### **Rural Tourism**

#### Context

While farming has historically been the mainstay of rural incomes, farm incomes vary widely. Overall, roughly only one third of Irish farms are economically viable, one third are sustainable (due to off-farm income) and one third are economically vulnerable (farm income is less than average agricultural wage and no off-farm income), with an <u>increasing vulnerable<sup>1</sup> cohort</u>. In addition, there are <u>fewer opportunities for off-farm employment</u> in rural areas, decreasing with increasing distance from towns. Thus, there is a constant and growing need for information for rural dwellers and farmers to: facilitate the establishment of new diversification<sup>2</sup> enterprises to improve income, provide employment for rural families, optimise available physical, financial and human capital or to avail of income supports (CEDRA, 2012).

#### Diversification

In the wider context, the **Climate Action** plans emphasise farm diversification as an area that will be important in the decarbonisation of the Irish agricultural system - alternative crops, alternative uses of existing outputs (e.g. bioenergy), new farming systems (low input and organic farming) as well as new farm-based but not agricultural enterprises (rural tourism, social farming, etc.).

### **Rural Tourism**

Tourism is very important to the Irish Economy. The 2012 CEDRA report that collated information from over 100 stakeholder meetings on the needs and opportunities in rural Ireland, highlighted tourism and food production activities as the diversification opportunities with the greatest potential to contribute to improvements in rural sustainability. This insight has been taken on board in the creation of a government department for Rural and Community Development and that department's "Our Rural Future" strategy with its range of supports to facilitate the development of tourism

<sup>&</sup>lt;sup>1</sup> Farm income is less than average agricultural wage and not capable of generating an annual return of 5% on non-land assets

<sup>&</sup>lt;sup>2</sup> In the context of Teagasc RD, 'diversification' encompasses a myriad of on-and off-farm diversification activities, the most popular being food and tourism enterprises.

'destinations' in rural Ireland where accommodation, activity and food offerings are bundled.

According to Fáilte Ireland, tourism is recovering well following Covid. In 2022, the majority (62%) of businesses report an upturn in visitors compared to summer 2021. Fáilte Ireland market intelligence also reports that there are two important elements that must be taken into account if the identified tourism potential is to be achieved over the next number of years. These are 'different product offerings' and 'better access'. Regional airports with increased flights will help to overcome the 'better access' issue while rural tourism has the opportunity to contribute enormously to the 'different product offerings' required. Back to nature, health related holidays, cultural, heritage, environmental experiences, walking and traditional leisure pursuits are important elements of the 'different product offerings'. Self-catering, camping and glamping are seasonal enterprises (usually from May to September). Many providers have found ways of extending the season by offering weekend breaks, e.g. November, Christmas and mid-week breaks while other self-catering providers offer products such as produce from the farm, breakfast and/or dinner in the farm home, all of which helps to boost income potential of self-catering.

## **Teagasc Rural Development**

With limited human resources, Teagasc Rural Development relies on three primary methods of service delivery:

- regular communication with Teagasc clients (45,000 farm families) through the Todays
   Farm magazine
- the Teagasc Rural Development website which has one of the highest page views across
   Teagasc, dramatically increased page views since 2016 with 122,512 page views in 2021.
   The highest page viewings in 2023 were for 'diversification' at 65,093 views.
- Teagasc has developed a strong brokerage function, providing linkages for farm families
  and rural dwellers with a range or rural agencies in relation to the provision of grants,
  training, business development supports, welfare supports and support for mental
  health.

Teagasc Rural Development (RD) specialists have expertise that spans Organics (3 FTE), Equine (2 FTE) Diversification (0.5 FTE) and Energy & Renewables (0.5 FTE). These specialists are supported by 12 Regional Options Coordinators. (Note: An additional Organic Specialist was recruited this year along with six dedicated Organic Advisers across the country, to support the government's organic targets and the increasing demand for organic conversion supports.)

<u>Teagasc 'Options' workshops</u> are organised regionally by the Options Coordinators from within the Teagasc Knowledge Transfer service. The workshops focus on disseminating Teagasc and rural agency information, providing a forum for engagement with rural agencies and showcasing successful examples of diversification.

Evaluations of past Options workshops also show that rural tourism and food are the areas where most further training and supports are required, therefore these topics feature in almost all of the annual Options workshops.

### **Rural Tourism Supports**

A number of new initiatives were undertaken following on from Options workshops evaluations. , The Options programme brought specialists, agencies and farmers who had already diversified into networking workshops, which often led to more targeted training opportunities for specific enterprises. The most successful examples of this was at a Galway-Clare Options, where 25 of the participants signed up for a Rural Tourism course run jointly by Teagasc and Clare Local Development Company (LEADER). All of the participants subsequently submitted LEADER grant applications for tourism enterprises.

Responding to the obvious needs for more diversification information in general and specifically, more information on tourism, Teagasc RD prepared a <u>Rural Tourism Handbook</u> and over 70 <u>diversification fact sheets</u> that include the main tourism opportunities available to landowners in order to diversify their income stream. This can offer opportunities for families to develop new rural enterprises using existing land or building assets. During Covid, RD filmed a series of 'Lets Talk' webinars including 33 recorded webinars around the topics of energy and diversification. The weekly 'Lets Talk <u>Farm Business Options'</u> webinars featured news, views and interviews on topics relevant to farm business diversification and

rural tourism. In addition, the Energy & Farm Business Show 2022 featured diversification opportunities in the energy, leisure, hospitality and tourism industries. The event was held at Gurteen Agricultural College and in July 2022 and was organised in association with the IFA, Tipperary Co Council, Tipperary Energy Agency and the Technological University of the Shannon.

## **Developing Teagasc Diversification offering**

In an effort to bring a fresh perspective and to diversify service delivery, Teagasc RD engaged <u>Entrepreneurs Academy</u> in 2019 to deliver training to farmers and advisers on areas around farm diversification, while also evaluating training gaps and opportunities from the perspectives of farmers and advisers. The main feedback from farmers was:

#### **Farmers:**

- Need for greater support around the basics of business operations; poor knowledge skills such as financial planning, business management and marketing, were identified across most business functions.
  - There was an appetite for diversification but little sense of urgency or plans to act.
  - New product or service ideas are focused on, and possibly limited by, production thinking, in terms of selling a product rather than creation of wider opportunities,
     e.g. ... to help them realise a greater return on their farm / household assets.
  - Farmers need help building a growth mind-set, leaving their comfort zone,
     embracing creativity and innovation and developing better habits.
  - Low levels of financial confidence and potential literacy issues were reported.
  - Farmers are risk averse due to low skills and commercial awareness and this is
     limiting diversification and business growth
  - There is, in general, low levels of understanding of the macro business environment.
     Associated with this, there is limited understanding of the need to develop businesses that are responsive to sectoral trends and opportunities.
- 2. Farmers require greater clarity on the role of the Teagasc advisor to avoid over reliance on Teagasc support and to become more autonomous

- Farmers need clearer information and signposting to Teagasc supports and other agency supports e.g. LEO and LEADER etc.
- The Teagasc Options Programme seemed to be enjoyed and well-received by participants who had completed it. Some were looking for follow-up direction or provision indicating that it didn't fully meet their needs or left scope for additional support.
- 3. Participants wanted more guidance on succession planning.

# A Business focus for Options: Farm Business Options

Taking the Entrepreneurs Academy findings on board, there is a need to provide 'space for innovation' for individuals to develop a business idea and then to receive business coaching/mentoring to develop this into a successful enterprise. A Pilot Farm Business **Options** training session was thus held at Teagasc Roscommon in March 2022 in partnership with Roscommon Local Enterprise Office (LEO). The training is a modified version of the Start Your Own Business course run annually by the LEO Networks. The purpose of the training was to give individuals a good understanding of how to turn an idea into a viable business, to provide a mentor to progress ideas, to assist in the completion of a business plan and to introduce individuals to other agencies/parties who may be able to offer tangible assistance for a specific project. The programme consisted of a series of workshops covering a wide range of topics. Guest farmers who have successfully diversified were invited to speak. Teagasc and LEO specialists were also in attendance to answer questions. Participants also had the opportunity to network with local development and training agencies (LEO, Local Development (LEADER) Companies, Education and Training Boards and Intreo) and with like-minded farmers. Roscommon LEO funded 50% of the cost of running the pilot.

A follow up two day in-service training was provided to all Teagasc Farm Business Options coordinators in May. It had been planned to utilise this template of training for Farm Business Options workshops in autumn 2022, but due to competing demands on Options Coordinators time in the form of new CAP measures (for example the new ACRES scheme), many of these workshops will have to be deferred into 2023.

# References

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