

Factors determining business development in agritourism in Sri Lanka with special reference to Kegalle District

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Abstract

As agriculture is the backbone of the country it needs to be developed with innovative products and services. Agritourism provides farm-based tourist experience for visitors and help farmers to maintain agricultural viability and diversify rural economies. The main objective of the study was to identify and analyze the factors determining business development in agritourism. Currently agritourism sites operate by individual private farms, public farms, spice gardens, community based organizations farms and private hotels. Primary data were collected through questionnaire (Likert scale and direct questions) and interview method. Sample was selected from current agritourism operators and non agritourism operating farms in Kegalle district. The agritourism operators were selected from snow - ball sampling technique. Farms without agritourism activities were selected from 14 Agrarian divisions using Stratified Random Sampling method. Farms were divided into three groups on land capacity as small (>1acre), medium (1-3 acres) and large (<3acres). Sixty five farms were randomly selected under these three groups. Correlation among factors and business development were analyzed by hypothesis testing using Microsoft Excel and SPSS statistical software. The results revealed that, location, investment capacity, link with stakeholders (tour operators, Hotels), quality of the service, infrastructure, marketing and publicity, government support, knowledge/ experience of the operator and attitudes are the significant factors determining business development in agritourism. Large scale farms have comparative advantage in developing agritourism business. The issues in developing agritourism sites are lack of knowledge and skills, poor investment capacity, lacking forward and backward linkage with tourism operators, farthest farm location, poor marketing and insufficient infrastructure. Mostly hotel operators and spice gardens gets the highest benefits of agritourism and not the real farmers. This study identified the following areas as important to develop Agritourism. They are; linking farmers with tour operators to enhance their marketing channels, media promotion through online sources, maintaining the required quality and standards in agriculture and tourism.

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