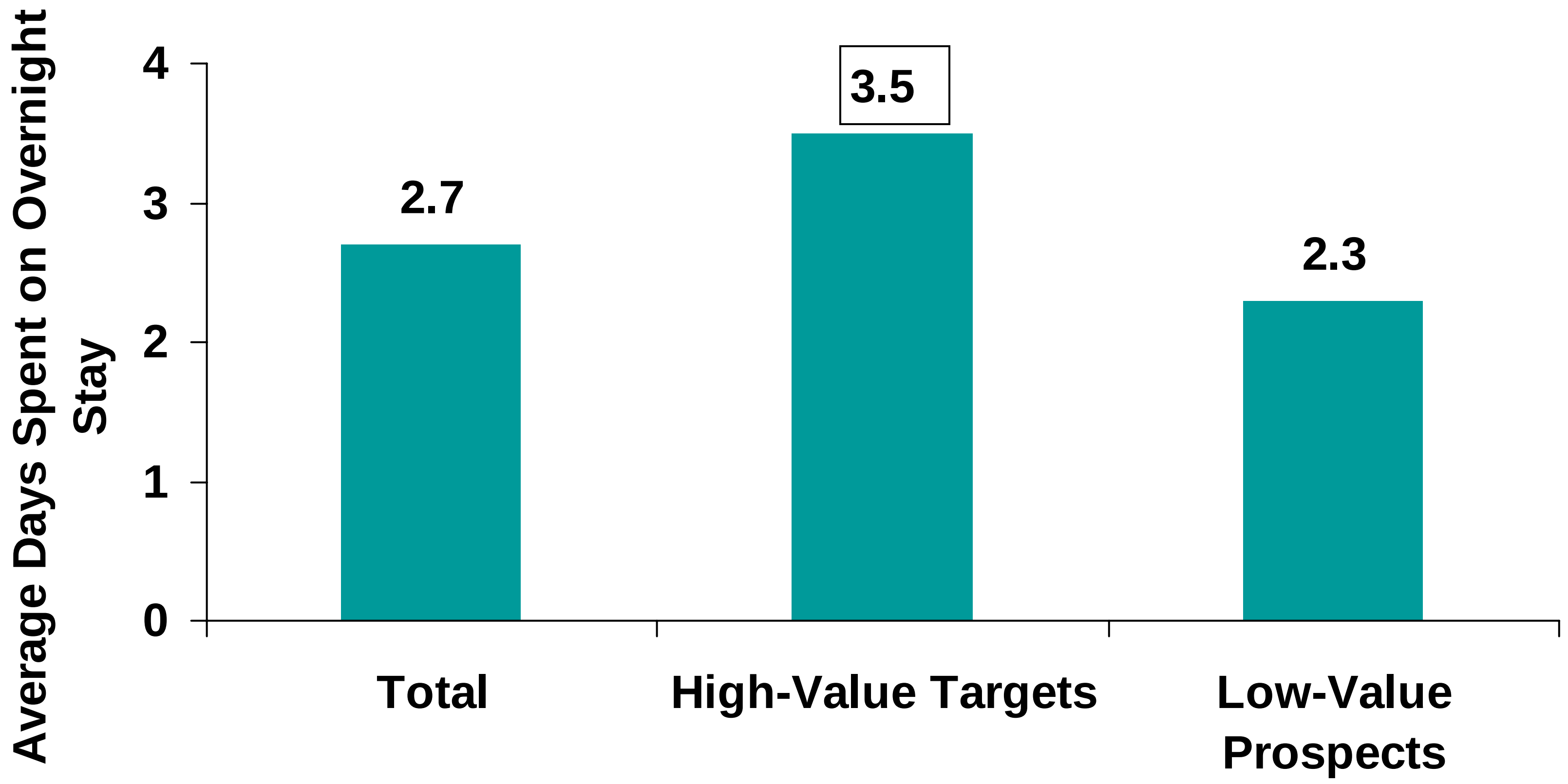
Respondents were most interested in private quarters (house or cabin), especially the High Value Targets.

%Top 2 Box: Very/Extremely Interested	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Stay overnight in a private house with private bathroom and multiple amenities (e.g. living room, laundry facilities, etc.) $175+	36	64	29
Stay overnight in a private studio cabin (bedroom only) with private bathroom $150-175	33	58	26
Stay overnight in your own RV on the farm/ranch's RV pad with hookups $75-$100	21	29	19
Stay overnight in the farmer/rancher's house in a private guest room with private bathroom $125-150	18	34	14
Stay overnight in the farmer/rancher's house in a private guest room with shared bathroom $100-125	15	21	14

Every farm or ranch that participates in Agritourism is unique and offers different lodging options for overnight stays. Please read about some of the options that could be available and rate how interested you might be in staying overnight in each type of accommodation.

Average Length of Overnight Stay

Respondents who are open to taking an overnight stay on a farm or ranch said on average, they would be interested in a three day trip.



How many nights do you think you would want to visit or stay at a farm or ranch during an Agritourism vacation?

Who Agritourism is Appropriate For

Three-quarters of respondents thought Agritourism was most appropriate for families.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Families	78	86	76
Groups of friends	43	54	40
Couples	38	58	33
Men	32	48	28
Everyone	30	49	25
Women	28	45	23
Singles	23	34	20
Special occasion groups (bachelor/bachelorette parties, birthday parties)	9	14	8
Other	3	-	4
Nobody	7	-	8

Who do you think Agritourism vacations are appropriate for?

Concern for the American Family Farmer

One-third of respondents said they are concerned about the plight of the Family American Farmer

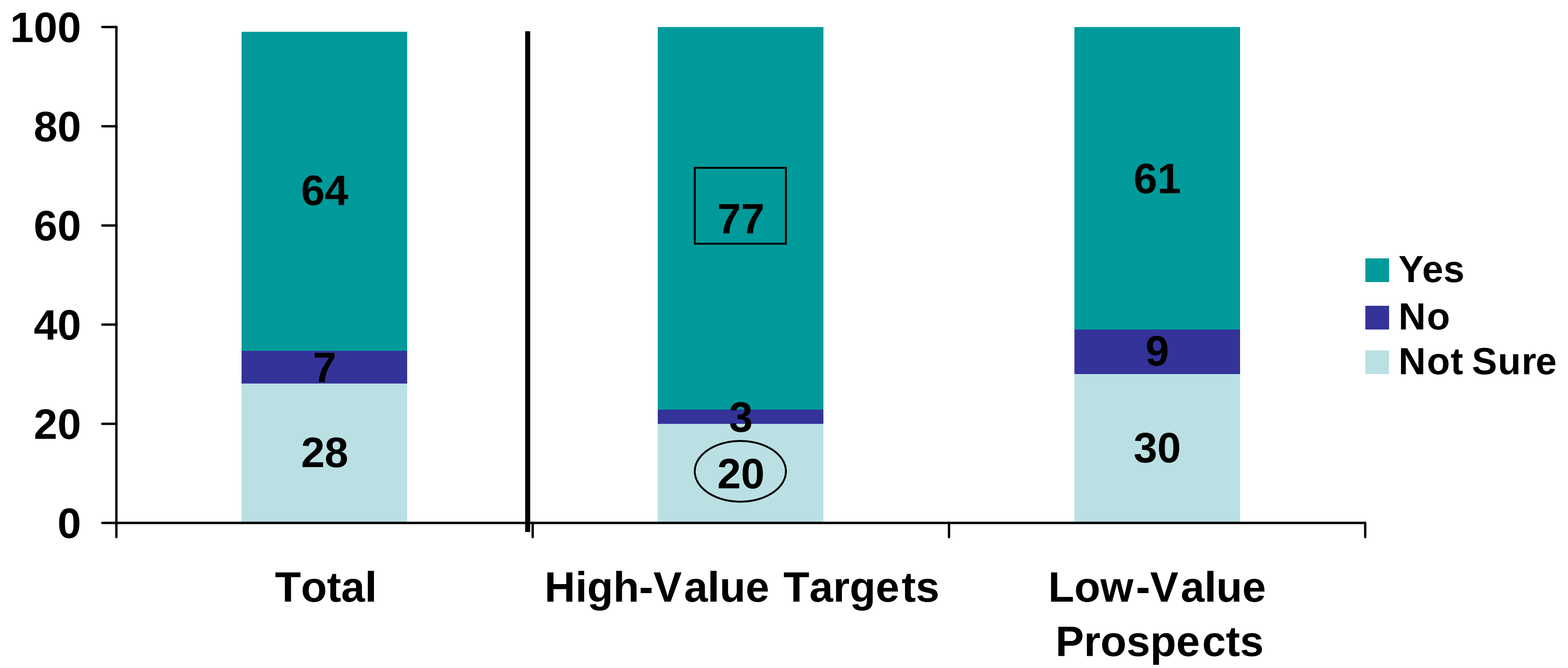
- High Value Targets were more concerned.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Top 2 Box (NET)	**34**	**48**	**30**
Extremely concerned	9	13	8
Very concerned	25	35	22
Somewhat concerned	**43**	**44**	**43**
Bottom 2 Box (NET)	**23**	**8**	**27**
Not concerned	15	6	18
Not concerned at all	8	2	9

In general, how concerned are you about the plight of the Family American Farmer/Rancher in 2007?

Perceived Differences Between Working and Dude Ranches

Nearly two-thirds of respondents said there was a difference between working and dude ranches/farms.



In your opinion, is there a difference between a working ranch or farm and a dude ranch?

Differences Between Working and Dude Ranches: *Open-End*

Among those who said there is a difference, most said a dude ranch was more vacation-oriented, or for entertainment/fun.

Open-End Coded Responses:	Total (321) %	High Value Targets (79) %	Low Value Prospects (243) %
Dude Ranch (Net)	**87**	**80**	**90**
Vacation oriented / Tourist oriented	33	32	33
For entertainment / Fun / Not work	27	23	28
No agricultural products generated / Mock farm / More for show	17	9	20
Mainly horseback riding / Horses and cattle	13	20	11
Caters to guests / Focused on guests	13	13	13
Income comes from tourists, not agricultural products	7	8	6
Outdoor activities / Planned activities	6	6	6

What is the difference between a working ranch or farm and a dude ranch?

Differences Between Working and Dude Ranches: *Open-End (cont'd)*

Working farms are seen as real operations where farming is the occupation.

Open-End Coded Responses:	Total (321) %	High Value Targets (79) %	Low Value Prospects (243) %
Working Farm (Net)	**72**	**69**	**72**
Real working farm / Operating farm / Farming is occupation / Real working business	28	25	29
Participate in the work / Working	16	16	16
Primary function is to produce food / Produce agricultural products	14	12	15
Income comes from farming / Products provided	12	15	11
Experience farm life / Experiencing farmers daily lives	10	8	10
Has livestock and agricultural products / Not just horses and cattle	5	4	6
Not geared toward guests as primary function	4	5	3

What is the difference between a working ranch or farm and a dude ranch?

Perceived Differences Between Working and Dude Ranches: *A Sampling of Verbatim Comments*

"The Dude ranch is <u>more commercial</u> and <u>aimed at tourism</u> while the working ranch is primarily product oriented but has <u>tourism as a side income</u>."

"To me, a dude ranch is more of a <u>recreational vacation</u> focused on horseback riding, whereas Agritourism is more about <u>experiencing farm/ranch life</u> from the perspective of the family who lives and works there."

"Working farm conjures up <u>images of raising crops and animals</u>; Dude Ranch conjures up <u>images of sport</u>."

"Working Ranch is actually <u>trying to make money on cattle raising operations</u>. Dude ranches are basically <u>faux ranches that pander to the guest experience</u>. A dude ranch does not have a primary focus on actual profitable cattle operations but rather profitable tourist operations."

"Working ranch is a <u>'real ranch' working the land/animals</u> for profit and a dude ranch I believe is <u>purely for entertainment</u>"

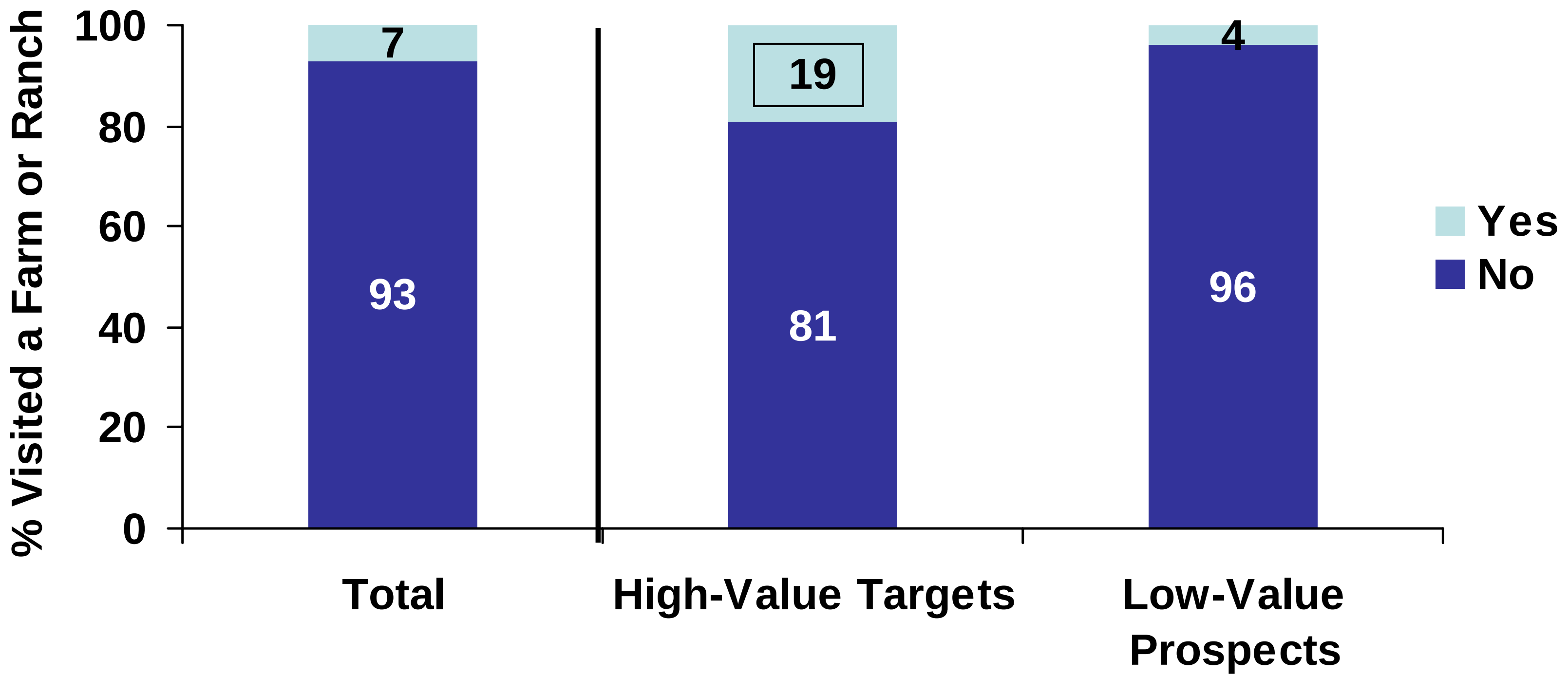
What is the difference between a working ranch or farm and a dude ranch?

Farm Experience

Farm/Ranch Visits in Past Year

A total of 7% of respondents visited a farm or ranch in the past year

- High Value Targets were significantly more likely to have visited than Low Value Prospects.

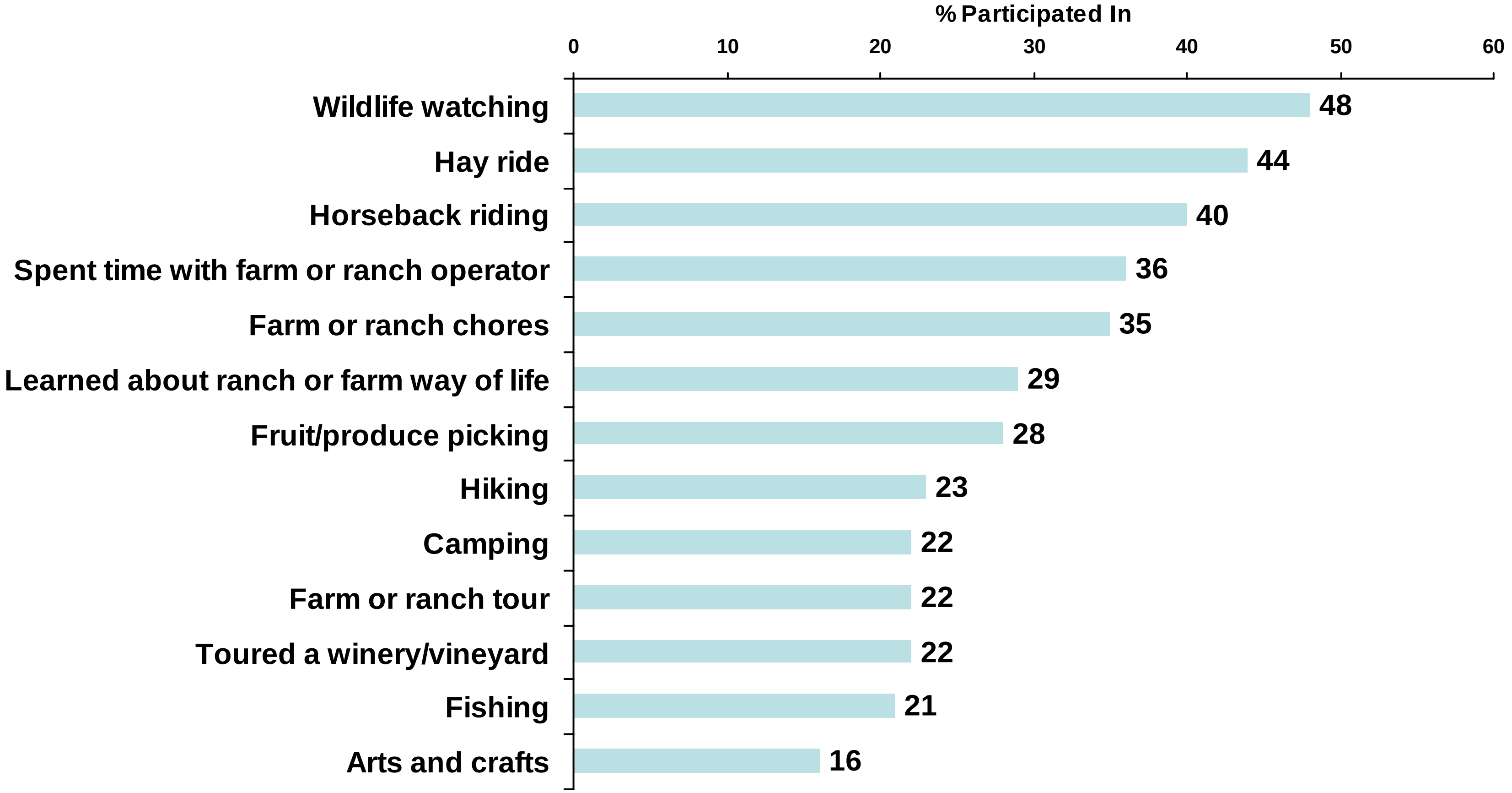


Note: Due to the small sample size overall, only the "Total" column will be reported for the rest of this section.

In the past year, have you and your family, if applicable, visited a farm or a ranch?

Activities Participated in on a Farm or Ranch

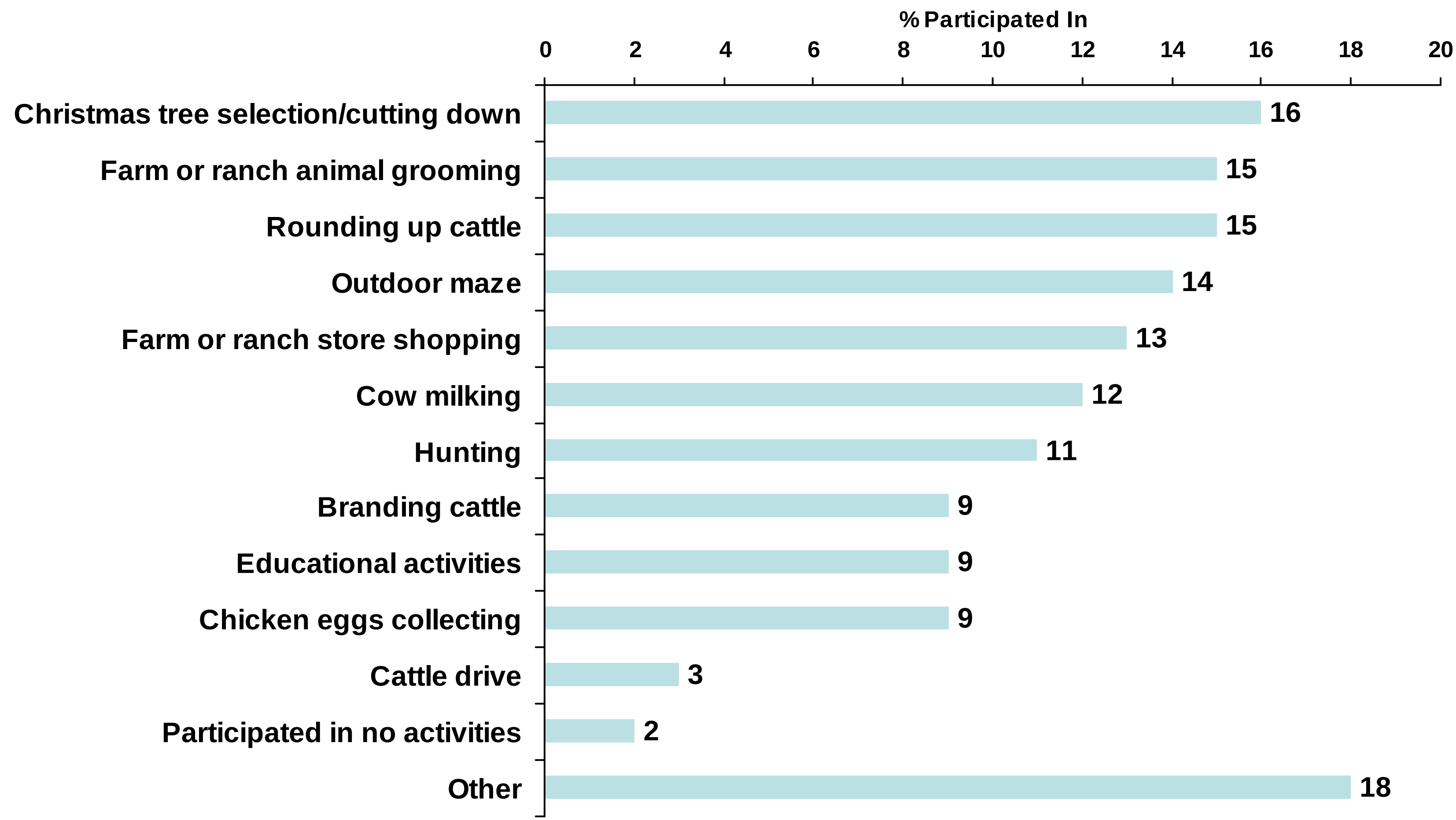
Most common activities that visitors participated in at the farm/ranch were wildlife watching, hayrides and horseback riding.



Which, if any, of the following activities did you participate in on the farm or ranch?

Activities Participated in on a Farm or Ranch *(cont'd)*

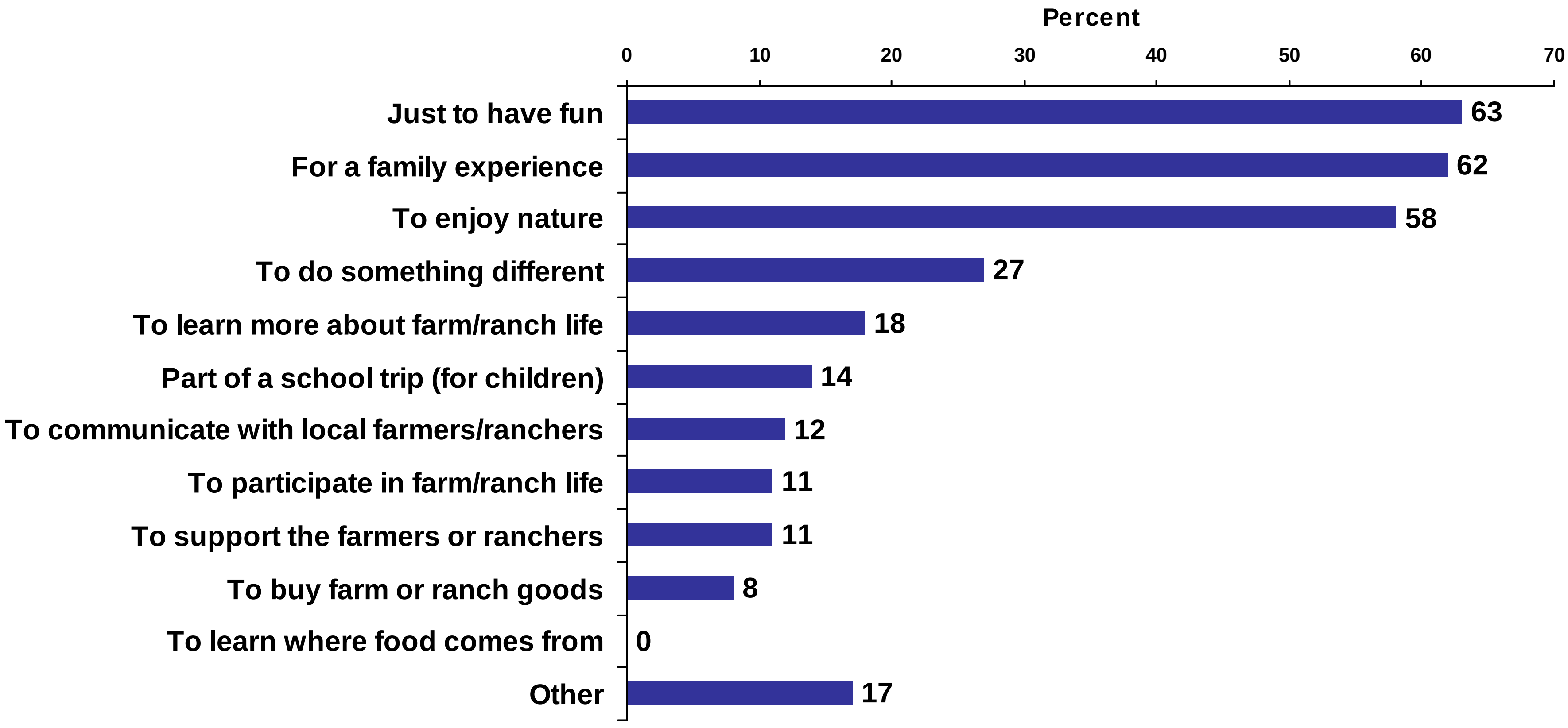
Less common activities were participating in a cattle drive, collecting chicken eggs, educational activities and branding cattle.



Which, if any, of the following activities did you participate in on the farm or ranch?

Reasons for Visiting a Farm or Ranch

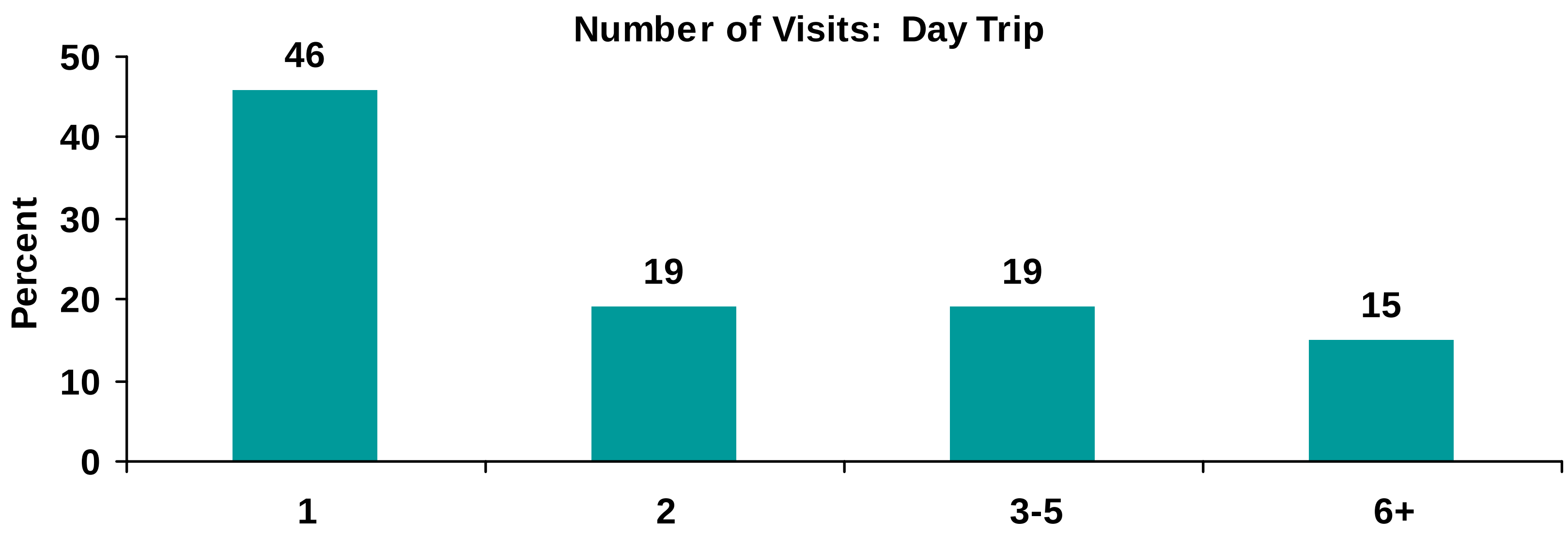
Top-mentioned reasons for visiting a farm/ranch were to have fun, for a family experience, and to enjoy nature.



For which of the following reasons did you visit the farm or ranch?

Number of Visits to a Farm or Ranch

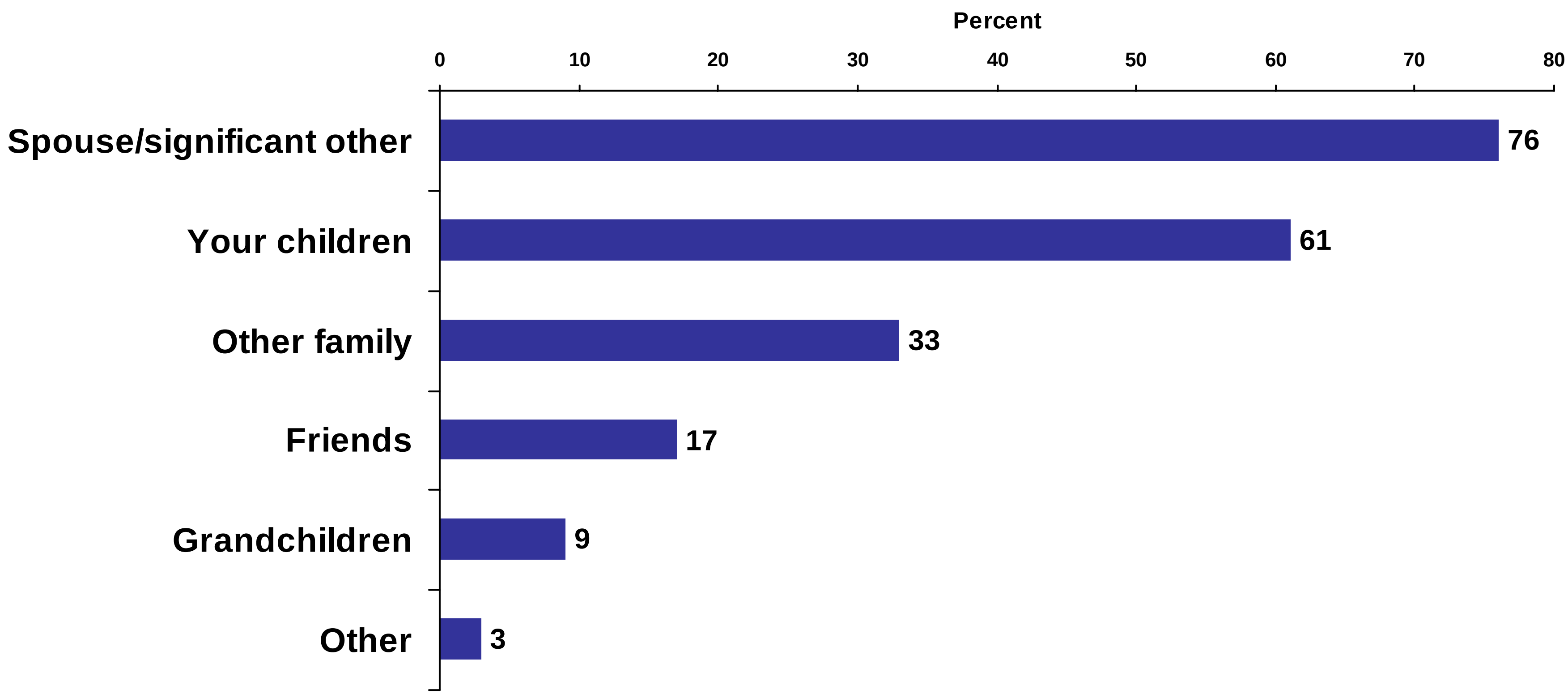
Over half of respondents who have visited a farm/ranch visited more than once in the past year.



In the past 12 months, how many times have you visited a farm or ranch?

Who Has Visited a Farm or Ranch

Most visited the farm/ranch with the spouse/significant other and children.



Who have you visited a farm or ranch with?

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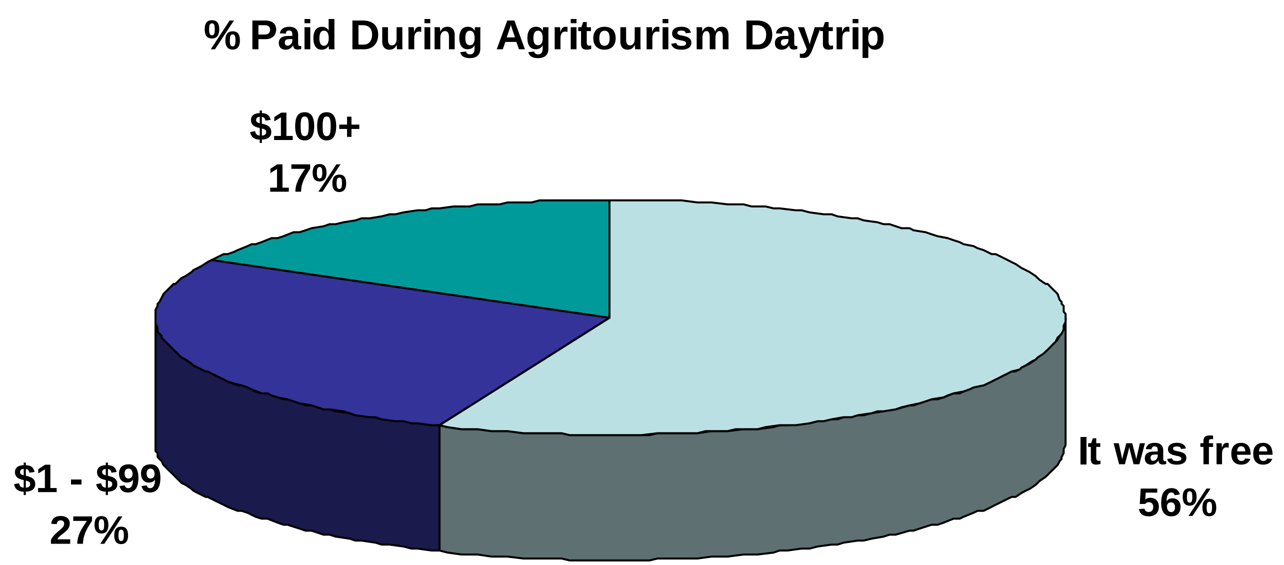
Amount Spent During Farm or Ranch Daytrip

Just over half of farm/ranch visitors said they spent no money on their visit.

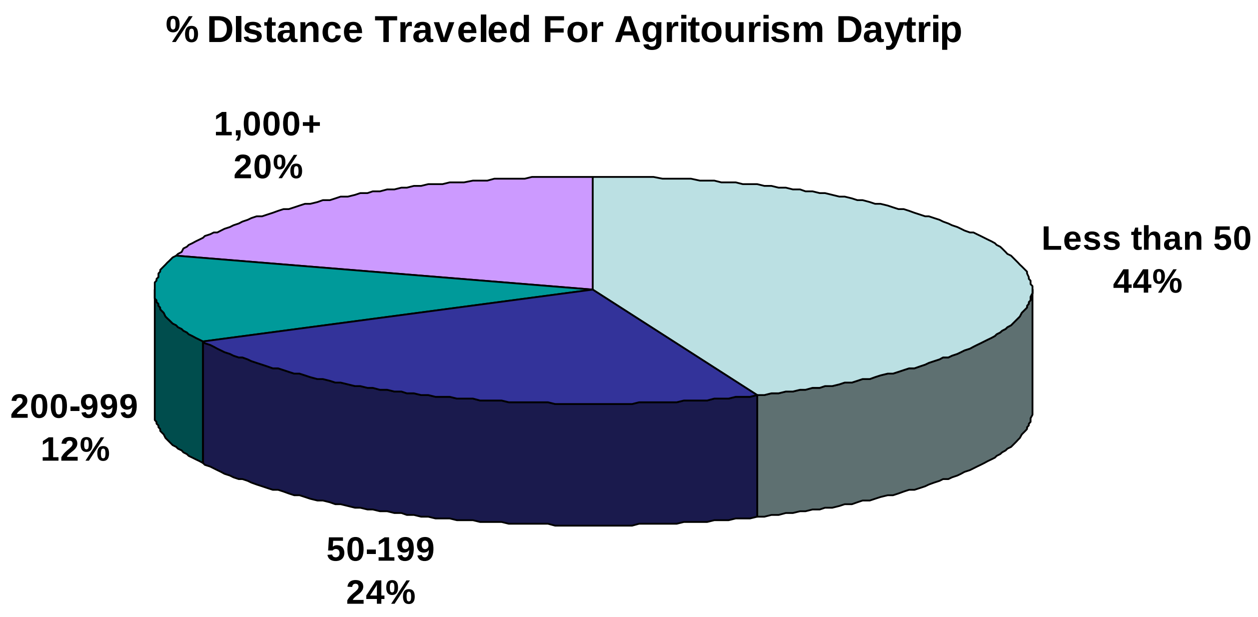


Average Spent: $48

How much money did you typically pay for a day visit to a farm or ranch per person? /How much money did you spend per night per room for your overnight stay on the farm or ranch?

Distance of Farm or Ranch from Home

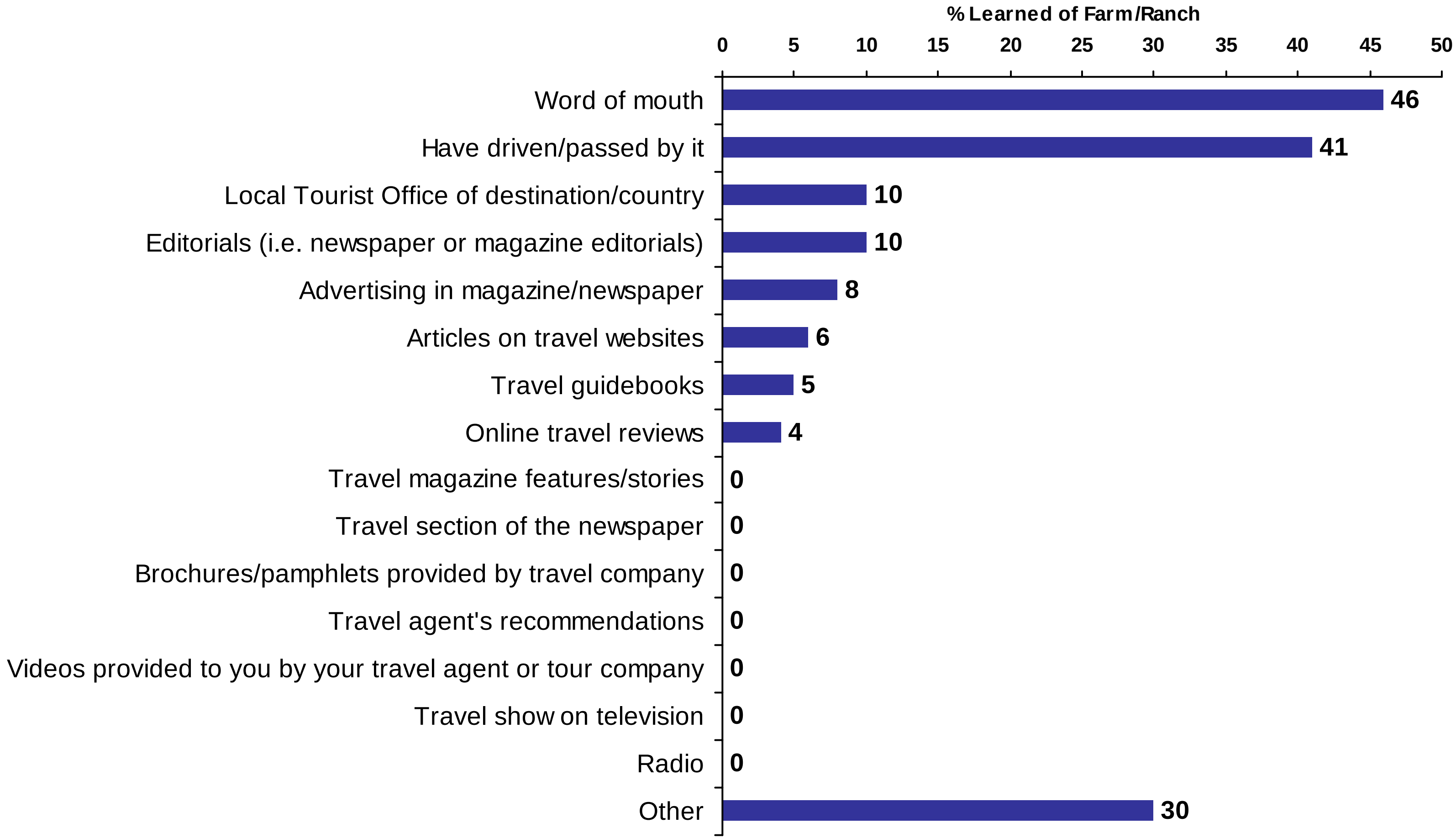
Just under half of farm visits were less than 50 miles from their home.



How far was your home from the farm(s) or ranch(es)?

Learning About the Farm or Ranch

Respondents heard about the farm/ranch primarily by word of mouth or from driving by it.



How did you find out about the farm(s) or ranch(es) you visited?

RanchStay.com Reactions

RanchStay.com Concept

All respondents were asked to read the following description of RanchStay.com:

Interested in visiting and/or staying on an authentic ranch or farm in the American West? Don't know where to go to find the information you need to make all of the arrangements? Try RanchStay.com, your one-stop resource for all your farm or ranch visiting needs. The website will connect you to the hundreds of working ranches and farms across Montana, Wyoming, Utah, Colorado, Idaho, North Dakota and South Dakota who welcome guests to their homes to share in their rural lifestyle.

Features of the website include:

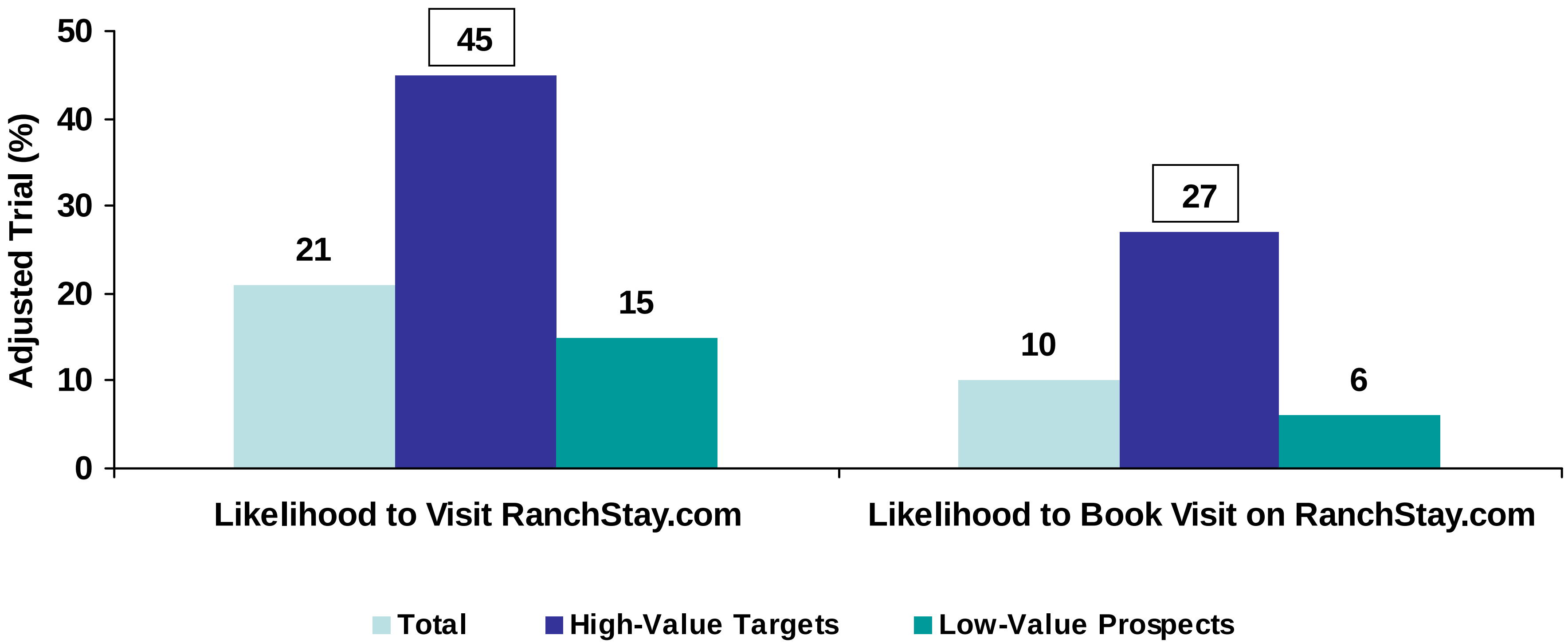
- *A "matchmaking" service that will find the ideal ranch or farm based on your interests, needs and budget;*
- *Ranches and farms that are certified and approved by Ranch Stay so you know you are getting the most authentic farm or ranch experiences available;*
- *A wide selection of activities suitable for shorter day-trips;*
- *Candid reviews of ranches by other travelers, to help you to know what to expect on your trip;*
- *A convenient, simple, online booking process with the option to speak directly with a custom travel specialist.*

RanchStay.com is a free website. It is a cooperative of ranchers and farmers in the Northern Rockies and Plains who directly benefit from bookings made through this website.

Likelihood to Visit/Book Visit

Likelihood to *visit* RanchStay.com was 21%, more than double likelihood to visit *and book* a trip (10%).

- High Value Targets reported higher interest in the site than Low Value Prospects.



Given all that we've told you about the RanchStay website, how likely would you be to visit the RanchStay.com website in the next 24 months?

Overall Impressions

One-third of respondents rated the RanchStay.com concept as excellent or very good

- Overall impressions were more positive among High Value Targets.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Top 2 Box (NET)	**34**	**55**	**29**
Excellent	9	16	7
Very good	26	40	22
Good	**39**	**32**	**41**
Bottom 2 Box (NET)	**26**	**13**	**30**
Fair	19	11	22
Poor	7	2	8

What is your overall impression of the RanchStay.com website?

Overall Appeal

One-fifth of respondents rated the RanchStay.com concept as extremely or very appealing; High Value Targets rated it more appealing.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Top 2 Box (NET)	**22**	**51**	**15**
Extremely appealing	5	12	4
Very appealing	17	39	11
Somewhat appealing	**45**	**42**	**45**
Bottom 2 Box (NET)	**33**	**7**	**40**
Unappealing	18	4	21
Very unappealing	15	3	19

Overall, how appealing is the RanchStay.com website to you?

Overall Uniqueness

Almost half of respondents rated the concept as unique, especially High Value Targets.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Top 2 Box (NET)	**45**	**56**	**42**
Extremely unique	14	24	11
Very unique	31	32	31
Somewhat unique	**41**	**36**	**42**
Bottom 2 Box (NET)	**14**	**8**	**16**
Not unique	8	7	8
Not unique at all	6	1	7

How would you rate the RanchStay.com website in terms of its uniqueness versus other websites?

Ability to Fulfill a Need

One-third of respondents said that RanchStay.com would fill a need.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Top 2 Box (NET)	**33**	**54**	**27**
Definitely will fill a need	8	17	6
Most likely will fill a need	25	37	21
Probably will fill a need	**42**	**42**	**43**
Bottom 2 Box (NET)	**25**	**5**	**30**
Would not fill a need	10	4	11
Definitely would not fill a need	16	1	19

How would you rate the RanchStay.com website in terms of its filling a need?

Appeal of Each Aspect

Overall, respondents rated each element of RanchStay.com as comparably appealing, with little difference between the most and least appealing elements.

% Top 2 Box: Somewhat/Extremely Appealing	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
One-stop resource to find all the information you need to make all your arrangements to visit a Ranch Stay farm or ranch	58	87	51
Candid reviews of ranches by other travelers	57	86	50
Only has ranches and farms that are certified and approved by Ranch Stay so you know you are getting the most authentic farm or ranch experiences available	57	82	50
A convenient, simple booking process with the option to speak directly with a custom travel specialist	56	85	49
Website will connect you to the hundreds of working ranches and farms across Montana, Wyoming, Utah, Colorado, Idaho, North Dakota and South Dakota who welcome guests to share in their rural lifestyle	56	85	49
A 'matchmaking' service that will find the ideal ranch or farm based on your interests, needs and budget	54	77	48

Thinking more about RanchStay.com, how appealing are each of the following website elements to you?

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Classification & Demographics

Spare Time Activities

Most popular spare time activities were spending time with family, surfing the Internet and watching television.

	Total	High Value Targets	Low Value Prospects
	(500)	(102)	(398)
% Top 2 Box: Occasionally/Frequently	%	%	%
Spend time with family	88	92	87
Surf the Internet	81	$\boxed{91}$	78
Watch TV	79	74	81
Spend time with friends	72	79	71
Go out to dinner	71	77	70
Listen to music	71	77	69
Read books	68	$\boxed{77}$	66
Read the newspaper	64	70	63
Travel	58	$\boxed{73}$	54
Read magazines	57	$\boxed{69}$	54

In your spare time, how often do you do each of the following?

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Spare Time Activities *(cont'd)*

High Value Targets were more likely to fish in their spare time.

	Total	High Value Targets	Low Value Prospects
	(500)	(102)	(398)
% Top 2 Box: Occasionally/Frequently	%	%	%
Go shopping	54	56	53
Talk on the phone	52	58	51
Watch sports	44	44	45
Work out	40	49	37
Community service/committee obligations	34	38	33
Attend local cultural events	34	43	31
Go to the movies	29	42	26
Fishing	15	28	11
Hunting	4	7	3

In your spare time, how often do you do each of the following?

Magazines Read

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
House & Garden	14	20	12
Real Simple	11	12	10
Sports Illustrated	10	17	8
National Geographic Traveler	9	15	7
'O' The Oprah Magazine	8	9	8
Travel & Leisure	8	11	7
In Style	8	9	7
Bon Appetit	8	15	6
Martha Stewart Living	7	11	7
Forbes	7	8	6
Gourmet	6	16	4
Conde Nast Traveler	6	12	5
TRAVEL	6	10	5

Which of the following magazines do you read regularly?

Magazines Read *(cont'd)*

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Fortune	6	7	5
Budget Travel	5	6	5
Vanity Fair	4	6	4
Wine Spectator	4	6	4
Vogue	4	4	4
Sunset Magazine	4	4	4
Men's Health	3	6	2
New Yorker	3	5	3
Town & Country	2	6	1
GQ	1	1	1
Departures	1	1	1
Western Horseman	0	-	0
None of the above	51	37	55

Which of the following magazines do you read regularly?

Newspapers Read

Three-quarters of respondents read their local newspaper; High Value Targets were more likely to read the *New York Times.*

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
My local newspaper	76	77	76
USA Today	9	12	8
New York Times	8	16	6
The Wall Street Journal	7	12	6
Washington Post	3	4	2
Financial Times	1	3	0
Other newspapers	10	10	10
None	15	12	15

Which of the following newspapers, if any, do you read regularly?

Reactions to Direct Mail

The majority of respondents said they usually look at their direct mail to see how interesting it looks before throwing it out.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
I may or may not read the direct mail -- it depends on how interesting it looks	61	65	60
I open all or almost all direct mail I receive, whether or not I have any intention of doing anything with it	23	28	22
I usually throw direct mail away without even reading it or even looking to see who it is from	15	6	18

Which one of the following best describes your typical response to direct mailings you receive at home or at work?

Household Income

Respondent-reported household income is high, at an average of about $100,000 (vs. U.S. average of $58,000 according to US Census data).

- High Value Targets reported significantly higher income.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Average Income	**$101,800**	**$110,600**	**$99,500**
$50,000 to less than $75,000	34	26	36
$75,000 to less than $100,000	21	21	22
$100,000 to less than $125,000	20	19	21
$125,000 to less than $150,000	11	15	9
$150,000 or more	14	20	13

For classification purposes only, into which of the following categories does your total household income fall?

Age and Gender

- Average age of respondents was 50 years.
- Two-thirds are female.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Average Age	***50***	***49***	***50***
30-39	24	22	24
40-49	28	$\boxed{38}$	25
50-64	38	35	39
65-74	10	5	$\boxed{11}$
Gender			
Male	37	36	38
Female	63	64	62

into which of the following age ranges do you fall?

Marital Status and Children in Household

- The majority of respondents were married.
- Half have children in the household.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Marital Status			
Married	82	82	82
Single, never married	6	5	6
Divorced/separated	6	5	6
Living with significant other	5	7	5
Widowed	2	1	2
Have Children Under 18 in HH:	**50**	**59**	**48**
2 or under	19	19	20
3 to 6 years of age	32	17	36
7 to 11 years old	43	55	39
12 to 14 years old	27	38	24
15 to 17 years old	31	39	28
Do Not Have Children	**50**	**41**	**52**

How do you describe your family structure?

Ethnicity and Employment

- **Most respondents are Caucasian.**
- **Two-thirds are employed.**

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
Ethnicity			
Caucasian	91	88	92
African-American	4	5	3
Asian	2	1	3
Native American	2	2	1
Hispanic	1	1	1
Other	1	3	0
Employment Status			
Employed (NET)	**67**	**69**	**66**
Employed full-time	54	57	53
Employed part-time	13	11	13
Not Employed (NET)	**33**	**31**	**34**
Homemaker	16	17	15
Retired	17	14	17
Unemployed, looking for work	1	1	2

Please indicate your race.

Geography Type

Half of respondents described the region where they live as a suburban region outside of a major city.

	Total (500) %	High Value Targets (102) %	Low Value Prospects (398) %
In a suburban region outside of a major city	51	43	52
Within the limits of a major city with 2 million or more population	20	22	20
In a rural area	19	24	17
Within the limits of a smaller city with 1 to 2 million people	10	11	10

Which best describes the geography of your primary residence?

VI. Executive Summary: *Implications*

Implications

Implications and Challenges for Developing the Agritourism Product

Demand for Agritourism among the population of upscale travelers appears to be respectable – especially after they are made aware. We have identified the "High Value Target" group as the subset of respondents who are most interested in this type of vacation.

As we see it, the key work efforts to successfully deliver on Rural Landscape Institute's mission will be to:

1. Develop a comprehensive marketing and communication strategy
2. Build awareness of Agritourism
3. Investigate, rank, and assess the current state of farmer/ranchers in the seven-state region
4. Fulfill the leisure vacation needs of the target segment within the supplier marketplace

Implications

1. Developing a marketing and communication strategy

- **Rural Landscape Institute needs to continue to refine the marketing and communication strategy and tailor it to the profile of our identified High Value Targets to continue to build awareness**

- **Communication should focus on delivering an *"experience"* that the Target values in a vacation:**
  - New and different
  - Authentic
  - Unforgettable
  - Fun and relaxing

- **Familiarity with Agritourism is relatively low; therefore, communication needs to <u>educate</u> potential travelers about what this experience could be like**
  - Potential travelers need to be assured that this sort of vacation delivers the basics: private accommodations with a private bathroom, dining options, standard amenities, etc.

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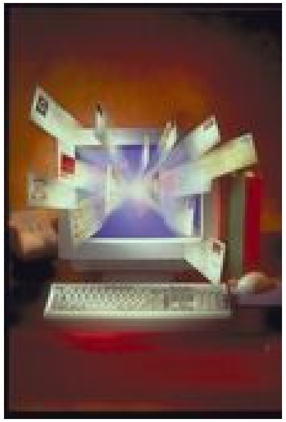
Implications

2. Building Awareness of Agritourism

- **Building awareness is key to developing the Agritourism product**
- **After becoming aware of Agritourism, interest increases; however, familiarity with Agritourism today is low**

- **Key areas for discussion to build awareness:**
  - State tourism bureau
  - Travel agents
  - Online strategy
  - Building database of prospective travelers./direct marketing
  - Media usage/habits



Implications

3. Balancing, educating and influencing farm/ranch supply with target market demand

- **Upscale travelers have high expectations; in order to meet expectations, it will be important for Rural Landscape Institute to incorporate these findings into the standards for the farm/ranch operators "rankings"/profiles**

- **Rural Landscape Institute should educate farmers/ranchers about what the key target market desires from Agritourism vacations**
  - Activities should generally be more focused on *enjoying* the farm/ranch (and perhaps less on working or doing rigorous chores on the ranch)
  - Travelers strongly desire private lodging options (private rooms, bathrooms, amenities, etc.)
  - Most travelers prefer to not stay in the farmer's house/share a bathroom

Implications

4. Fulfilling the leisure vacation needs of the target segment

- **While the Agritourism product provides an authentic and adventurous farm/ranch experience, it is important to remember what features and benefits are important to consumers in a vacation**

- **Rural Landscape Institute may consider refining the definition of an "Agritourism vacation" to incorporate some critical consumer desires, such as:**

> *"An authentic vacation experience that brings you closer to nature and the environment and allows you to learn about farm/ranch life through a variety of fun (family) activities in a relaxing setting."*

Implications

5. Understanding the Market Opportunity:

Two steps are required to build this estimate.

***Step 1*: Determine number of households represented in the survey:**

100% of U.S. Households (110,000,000)

Source: US Census 2004

50% Have Household Income $50,000 + (55,000,000)

Source: US Census 2004

63% Have Taken a Leisure Vacation in Past 2 Years (34,650,000)

Source: Markitecture Survey

90% Open to Adventure/ Outdoor Travel (31,185,000)

Source: Markitecture Survey

= 31,185,000 U.S. Households x 49% population of states in target regions

15,592,500 Households Represented in "footprint" of target market

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5. Understanding the Market Opportunity *(Cont'd)*

***Step 2*: Estimate the market opportunity, or number of target households open to Agritourism (daytrip or overnight stay)**

- After factoring in awareness and trial (likelihood to visit among 100% aware households), the total market opportunity for Agritourism is just under a quarter of a million households

	TOTAL
Number of US Households (in survey region)	**15,592,500**
Trial (with 100% awareness) **(Source Markitecture Survey)**	
Agritourism Daytrip and/or Overnight Trip	13%
Total Households "Opportunity"	**2,027,025**
Aware of Agritourism **(Source Markitecture Survey)**	11%

Current Estimated Market Size in Defined Target Area	**222,973**

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Implications

6. Short-term vs. Long-term Goals of Agritourism Development

It seems as if Rural Landscape Institute should approach Agritourism development two parallel tracks:

Phase I: *Develop the Agritourism Day Trip Product*

- RLI can work with the farmers/ranchers to develop a variety of activities for travelers who would like to visit an authentic farm/ranch for a day
- As we understand it, the current farmer/rancher "supply" may be better suited for a day trip
- A day trip can be incorporated into their trip out west and viewed as "add-on" to a vacation package

Phase II: *Develop the Agritourism Overnight Product*

- Travelers who are interested in staying overnight on a farm/ranch have high expectations; they want private accommodations, private baths and amenities
- Continuing to improve current supply for these needs of this market (and monitoring the *delivery* of these services) is critical to the value-add that RLI delivers
- RLI can work with farmers to determine which properties could best meet the needs of different traveler groups

Implications

7. Next Steps

There are initiatives that Rural Landscape Institute should further investigate to round-out the Agritourism delivery model:

- Deep understanding of Agritourism “suppliers” – farmers and ranchers – and they needs, desires, revenue/payback expectation and information needs
- Work on a media and communication strategy (Don Klein)
- Continued research to build and refine the RanchStay.com website (information architecture, information delivery, website optimization, etc.)
- “Roadshow” presentation to be used for:
  - Potential investors
  - Travel agents
  - Tourism bureaus/boards
- Update marketing plan based on latest consumer preference data

Appendix:
Profile of Households with Children

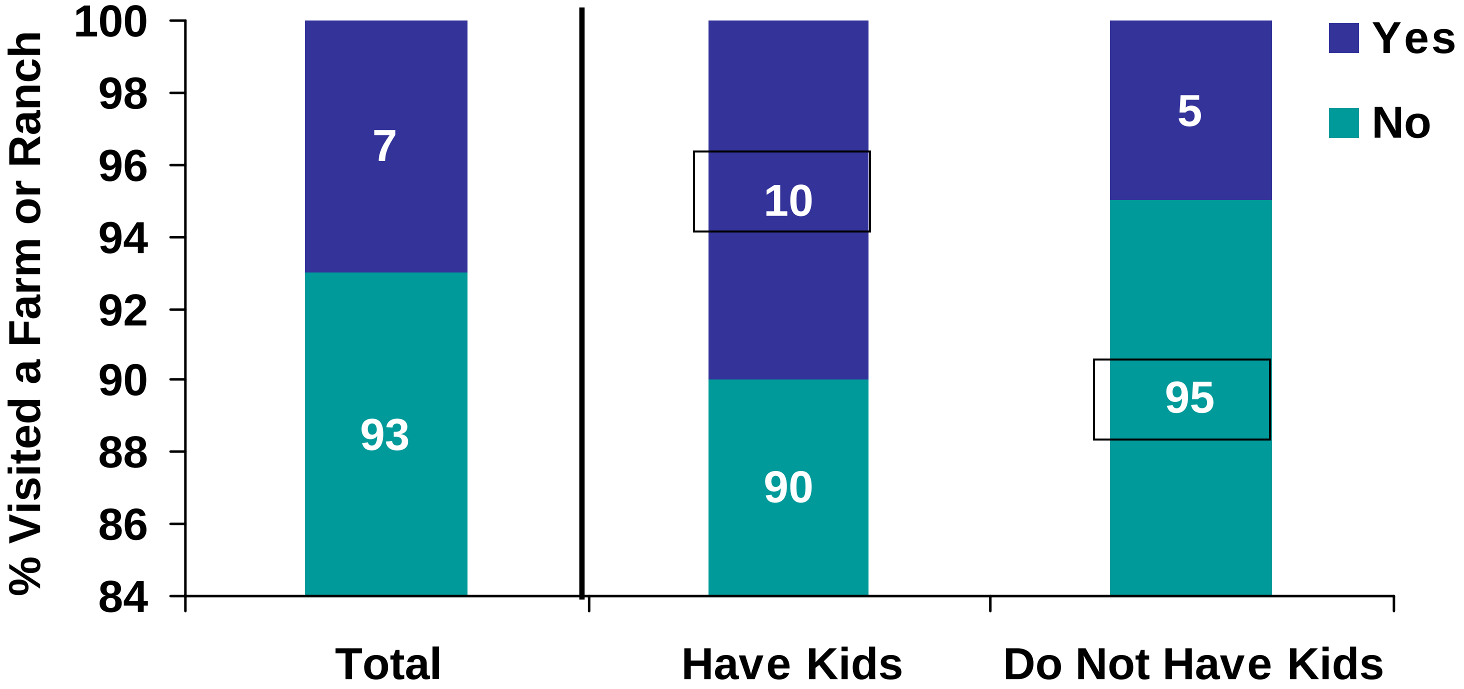
Demographic Profile

Respondents with children are more likely to be female, younger and report a higher income than those without children.

	Total	With Children	No Children
Region Live:			
Northeast	40%	39%	41%
Southeast	30%	30%	29%
West	25%	26%	25%
Chicago Metro	5%	5%	5%
Gender			
Male	37%	27%	47%
Female	63%	73%	53%
Average Age	50 years old	48 years old	55 years old
Average Income	$101,800	$104,500	$98,900

Visited a Farm

Families with children are more likely to have visited a farm or ranch than those who have no children.



Would you be more likely to visit the website to book a daytrip or an overnight stay using the website?

Vacation Attributes: Desirability Ratings *(Significant Differences)*

Respondents with kids were more likely to want a vacation that is a good value for the money, is fun/relaxing, and has a wide variety of activities.

Average Desirability (0-100)	Total (500) %	Have Kids (250) %	Do Not Have Kids (250) %
A good value for the money	85	86	83
A fun and relaxing vacation	82	84	79
A wide variety of activities	71	75	66
Opportunity(ies) to be active	64	67	61
A trip that is educational	58	61	55
The chance to be adventurous	56	59	52
A vacation geared towards families	53	75	31
Something children would love	50	77	22
A rugged experience	32	37	28

Please read the following list and rate how desirable each are to you in a leisure vacation.

Interest in Vacation Activities

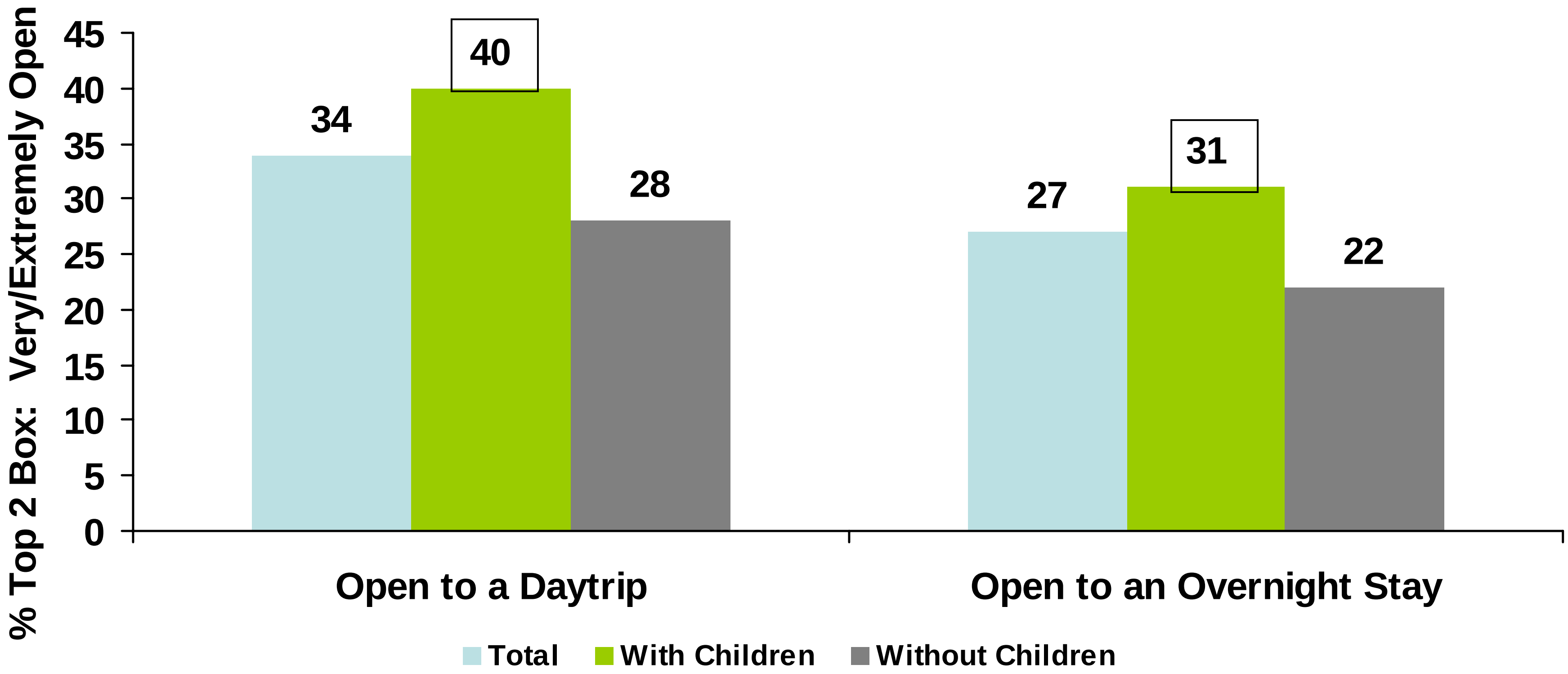
Families with children were more likely to be interested in beach or amusement park-based vacations, but also showed an interest in environmentally-focused vacations and those that focus on farming/ranching life.

	Total	Have Kids	Do Not Have Kids
	(500)	(250)	(250)
%Top 2 Box Very/Extremely Interested	%	%	%
Beach/relaxing in sun	66	75	56
Cultural experiences (e.g. visiting historical landmarks, museums, etc.)	63	59	67
Urban sightseeing (e.g. visiting/exploring big cities)	48	46	49
Amusement park	40	58	21
Outdoor adventure activities (e.g. hiking, rock climbing, fishing, hunting, etc.)	33	39	28
Learning about the environment	31	33	29
Experiencing farming/ranching life	20	26	13

How interested would you and your family, if applicable, be in taking a vacation that included each of the following activities in the next two years?

Interest In Agritourism: Daytrip vs. Overnight Stay

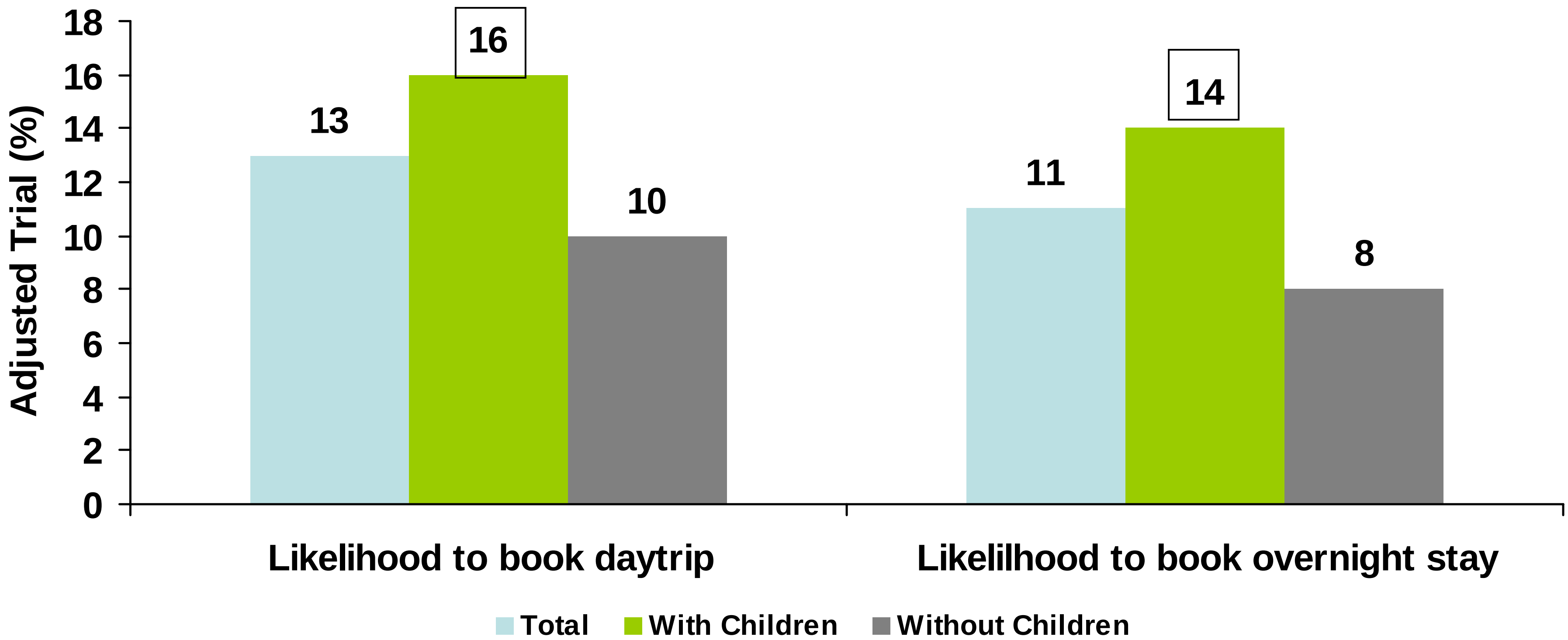
Those with children were more open to an Agritourism trip (daytrip or overnight) than were those without children.



How open are you to participating in any form of Agritourism, that is visiting a working farm or ranch for the day and spending the night on a working farm or ranch for one or more nights within the seven state region?

Likelihood to Book an Agritourism Vacation

Those with children reported higher likelihood of booking an Agritourism trip (daytrip or overnight).



Given all that we've told you about Agritourism, how likely would you be to book an Agritourism trip to a working farm or ranch in the next 12 months within the seven state region?

Appeal of Agritourism Features

Flexibility is more important to those who have children, as is the availability of fun and easy activities to participate in.

% Top 2 Box: Somewhat" / "Extremely Appealing	**Total (500) %**	**Have Kids (250) %**	**Do Not Have Kids (250) %**
There is a flexible schedule of activities that allows you to pick and choose what you want to do	54	64	44
There are 'fun and easy' farm or ranch activities like picking apples, petting the animals, and enjoying the environment	52	63	41
There are family-focused activities such as viewing wildlife, feeding the farm animals, and storytelling	46	59	33
There are guided hikes around the farm or ranch	44	52	35
You know that you are helping to support family-owned farms and ranches	42	49	36
You can visit an authentic farm or ranch in the American West	42	46	38
You have private access to a stream or stretch of land for fishing or hunting not open to the public	38	43	34

Which of the following activities would you be interested in doing on your Agritourism trip (daytrip or overnight)?

Agritourism & Kids: *Appeal of Agritourism Features*

Exposing children to "getting their hands dirty" and educational features appealed the most to respondents who have children

% Top 2 Box: Somewhat/ Extremely Appealing	Total (500) %	Have Kids (250) %	Do Not Have Kids (250) %
You can visit a local farm or ranch close to your home	38	46	31
By spending time with the farmer or rancher, you learn more about their life and the issues they face	37	40	33
Even inexperienced visitors can take part in as much of the farmer's or rancher's life as they want	37	42	32
Your children learn what it's like to live on a farm or ranch	34	54	14
There are activities that let you 'get your hands dirty' on the farm or ranch	32	40	25
You learn where your food comes from	29	37	22
You eat all your meals with the farmer or rancher and their family	28	30	27
There are 'real' farm or ranch activities like mending fences, herding cattle, milking cows	27	33	21
There are 'tough' days on the farm or ranch, but relaxing evenings	24	27	21

Which of the following activities would you be interested in doing on your Agritourism trip (daytrip or overnight)?

Appeal of Agritourism Activities

Respondents who had children were more interested in horseback riding, touring the farm/ranch, fruit/produce picking, and a hay ride.

	Total (500) %	Have Kids (250) %	Do Not Have Kids (250) %
Horseback riding	51	$\boxed{62}$	39
Wildlife watching	50	55	46
Tour of the farm or ranch	49	57	42
Hay ride	45	55	34
Fruit/produce picking	44	57	32
Hiking	42	50	34
Fishing	39	42	37
Educational activities	36	47	24
Arts and crafts	35	47	24
Camping	35	42	28

Which of the following activities would you be interested in doing on your Agritourism trip (daytrip or overnight)?

Appeal of Agritourism Activities *(cont'd)*

Hunting and branding cattle were the least appealing activities for those who have children

	Total (500) %	Have Kids (250) %	Do Not Have Kids (250) %
Chicken eggs collecting	32	43	22
Spending time with the farm or ranch operator	30	31	28
Cow milking	29	38	19
Farm or ranch store shopping	28	34	23
Outdoor maze	27	39	16
Farm or ranch animal grooming	26	34	17
Christmas tree selection/cutting down	24	31	16
Rounding up cattle	19	26	12
Cattle drive	19	26	13
Farm or ranch chores	19	23	15
Hunting	10	11	8
Branding cattle	7	7	7
Other	2	1	2
None	16	10	22

Which of the following activities would you be interested in doing on your Agritourism trip (daytrip or overnight)?

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Reaction to Lodging Options

Those with children were more likely to be interested in the lodging options providing private accommodations.

%Top 2 Box: Very/Extremely Interested	Total (500) %	Have Kids (250) %	Do Not Have Kids (250) %
Stay overnight in a private house with private bathroom and multiple amenities (e.g. living room, laundry facilities, etc.) $175+	36	41	31
Stay overnight in a private studio cabin (bedroom only) with private bathroom $150-175	33	37	28
Stay overnight in your own RV on the farm/ranch's RV pad with hookups $75-$100	21	25	18
Stay overnight in the farmer/rancher's house in a private guest room with private bathroom $125-150	18	19	17
Stay overnight in the farmer/rancher's house in a private guest room with shared bathroom $100-125	15	17	14

Which of the following activities would you be interested in doing on your Agritourism trip (daytrip or overnight)?

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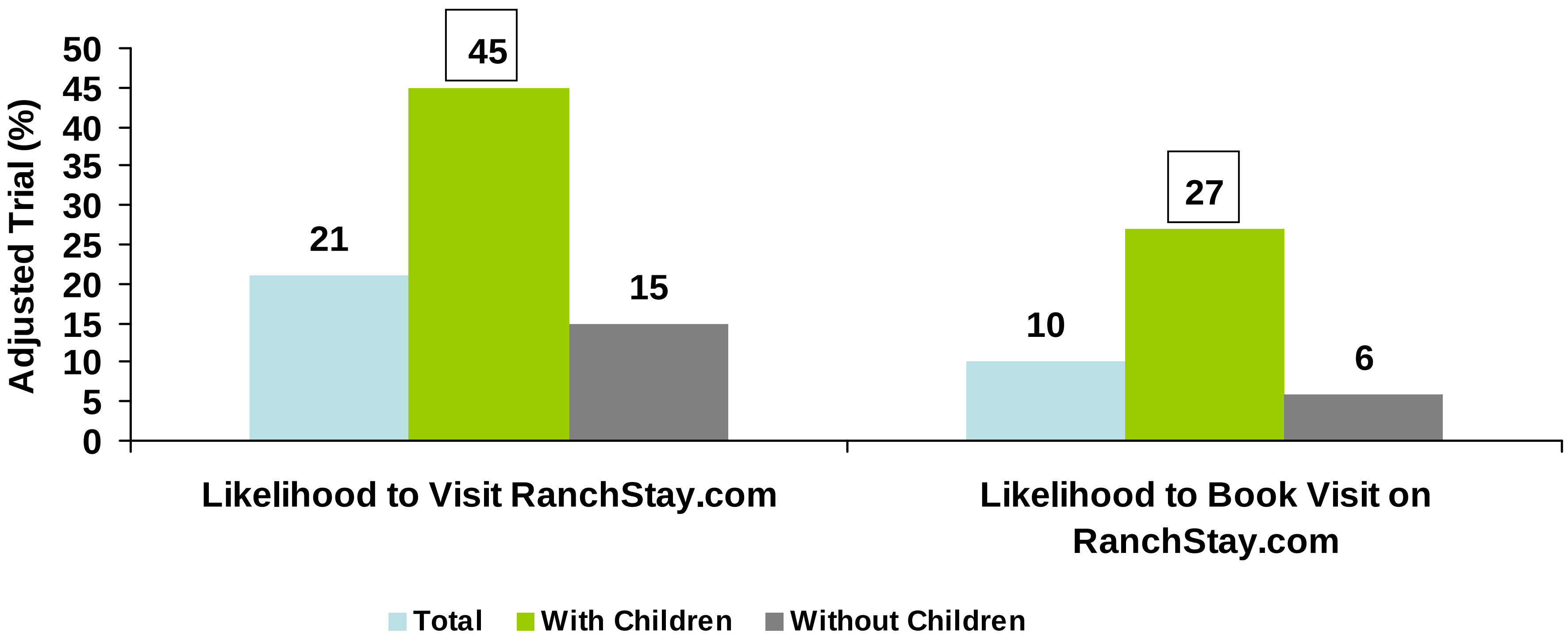
Likelihood to Visit/Book Visit on RanchStay.com

Those with children are more likely to both visit and book a trip on RanchStay.com than those without children



Given all that we've told you about the RanchStay website, how likely would you be to visit the RanchStay.com website in the next 24 months?

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