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Georgia Agritourism Economy Indicators

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In accordance with the definition from the U.S. Department of Agriculture (USDA) and existing literature, agritourism refers to any practice or enterprise that integrates agricultural production and/or processing with activities related to tourism and hospitality. The primary objective is to attract visitors to farms, ranches, or other agricultural entities.

Agritourism is advantageous for multiple stakeholders, including farmers, visitors, and local communities. It affords farmers opportunities to diversify their source of income and establish connections with consumers. Furthermore, it offers valuable prospects for educating and entertaining individuals and families. Additionally, it plays a role in the economic, social, and cultural (re)vitalization of local communities. Consequently, the global popularity of agritourism has seen a significant increase.

This report aims to discuss the trends of agritourism in Georgia using USDA 2022 agricultural census data. The National Agricultural Statistics Service (NASS) of the USDA defines income from agritourism as being derived “from recreational services such as hunting, fishing, farm or wine tours, hayrides, etc.” This is considered income from farm-related sources, which the NASS refers to as “the sales of farm byproducts and other sales and services closely related to the principal functions of the farm business.”

Based on the 2022 US agricultural census data, income from farm-based agritourism comprised 5.66% of the total U.S. earnings from farm-related sources. Among the 697,103 U.S. farms that recorded sales from farm-related sources, 28,617 (4.11%) farms reported that they offered agritourism and recreational services, which is a slight increase proportion-wise from the 28,575 farms out of 784,435 (3.67%) reported in 2017.

In the state of Georgia, out of 11,307 farms generating income through byproducts or services closely related to the principal functions of the farm business, 742 (6.56%) farms participated in agritourism products and services in 2022. These farms collectively earned around \$31 million in revenue from agritourism, accounting for approximately 8.84% of the total income from farm-related sources. The average earnings per farm through agritourism and recreational services were \$41,849 in 2022, representing a 9.78% increase compared to the average earnings in 2017.

Out of the 159 counties in Georgia, five counties surpassed \$1 million in revenue from agritourism activities: Gordon, Hall, Thomas, Paulding, and Walton. Additionally, in terms of the number of agritourism farms, Chattooga, Paulding, and Walker had the highest number of farms participating.

It has been suggested that farms and ranches in remoted rural regions are more inclined to embrace agritourism, whereas those located in urban or densely populated areas generally tend to generate higher revenue from it (Whitt et al., 2019). In Georgia, the percentage of farms that have adopted agritourism in metropolitan counties was 8.06% (344 out of 4,270 farms), whereas the percentage for nonmetropolitan counties was 5.66% (398 out of 7,037 farms). Figure 1 presents agritourism participation by each county in Georgia.

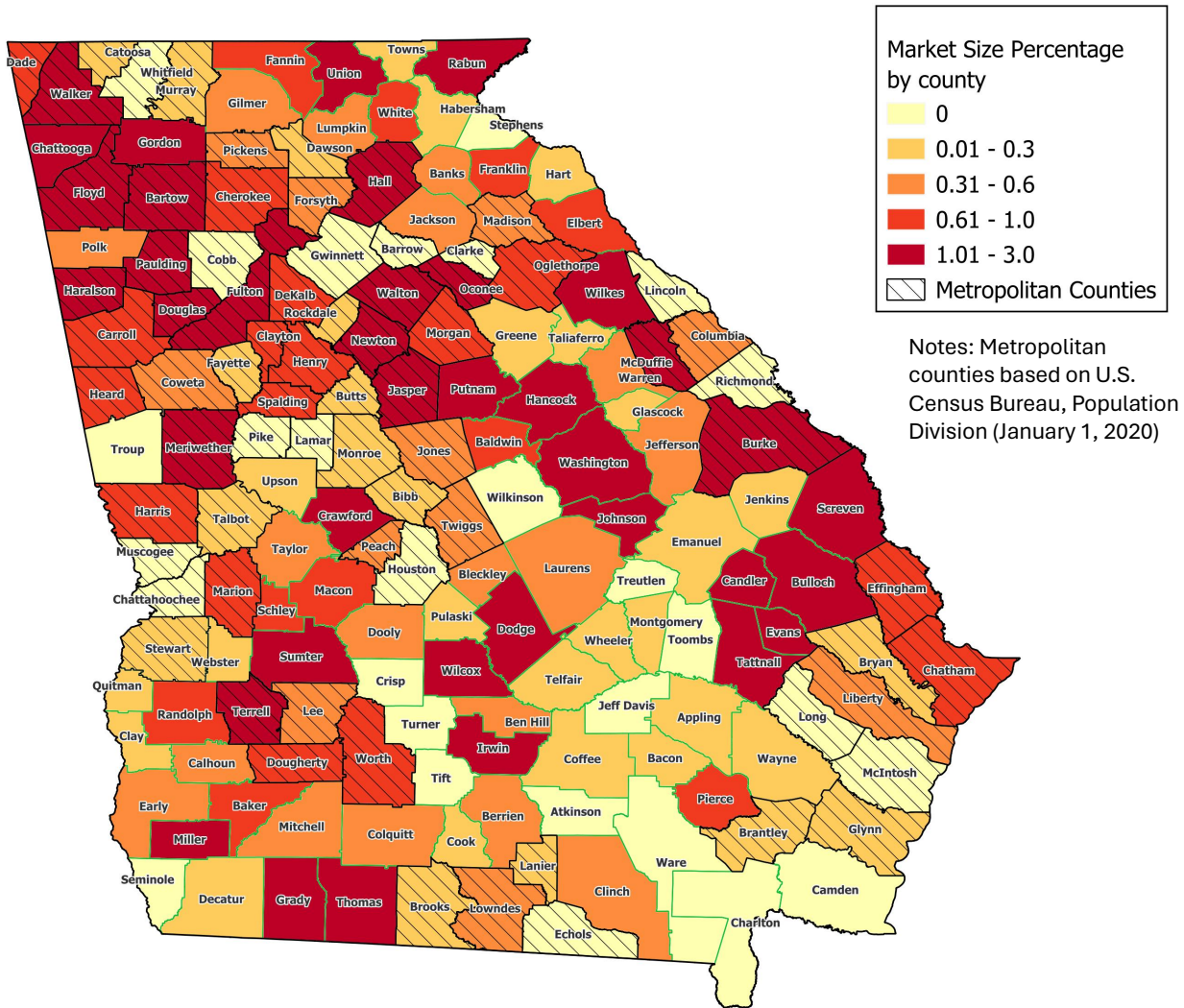


Figure 1. Percent of Farms with Agritourism Operation in Georgia

When it comes to the number of agritourism farms compared to the nearby states, North Carolina had the highest count with 982 farms, followed by Florida with 784 farms. Georgia ranked third with 742 farms. Figure 2 displays the number of farms involved in agritourism for Georgia and the nearby states.

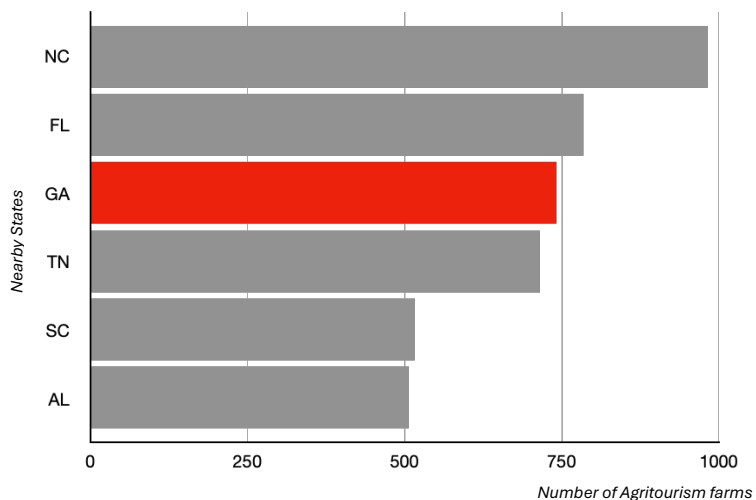


Figure 2. Number of Agritourism Farms in Nearby States

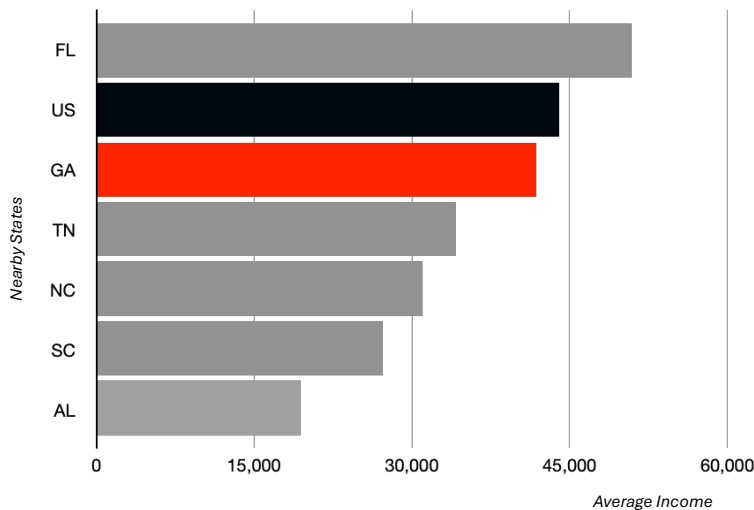


Figure 3. Average Agritourism Income per Operation (2022)

Income from agritourism and recreation services was highest in Florida, at approximately \$40 million followed by Georgia with \$31 million. Earnings from this category in North Carolina were close to that of Georgia, at \$30 million. In addition, Georgia’s average agritourism income was \$41,849, which was slightly lower than the national average of \$44,044.

Compared to nearby states, Georgia ranked second highest, behind Florida (\$50,923). Figure 3 shows the average agritourism income per operation for the U.S. and in the states of Florida, Georgia, North Carolina, South Carolina, Tennessee, and Alabama.

The 2022 census data indicate that about 51.4% of the farms in Georgia received less than \$5,000 from agritourism, slightly higher than the U.S. average of 47.7%. In nearby states, the proportion was slightly larger, at about 53.7%.

Approximately 83% of the farms that earned between \$10,000 and \$24,999 accounted for about 10% of the total value of agritourism in Georgia, a trend similar to that of the nation and the nearby states. Figure 4 presents agritourism operations by receipts in different earning ranges in 2022.

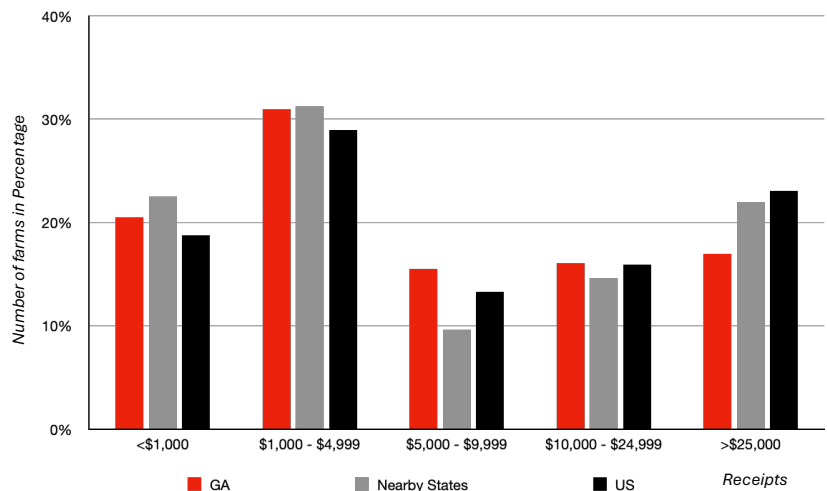


Figure 2. Agritourism Operation by Receipt

The trend in Georgia's average income from agritourism sector appears to be positive. Compared to the average of U.S. farms including neighboring states, agritourism farms in Georgia have shown a continuous increase in average income, as demonstrated in Figure 5.

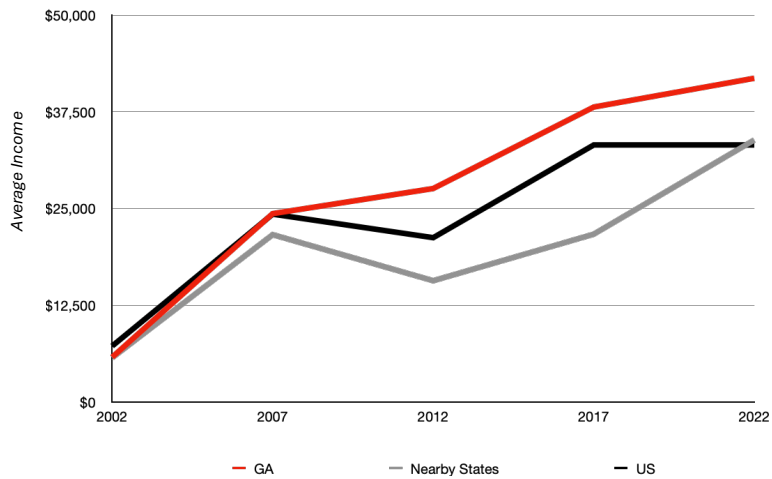


Figure 5. Trends in Average Agritourism Income per Operation

The results of this economic indicator emphasize the importance of the agritourism sector to Georgia's economy. In 2022, the economic activities associated with the sector generated about \$31 million in revenue, accounting for 8.84% of the total income from farm-related sources. The steady growth in the sector demonstrates that agritourism is perceived to have a positive impact on farm income. Furthermore, the continuing growth in average income from agritourism operations suggests favorable potential to be anticipated in the sector. Continuous attention is indeed crucial for analyzing the market and supporting the advancement of Georgia's agritourism sector. By remaining vigilant and responsive to evolving trends and changes, stakeholders can effectively guide the sector's growth and maximize its economic and social benefits for the states.

Reference

Whitt, C., Low, S. A., & Sandt, V. (1999). Agritourism allows farms to diversity and has potential benefits for rural communities. USDA Economic Research Service. Retrieved from <https://www.ers.usda.gov/amber-waves/2019/november/agritourism-allows-farms-to-diversify-and-has-potential-benefits-for-rural-communities/>