Agripreneurs in agritourism: a regional study being a research study into who takes the step, in the Northern Rivers Region of New South Wales, Australia

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AGRIPRENEURS IN AGRITOURISM:
A Regional Study Being a Research Study into Who Takes the Step, in the Northern Rivers Region of New South Wales, Australia

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B Com, Grad Dip Fin Mgmt, MBA

A research thesis submitted to
Southern Cross University, Australia
in partial fulfilment of the requirements for the degree of
Doctor of Business Administration
May 2014

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I acknowledge that I have read and understood the University's rules, requirements, procedures and policy relating to higher degree research award and my thesis. I certify that I have complied with the rules requirements, procedures and policy of the University, which have varied over my candidacy.

Signed:

Date:

Candidate: Susan M Vinnicombe
Abstract

The question of why some and not all agripreneurs pursue agritourism opportunities prompted this research. Agritourism has been identified by many agripreneurs as a way to supplement falling farm income while still staying on the farm and in the community in which they are embedded. At the same time, consumers have become more interested in food production methods and sourcing unadulterated and sometimes organically produced food. The study area, the Northern Rivers regions of New South Wales Australia, has long been viewed as a food bowl; however, distance to markets, industry restructures and crop disease have prompted farmers to look for alternative revenue streams. The region has been a destination for its beaches and bushlands for many years; however there is a new food culture emerging with many artisan food markets bringing tourists to the region. A review of relevant literature identified gaps in research on entrepreneurs in agritourism, in particular agripreneurs in Australia.

The aim of this research is to acquire an in-depth knowledge and insight into a selected number of cases and this research was undertaken in the emerging environment of the agritourism operator and the agritourism venture. This qualitative research was conducted during 2012-2013, with structured interviews being completed with 18 interviewees on 13 agritourism farms. These were formerly traditional farming operations that had adopted the conversions necessary to enter the agritourism market. High unemployment has recently become characteristic of this region where the agripreneurs were all embedded in their community, with several pointing out that their family had operated the farm for generations, so moving away was not a viable alternative. In the majority of cases, agripreneurs identified that they were pushed into agritourism by a life-changing or life-threatening event that forced them to identify alternative income producing methods. The agripreneurs self-identified key individual characteristics that they felt were different to the characteristics of traditional farmers, but critically important for the ventures they were undertaking. Characteristics such as preparedness to take risks, viewing change as positive, a need to achieve, desire for personal satisfaction, being in control of their own destiny, constantly scanning their environments for opportunities, self-motivation and extroversion were all key components identified by the agripreneurs and now found to be present in successful entrepreneurs.

Given that this research was conducted to satisfy the requirements of a professional doctorate degree (DBA) rather than an academic qualification (PhD), while being based
on sound academic theory and previous relevant research, the main focus in contributing to academic thought lies in the areas of practice and policy, rather than solely in theoretical issues. Barriers to entry such as finance and government policy are not unique to rural business, but coupled with a recognised lack of infrastructure, access to markets and sometimes confusing environmental policies, all contribute to make the rural venture not for the faint hearted. Finally, success was more than being profitable. Staying on the farm, with their family, in the community in which they were embedded, was identified as a main factor that made the agripreneurs feel successful. For rural extension officers, there are several practical applications of this research. They must rethink traditional measures of performance with balance sheets not being the only indicator of success in agritourism. While operating a rural business has added complexity to urban business, the problems are not insurmountable. A tool has been developed as a result of this study (Appendix 1) which, along with an information session (Appendix 2) should assist potential agripreneurs identify whether agritourism is the right move for them. It will also act as a guide for consultants and policy makers assisting agripreneurs in the development of rural agritourism business.

**Keywords:** entrepreneurs, agritourism, agripreneurs, rural business, embeddedness
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### Abbreviations

<table>
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<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>CAP</td>
<td>Common Agricultural Policy</td>
</tr>
<tr>
<td>ES</td>
<td>Entrepreneurial Status</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>FFM</td>
<td>Five Factor Model</td>
</tr>
<tr>
<td>LOC</td>
<td>Locus of control</td>
</tr>
<tr>
<td>nAch</td>
<td>Need for achievement</td>
</tr>
<tr>
<td>NSW</td>
<td>New South Wales</td>
</tr>
<tr>
<td>NIMBY</td>
<td>Not in my back yard</td>
</tr>
<tr>
<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
</tr>
<tr>
<td>WTO</td>
<td>World Trade Organization</td>
</tr>
</tbody>
</table>
Acknowledgements

This has been a work of many years and without the assistance, encouragement and support I received along the way, I am not sure I would have ever finished this project. Not all of my supporters have been mentioned by name, yet they know who they are.

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Finally, to the business owners who gave up their valuable time to participate in this study, thank you. Without your time and involvement this paper would not have been possible.
CHAPTER 1: INTRODUCTION TO STUDY

1.1 Introduction

Chapter 1 introduces this study that examines the factors that prompt agripreneurs to move into agritourism. The main objective of Chapter 1 is to provide a background of the issues that led to the investigation of the research problem. Also included are the justifications for this research and descriptions of the applied methodology and data analysis. Contributions to knowledge, practice and policy are identified, and then limitations and structure are discussed.

The title of this study is Agripreneurs in Agritourism: A Regional Study – Being a Research Study into Who Takes the Step, in the Northern Rivers Region of New South Wales, Australia. As the title indicates, the study explores entrepreneurship in agritourism in the Northern Rivers region of New South Wales, Australia.

The chapter commences with Figure 1.1, which outlines the structure of the chapter, Section 1.2 is the background to the research, which then proceeds to give an overview of the research problem and research questions in 1.3, followed by 1.4 the justification for the research. Section 1.5 outlines the research design and methodology, then the practical and theoretical contributions of this study are discussed in 1.6, followed by 1.7, where the research limitations are identified and terms defined. Finally, in 1.9 the structure of the thesis is outlined. The chapter conclusion is set out in 1.10.
Figure 1.1: Structure of Chapter 1

1.1 Chapter 1 Introduction

1.2 Background to the research

1.3 Research problem and research questions

1.4 Justification for the research

1.5 Research methodology

1.6 Contributions of the study

1.7 Research limitations

1.8 Definition of terms

1.9 Structure of the thesis

1.10 Conclusions

Source: Developed for this study
1.2 Background to the research

Drought, industry restructuring and crop diseases have brought many rural towns to their knees, thus leading many rural business owners to seek diversification options to expand their businesses (Mooney, Defenderfer & Anderson 2010). The Northern Rivers region of New South Wales is no different to many other farming regions. It is a small regional area responding to difficult economic conditions. Farming communities have been adversely affected by drought, industry restructuring, crop diseases and reactive changes in government policies and legislation. At the same time, fortunately for farmers, popular television shows have increased the desire of consumers to connect with their food (Ross, Palmer & Huzcko 2010) and have led them to seek sustainably produced, healthy food options. Television chefs have also showcased food products not readily available in Australia leading to a pull by consumers for these products (Ross, Palmer & Huzcko 2010). Food scares have also made consumers more aware of the origins of their food and increased the desire for locally produced produce (Raude & Fischler 2014).

The rationale for this study is to identify why farmers do not expand their operations into agritourism and to develop strategies to assist their expansion into this growing industrial sector. In addition, the researcher suspects that the farmers are frustrated with low returns on their product at central markets and have the desire to be more directly compensated by connecting more with consumers. Anecdotal evidence identifies that there are extensive barriers to entry and little specific industry assistance (Beck & Beck 2014). Traditional finance from banks is often not available for expanding into new ventures particularly when the expertise required may be outside the traditional skills of farmers (Beck & Beck 2014).

Entrepreneurs have been described as drivers of regional economies (Dana 2011), so the study of factors that influence the move to agritourism and the characteristics of successful entrepreneurs is important to support these endeavours and may assist future training programs for nascent entrepreneurs. These issues are recognised in many sectors and most recently in a call for submissions on a white paper on agricultural competitiveness by the Australian federal government (RDA Northern Rivers 2014). A study of the drivers of entrepreneurial action in regional areas can inform potential agripreneurs and help them to overcome many of the barriers they may encounter.

The expected outcome of this research is threefold. First will be an understanding of the triggers, both environmental and internal, that prompt farmers to move into agritourism,
thereby identifying how the agripreneurs view themselves as different to traditional farmers. Then, the barriers that make the transition difficult are discussed and finally the measures of success of their venture as identified by the agripreneurs.

This research will be of interest and benefit to various interested parties and stakeholders. They include: existing agritourism entrepreneurs, farmers and others considering agritourism ventures (with and without ancestral lands), consultants in the agritourism sector, policymakers affecting the agritourism sector and other parties who will either benefit from or be interested in the development of new ventures. These include bankers, community economic developers, local government councillors and media. Participants in rural tourism and the broader rural community benefit from the contribution made by rural entrepreneurs to regional economies.

The expected benefits and beneficiaries of this research are segmented into three areas: participants in agricultural tourism, the broader regional community and to increasing knowledge about the contribution made by agripreneurs to rural economic development. For participants the expected outcomes are: the ability to identify environmental triggers to agritourism as a means of identifying trends to look out for, being able to develop solutions to barriers encountered and identifying helpful networks to assist the transition to agritourism. For the broader community, if knowledge is shared and utilized, it can: create a better understanding of the potential economic benefits to the community of agritourism, identify opportunities for members of the community outside the agricultural sector and create increased opportunities for cooperation.

Finally there are several aims of this research. It is hoped that an increase in industry knowledge and a recognition of the contribution of agripreneurs to the economy of rural and regional towns will foster mutual understanding. Increased tourism opportunities for both domestic and international tourists can benefit rural economies. Inevitably change will not always be accepted with open arms but by involving all stakeholders and identifying the benefits to the community, it is possible for obstacles to be overcome. This research will add to existing literature in the fields of entrepreneurship and agritourism.

1.3 Research problem and research questions

This purpose of this study is to examine how agripreneurs come into existence. From areview of the existing literature, it is evident that this question has yet to be answered. This thesis
examines the factors that trigger entry into agritourism by agripreneurs in the Northern Rivers region of New South Wales, Australia. The question of why some and not all farmers pursue agritourism opportunities prompted this research. The researcher is an accountant and has been a small business advisor and university lecturer in the region for several years. Focussing on rural industry has brought the plight of agricultural operators to the fore. Not only do they deal with climactic difficulties but also legislation and changing land uses have made many farming ventures marginal. New ways of producing income are needed for many to stay on the land (Australian Regional Tourism Research Centre 2009).

Agritourism has been identified by many agripreneurs as a way to supplement falling farm income while still staying on the farm and in the community in which they are embedded (Australian Regional Tourism Research Centre 2009) At the same time, consumers have become more interested in food production methods and sourcing clean and sometimes organically produced food. Diagram 1.1 indicates the region where the research was undertaken.

Diagram 1.1 Northern rivers region of New South Wales

Source: RDA Northern Rivers 2014
In accord with the case study method and identifying agripreneurs who fit the set criteria, semi-structured interviews were undertaken. The research is limited to traditional, family owned and operated farms located in the Northern Rivers region of New South Wales. Interviews were conducted with 18 farmers on 13 farms, lasting approximately one hour and were conducted between August 2012 and August 2013. The following four questions formed the basis of the semi-structured interview.

- **Research Question 1**: What external factors trigger individuals to start agritourism ventures when others under similar conditions, do not?
- **Research Question 2**: What individual differences trigger the transition from farmer to agritourism operator?
- **Research Question 3**: What barriers could make the transition from farming to agritourism difficult? How can these barriers be overcome?
- **Research Question 4**: How is success measured in an agritourism venture?

**Research propositions**

Based on extant literature and discussions with informed sources, the following propositions form the basis of the research. The three propositions are based on a previous conceptual framework (Shane & Venkataraman 2000) they has been adapted to the context of agripreneurs and agricultural tourism.

**Proposition 1**: Opportunities for agritourism come into existence.

**Proposition 2**: Some but not other farmers identify opportunities for agritourism.

**Proposition 3**: Differing modes of action are used to exploit entrepreneurial opportunities.

After examining the results of the fieldwork, the propositions were found to be valid and the means to support implementation will be recommended.

**1.4 Justification for the research**

Changes in the macro environment, such as aging baby-boomers, immigration and fluctuations in the economy are felt deeply in rural environs (Mooney, Defenderfer & Anderson 2010). Rural communities have been feeling the impact of change with greater intensity than urban
areas that have more critical mass to absorb the turbulence (Ecker, Clarke, Cartwright, Kancans, Please & Binks 2010). Rural towns have been decimated in recent years for several reasons: extended drought conditions (Edwards, Gray & Hunter 2009; Hamilton, Thompson, Rochecouste & Cotter 2014), the high Australian dollar making rural exports uncompetitive (Brindall 2012; Industry Skills Council 2011), an ageing workforce and skilled workers exiting to the resource sector (Deloitte 2011), and rising input costs (Hamilton et al. 2014). Rural unemployment, particularly youth unemployment, continues to be higher than the national average in the Northern Rivers region (Tweed Shire Council 2011). For this reason, it is difficult for farming families to find employment away from the farm. One option would be to move away from the area, but this does not seem to happen. The question that arises is whether there is a level of embeddedness in the community that dissuades farmers from taking this step.

Entrepreneurship has been identified as a driver of economic activity and beneficial to both the economy and society in general (Acs 2006; Baron & Henry 2011; Casson 1982; Davidsson, Steffens, Gordon & Reynolds 2008; Loucks 1988; Minniti 2008). In the region, the development of agritourism is a relatively recent introduction. Like entrepreneurship, there are numerous labels and definitions applied to agritourism, however the picture is complex and confusing (Phillip, Hunter & Blackstock 2010). The connection between entrepreneurship and rural tourism development is rarely found in the literature (Alsos, Ljunggren & Pettersen 2003). There are passing references made to entrepreneurs when identifying stakeholders, but little research is devoted to the entrepreneur or the entrepreneurial activity as the subject (Alsos, Ljunggren & Pettersen 2003).

For rural extension officers, a new approach to assisting rural business is imperative. Typical measures of performance and evaluation of balance sheets to assess success are not telling the whole story in rural agritourism (Tew & Barbieri 2012). From the outcomes of this study, a tool has been developed (Appendix 1) to assist agripreneurs to make the move into agritourism. As this is an emerging industry cluster, advisory services, extension programs and public leadership are necessary to aid the development of rural agritourism business.

1.5 Research methodology

Four research questions formed the basis of this study. These questions were underpinned by multiple sub questions.
RQ1: What external factors trigger individuals to start agritourism ventures when others, under similar conditions, do not?

RQ2: From their perception, what individual differences trigger the transition from farmer to agritourism operator?

RQ3: What barriers could make the transition from farming to agritourism difficult? How can these barriers be overcome?

RQ4: How do farmers measure success in an agritourism venture?

The two major research methodologies are quantitative and qualitative. Quantitative research uses the statistical analysis of large quantities of data to test existing theories (Malhotra, Agarwal & Peterson 1996) in contrast to qualitative research which investigates from a social context to assign meaning (Neumann 2011) and may lead to serendipitous findings (Miles & Huberman 1994).

While there have been multiple studies of entrepreneurs and entrepreneurship, the literature review identified that there is a dearth of research on entrepreneurs in agricultural tourism. This justifies the chosen approach of the exploratory research methodology, as this area would benefit from investigation. The initial exploratory research is viewed as a first stage of enquiry as it rarely yields definitive answers (Yin 2009) while further research using descriptive and/or causal research may be required.

Qualitative research using semi-structured interviews was undertaken for this study. The reasons for this choice include:

- there is little research in the area of agripreneurs in agritourism therefore an exploratory approach is the most appropriate; and
- to elicit in-depth information from the agripreneurs, quantitative research was not appropriate.

As previously mentioned this is an emerging industry in this region. In addition, the researcher chose to only use family owned and operated agritourism businesses in this study. This further limited the number of ventures available to be used in the research.

In the field, semi-structured case study investigations were undertaken over a year from August 2012 to August 2013 and were conducted on 13 properties. Interviews with 18 interviewees were conducted either on farm or at a convenient location, such as stock yards or artisan
markets in the region. With the permission of the interviewees, all interviews were taped and the interviewees also made notes that gave additional information on certain matters.

The interviews were conducted and transcribed by the researcher, and then crosschecked with the interviewees. A purposive sampling approach was taken to identify participants to fit the criteria identified for the study in that they were previously traditional farmers operating family, not corporate, concerns in the region. This yielded only a small sample but, using the snowball technique, the number of appropriate cases grew to 13.

1.6 Contributions of the study

While being based on sound academic theory and previous relevant literature, the focus of the professional doctoral degree is a contribution to practice and policy and it was expected that the study would yield contributions for both. In practice it was found that the major contributions of this research for potential agripreneurs in agritourism are: identifying the reasons for taking the step into agritourism, the identification of the individual characteristics beneficial to successfully operate an agritourism venture, the benefits of being embedded in a rural community and the networks this provides, the facilitators of the process and the potential barriers to be encountered and what constitutes success.

The contributions of this study are discussed in detail in Chapter 5 with the following themes emerging:

1.6.1 Contribution to practice

- Many respondents identified that they had encountered a life-changing event and were literally pushed into entrepreneurship.
- Rural entrepreneurs face additional complexity on account of their remoteness, limited access to markets and difficulties sourcing capital; however, their sense of place and connection to their land forces them to think differently and operate within these constraints.
- Several individual characteristics were self-identified as being different from traditional farmers and important to the ventures being undertaken. These characteristics such as preparedness to take risks, viewing change as positive, need to achieve and personal
satisfaction, liking to control their own destiny, constantly scanning their environment for the next innovation or opportunity, self-motivation and extroversion are all characteristics aligned to successful entrepreneurs.

- Success was identified as more than financial gain. The ability to stay on the property they had farmed and within the community in which they felt embedded was viewed by the agripreneurs as success.
- Embeddedness provided access to informal networks which proved beneficial in this new industry cluster as the agripreneurs felt there were no existing industry networks to support their endeavours.
- For rural extension officers, a new approach to assisting rural business is imperative. Typical measures of performance and evaluation of balance sheets to assess success are not telling the whole story in rural agritourism. Becoming advocates and showing public leadership is imperative to supporting this fledgling industry.
- While very few government grants exist for rural businesses, it seems counterintuitive that a high level of government benefits are paid out in rural areas.

1.6.2 Contribution to policy

- Government policy at both state and federal levels, with regard to financial support in the initial stages needs to be reviewed. Implementing tax breaks in the early years, and income support in the initial phase would assist in getting the venture started.
- Legislation at local, state and federal levels hindered development of enterprises. Given that rural business requires a different approach to urban business, government policy must be tailored specifically for these rural and regional businesses. Policy makers need to develop policy to encourage rather than deter entrepreneurship.
- Advisory services and extension programs are needed to assist in the development of rural agritourism business. As this is an emerging industry, incentives for developing new enterprises and the support systems for new entrants would be beneficial.

1.7 Research limitations

The historical criticism of qualitative studies, including case study research, has been that it lacks rigor because ‘methods of analysis are not well formulated’ (Miles 1979, p. 591). In more
recent times, a set of research techniques such as grounded theory has emerged to counter this argument.

One of the concerns about the case study method and possible major limitation is the difficulty of generalising findings. To address this concern, it is necessary to distinguish between statistical generalisation, when the goal is to establish frequencies, and analytic generalisation, when the goal is to establish new concepts, suggest contingencies and thus expand and generalise theories (Davidsson 2005).

Case studies can be difficult to conduct due to potential operational and logistical problems (Yin 2009). The use of detailed planning can overcome this criticism. Through the use of a case study protocol, chain of evidence, interview guide and the systematic collection of data, this limitation should be overcome.

### 1.8 Definition of terms

The abbreviations and terms used in this study are now listed.

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Term</th>
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<tbody>
<tr>
<td>ES</td>
<td>Entrepreneurial status</td>
</tr>
<tr>
<td>GEM</td>
<td>Global Entrepreneurship Monitor</td>
</tr>
<tr>
<td>LOC</td>
<td>Locus of control</td>
</tr>
<tr>
<td>nAch</td>
<td>Need to achieve</td>
</tr>
<tr>
<td>NIMBY</td>
<td>Not in my backyard</td>
</tr>
<tr>
<td>NSW</td>
<td>New South Wales</td>
</tr>
<tr>
<td>TEA</td>
<td>Total entrepreneurial activity</td>
</tr>
</tbody>
</table>

*Source: Developed for this study*
### 1.8.2 List of definitions

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Agripreneur</strong></td>
<td>An entrepreneur who operates in a rural agricultural environment (developed for this study).</td>
</tr>
<tr>
<td><strong>Agritourism</strong></td>
<td>Diversified farm activities on working farms that include recreation and leisure activities for visitors (Tew &amp; Barbieri 2012).</td>
</tr>
<tr>
<td><strong>Angel (Business angel)</strong></td>
<td>An investor who provides financial backing for small start-ups or entrepreneurs. Angel investors are usually found among an entrepreneur’s family and friends. The capital that they provide can be a one-time injection of seed money or ongoing support to carry the company through difficult times (<a href="http://www.investopedia.com/terms/a/angelinvestor.asp">http://www.investopedia.com/terms/a/angelinvestor.asp</a>).</td>
</tr>
<tr>
<td><strong>Council</strong></td>
<td>Council is the lowest tier in a three tier system of government in Australia. It is the local government authority that manages government of small regions described as shires and cities (<a href="http://www.australia.gov.au">www.australia.gov.au</a>.).</td>
</tr>
<tr>
<td><strong>Embeddedness</strong></td>
<td>Embeddedness is identified as ‘the nature, depth and extent of an individual’s ties into the environment’ (Jack &amp; Anderson 2002, p. 8).</td>
</tr>
<tr>
<td><strong>Entrepreneur</strong></td>
<td>A person who organizes and manages any enterprise, especially a business, usually with considerable initiative and risk (<a href="http://www.dictionary.reference.com">www.dictionary.reference.com</a>).</td>
</tr>
<tr>
<td><strong>Entrepreneurship</strong></td>
<td>“….how, by whom, and with what effects opportunities to create future goods and services are discovered, evaluated, and exploited” (Shane 2003, p. 219).</td>
</tr>
<tr>
<td><strong>Rural Extension Officers</strong></td>
<td>Provide a link between researchers and farmers to ensure knowledge and information is shared to improve production and sustainability.</td>
</tr>
<tr>
<td><strong>Internal locus of control</strong></td>
<td>Individuals with an internal locus of control behave with the belief that they can determine their own destiny by their own behaviour and that fate or luck have little effect on outcomes (Henry, Hill &amp; Leitch 2003).</td>
</tr>
<tr>
<td><strong>External locus of control</strong></td>
<td>Individuals who have an external locus of control lay blame on others or the difficulty of the task, not their own ability or lack thereof (Henry, Hill &amp; Leitch 2003).</td>
</tr>
<tr>
<td><strong>Need for achievement</strong></td>
<td>People with a high need for achievement seek to excel.</td>
</tr>
<tr>
<td><strong>Rural</strong></td>
<td>Rural areas are defined as those areas other than urban according to census collection districts.</td>
</tr>
<tr>
<td><strong>Tolerance of ambiguity</strong></td>
<td>A person’s tolerance of ambiguous situations described as a situation where there is ‘no clear interpretation of a phenomenon or set of events’ (Hunter 2006, p. 45).</td>
</tr>
<tr>
<td><strong>Yeoman</strong></td>
<td>‘Yeoman farmers define agricultural success by family farm continuity and implement risk-aversive financial practices to meet their goal’ (Austin, Deary, Gibson 1996, p. 464). This differs to entrepreneurial farmers who define success as positive financial returns and personal achievement (Austin et al. 1996).</td>
</tr>
</tbody>
</table>

*Source: Developed for this study*
1.9 Structure of the thesis

This dissertation follows the standard five chapter format for a doctoral thesis as proposed by Perry (2012). A structured approach to thesis writing is advocated by Easterby-Smith (1991) and Uncles (1998). Perry (2012) promotes a coherent ‘unified’ structure. This thesis has used a five-step approach that ‘can be used to effectively present a thesis’ (Perry 2012, p. 4). Uncles (1998) describes this structure as safe, widely used and a structure that can be made to work reasonably well.

Perry (2012) also advocates this five-step approach thesis in marketing and related fields undertaking qualitative research, including case study research. This thesis is on entrepreneurship and uses case studies. Five sections provide a proven, focused, efficient and effective way of structuring a thesis (Martin 2012).

The five steps or chapters in this thesis are:

1. Chapter 1 Introduction
2. Chapter 2 Research Issues
3. Chapter 3 Methodology
4. Chapter 4 Findings and Data Analysis
5. Chapter 5 Conclusions and Implications

Chapter 1 presents the aims and background of the research project, the reasons for this study and overview of the research topic Agripreneurs and Agritourism: A regional study. Given that this is a research study into who takes the step in the Northern Rivers region of New South Wales, Australia, the research design and methodology including the limitations of the research. Contributions of the study both theoretical and practical are then summarised followed by an outline of the thesis structure and a summary of key definitions.

Chapter 2 provides a comprehensive review of the extant literature including the theoretical basis for the research. Entrepreneurship and Agritourism as parent disciplines are examined followed by a review of the immediate discipline that is agripreneurs in agritourism. Gaps in the literature are identified, the research problem stated and the research objective and questions are outlined.

Chapter 3 discusses the selection methodology including data collection, analysis and limitations. Ethical considerations of the research methodology are also identified.
Chapter 4 reports the findings of the research. Overall patterns, reasons for these, a matrix of the results and quotes from participants are presented in this chapter.

Chapter 5 compares the research findings to the extant literature, discusses these and arrives at conclusions for the study. A tool for future agripreneurs and rural extension officers is developed, then contributions to and implications for both theory and practice are discussed. Finally limitations of this study and avenues for future research are identified.

1.10 Conclusion

Chapter 1 introduced this study, which examines the factors that encourage agripreneurs to expand into agritourism. The background to the research was discussed followed by the research problem and research questions. The justification for research, methodology and contributions of the study follow, then the limitations of the research, definitions of terms were identified and finally the thesis structure was outlined. The next chapter will focus on the key research issues to be dealt with in the study commencing with a review of extant literature.
CHAPTER 2: RESEARCH ISSUES

2.1 Introduction

The previous chapter provided an overview of the study outlining the rationale for the study, the parent and theoretical discipline, the immediate applied empirical discipline, the methodology to be employed and the process of data collection and analysis leading to the final chapter setting out the conclusion and implications of the research.

This chapter provides an overview of the extant literature relating to this study and presents both a theoretical basis for the research and a lens through which to look at the data to be collected and make sense of in terms of a theory. The discipline of entrepreneurship is explored as part of this review. Following this, a review of the immediate discipline, entrepreneurs in agritourism or agripreneurs, is undertaken. These reviews are then followed by a summary of the extant literature including gaps identified in the literature. Then the resultant research problem and objective are stated, and the specific research questions to be deployed in this study are identified.

This chapter is structured as follows: entrepreneurship is examined, in particular the psychological and demographic characteristics of successful entrepreneurs. From this, the gap in the literature is identified and the immediate discipline of Agripreneurship or agricultural entrepreneurs is discussed. Finally, the research questions emanating from the review of literature are posed. Figure 2.1 below shows the layout.
Figure 2.1 Structure of chapter 2

2.1 Introduction

2.2 Background to & Rationale for the Study

2.3 Parent Discipline: The Field of Entrepreneurship
- 2.3.1 Entrepreneurship & Entrepreneurs
- 2.3.2 Theoretical Issues Dealing with Entrepreneurship
  - Economic Issues
  - Psychological Characteristics
  - Sociological Approaches
  - Behavioural Focus
- 2.3.3 Identified Gaps in the Literature

2.4 Immediate Discipline: Agripreneurs & Agritourism
- 2.4.1 Regional Entrepreneurs & Agricultural Tourism in Australia

2.5 Research Domain
- 2.5.1 The Research Problem
- 2.5.2 The Research Objective
- 2.5.3 The Research Questions
- 2.5.4 The Research Propositions

2.6 Conclusion

Source: Developed for this study
2.2 Background to and rationale for the study

In the larger picture of Australia and the specific target area of the study, many small rural towns have been decimated by factors such as drought, agricultural diseases, changes in government legislation, the high Australian dollar and the importation of cheaper agricultural products (Ecker et al. 2010). The Northern Rivers region of New South Wales Australia is no exception. Lack of rainfall is always a challenge for farmers, but the Northern Rivers region often experiences what is known as a ‘green drought’ (Leng 2013) where sporadic rain causes the grass to shoot but the lack of follow up rain means that the grass dies off so there is no feed. This region was also been hit by Panama fungus in its main crop at the time – bananas. Panama fungus is considered to be one of the most destructive diseases of bananas and a recent outbreak in Tully in far northern Queensland threatens to wipe out the industry there (Hickey 2014).

Mid 2011 saw the cessation of all live cattle exports to Indonesia due to animal welfare concerns (Willingham & Allard, 2011). The Federal Agriculture Minister estimated that this move would cost the industry up to $320 million dollars (Willingham & Allard, 2011), but there was no mention of the flow on effects. One of these was the impact on farmers in the Northern Rivers region who were now battling at the stockyards due to the inundation of cattle for Northern Australian farms that no longer had access to the Indonesian markets (Case 11 2013).

The Australian dollar hit 0.91 cents in September 2010 and at its peak hit over $1.10 against the $US (www.tradingview.com). The strength of the dollar made Australian exports uncompetitive on the world stage and the Australian market is too small to absorb these products (Capurso 2013). To combat this many businesses felt their only option was to raise their competitiveness by reducing costs and identifying new markets. While Australian exporters were suffering from the high currency, importers were benefitting and cheaper imports put even more pressure on local food producers and manufacturers (Townsend 2013).

For these reasons, many rural business owners are seeking diversification options to expand their businesses (Mooney, Defenderfer & Anderson 2010). At the same time, there has been a change in consumer behaviour, with consumers wanting to ‘connect’ with their food (Ross, Palmer & Huzcko 2010). Entrepreneurs have been described as drivers of regional economies (Dana 2011), so the study of the characteristics of successful entrepreneurs is important to support these endeavours and may assist future training programs for nascent entrepreneurs. These issues are recognised in many sectors and most recently in a call for submissions on a
white paper on agricultural competitiveness by the Australian federal government (RDA Northern Rivers 2014).

The expected outcome of this research is twofold. First will be an understanding of the triggers, both environmental and individual, that prompt farmers to move into agritourism and second knowledge of the barriers that make the transition difficult. The expected benefits and beneficiaries of this research are segmented into three areas: participants in agricultural tourism, the broader regional community and increasing knowledge among policy makers responsible for economic and social development. For participants, the expected outcomes are: the ability to identify environmental triggers to agritourism as a means of seeing trends to look out for, being able to develop solutions to barriers encountered and identifying helpful networks to assist the transition to agritourism. For the broader community, if knowledge is shared and utilised, it can: create a better understanding of the potential economic benefits to the community of agritourism, identify opportunities for members of the community outside the agricultural sector and create increased opportunities for cooperation.

Second, the study will increase knowledge with the recognition of the contribution of agripreneurs to the economy of rural and regional towns. This will foster increased engagement through mutual understanding, create increased tourism opportunities for both domestic and international tourists and it will add to existing literature in the fields of entrepreneurship and agritourism.

2.3 Parent discipline: The field of entrepreneurship

Scholarly research leaves no doubt as to the importance of the field of entrepreneurship, to both the economy and society in general (Acs 2006; Baron & Henry 2011; Casson 1982; Davidsson et al. 2008; Loucks 1988; Minniti 2008). Despite the fact that the concept of entrepreneurship can be traced back to Cantillon (1755), the field of study is relatively young and the development of entrepreneurship scholarship is fragmented. Researchers from other fields question entrepreneurship as a discipline, failing to identify the distinctive contribution of the field to the broader domain of business studies, thus undermining the field’s legitimacy.

Conceptual frameworks and theories of several disciplines support it and diverse phenomena have been investigated, however the lack of a conceptual framework specifically developed for the field has precluded the development of an understanding of many of the important
phenomena not adequately explained by other fields (Shane & Venkataraman 2000). Several scholars have developed frameworks specific to the field of entrepreneurship (Gartner 1985; Shane & Venkataraman 2000; Shane 2003) as, according to Shane (2000, p. 217), the field of entrepreneurship has ‘become a broad field under which a hodge podge of research is housed’. He asserts that research up to 2000 was more about the context than the field of entrepreneurship. More recent research is focused around the central themes, issues, methodologies and debates of the field (Wiklund, Davidsson, Audretsch & Karlsson 2011).

2.3.1 Entrepreneurship and entrepreneurs

Entrepreneurship is a field where widespread disagreement on basic models, assumptions and methods exists. Similarly, a myriad of different understandings of the concept of entrepreneurship exists in the economist’s perceptions of entrepreneurship. The entrepreneur wears many hats throughout the literature. At least thirteen distinct roles have been identified for the entrepreneur (Hébert & Link 1989). The entrepreneur has been referred to as a risk bearer (Cantillon 1755), someone who faces uncertainty from the unknown (Knight 1942), a leader (Kuratko 2007), a manager owing to the role of coordinating important factors of production (Say 1828), an innovator (Schumpeter, Opie & Elliott 1934) and an arbitrager who is alert to profitable opportunities (Hayek 1940). From this, we can see that most of the theories on entrepreneurship recognise him or her as a significant contributor to the development of the economy (Wennekers & Thurik 1999). Cantillon (1755) described entrepreneurship as a special economic function and Schumpeter (1954) argued that the entrepreneur is one who brings about innovations that create real development in the economy, meaning that, without the entrepreneur, economic growth would be slower.

Others (Low & MacMillan 1988) agree that entrepreneurship is a critical force of economic growth, which creates large numbers of new jobs. Venkataraman (1997 p. 133), when commenting on the connection between the individual entrepreneur’s profit seeking behaviour and the creation of social wealth, stated that this connection is ‘the very raison d’etre of the field’. This view originated from the Austrian school in economics (Kirzner 1997). Table 2.1 summarises the main themes in the literature.
Table 2.1 **Discussions of entrepreneurship**

<table>
<thead>
<tr>
<th>Themes emanating from discussions of entrepreneurship</th>
<th>Author(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creation of new business</td>
<td>Schumpeter et al. 1934; Gartner 1989; Hebert &amp; Link 1989; European Commission 2003</td>
</tr>
<tr>
<td>Taking advantage of uncertainty in markets</td>
<td>Mises 1949; McClelland 1961; Hebert &amp; Link 1989; Cantillon 1755; Knight 1942</td>
</tr>
<tr>
<td>Receiving payment for risk; arbitrage</td>
<td>Walras 1877; Ripsas 1998; Hebert &amp; Link 1988; Schumpeter 1934</td>
</tr>
<tr>
<td>Locating new ideas and putting them into effect</td>
<td>Baumol 1990; European Commission 2003</td>
</tr>
<tr>
<td>Searching for change, responding to and exploiting opportunities</td>
<td>Drucker 1986; Bygrave &amp; Hofer 1991; Shane &amp; Venkataraman 2000</td>
</tr>
<tr>
<td>Pursuing opportunities without regard to resources currently controlled</td>
<td>Casson 1982, 2003; Stevenson &amp; jarillo 1991; Churchill 1992</td>
</tr>
<tr>
<td>Recognising an opportunity where others do not</td>
<td>Timmons 1999; Shane &amp; Venkataraman 2000</td>
</tr>
<tr>
<td>Innovation problem solving</td>
<td>Tibbits 1979; Bird 1989; Casson 1981; Schumpeter et al. 1934</td>
</tr>
<tr>
<td>Discovery and exploitation of profitable business opportunities</td>
<td>Shane and Venkataraman 2000; Landstrom and Johannisson 2001</td>
</tr>
<tr>
<td>Identification of business opportunities as imperfections in the market and the coordination of resources to exploit these opportunities</td>
<td>Kirzner 1973</td>
</tr>
<tr>
<td>Exploitation of perceived opportunities through the organisation of resources</td>
<td>Landstrom and Johannisson 2001</td>
</tr>
</tbody>
</table>

*Source: Developed for this study*

Research (Gartner 1988; Hindle & Moroz 2009; Sharma & Chrisman 1999) indicates that the search for the ‘elusive heffalump’ [made famous by AA Milne in Winnie the Pooh 1926] (Kilby 1971) continues. Scholars see the precise definition of entrepreneurship as a necessary condition for studying this phenomenon (Berglund & Johansson 2007), but agreement as to what the precise definition is does not exist.

**Development of entrepreneurship**

The earliest historical references to entrepreneurship come from the field of economics and the nature and sources of profit (Gedeon 2010). Classical economists (Smith 1776) thought all economic value came from some combination of land, labour and capital. A profit was made if a good was purchased at a market value that exceeded the intrinsic value of the land, labour
and capital required to produce it. Entrepreneurship then became associated with activities that created residual profits (Schumpeter, Opie & Elliott 1934). Two opposing theoretical views arose as to how entrepreneurs achieved this residual profit: the risk theory of profit and dynamic theory of profit (Matlay 2006). These opposing views led to opposing definitions viewing entrepreneurship from either a Risk Theory or the Dynamic Theory of Profit.

While there is no universally recognised definition of entrepreneurship, there are consistent themes throughout the literature. Preparedness to bear risk, propensity to begin new business ventures, identification and exploitation of opportunities, innovative approaches to problem solving, seeking change and the pursuit of opportunities without regard to resources controlled are all shown to be themes of entrepreneurship. While entrepreneurship has been described as a process, it is a process that must be undertaken by individuals. At present, entrepreneurship research underutilises the role of the individual entrepreneur as a unit of analysis (Westhead 2005; Zahra 2005), despite recognition that the individual entrepreneur is the defining force behind the decision to start a venture and the subsequent performance level of the venture (Andersson 2000, Jones & Coviello 2005; Zahra 2005). The following section will identify and discuss the commonly accepted characteristics of entrepreneurs.

The global recession of the late 1970s and early 1980s bought the political focus in many countries to job creation. During the late 1980s and into the 1990s, there was substantial interest in entrepreneurship and its potential to assist with job creation (Wennekers & Thurik 1999). The significance of entrepreneurship in creating wealth and in the development of society has been identified by many writers (Acs, Braunerhjelm, Audretsch & Carlsson 2009; Carree & Thurik 2010; Frederick & Kuratko 2010; Frith & McElwee 2007; Fritsch 2008; Hébert & Link 1989; Kuratko 2007; Low & MacMillan 1988; Schumpeter, Opie & Elliott 1934). Schumpeter et al. (1934) proposed that the entrepreneur is essential to economic development and the link between employment generation and the entrepreneur is also recognized in the entrepreneurship literature (Carree & Thurik 2010; Meredith 1987; Wennekers & Thurik 1999; Wong, Ho & Autio 2005). Frederick and Kuratko (2010, p. 8) described entrepreneurs as ‘aggressive catalysts for change’ comparing them to Olympic athletes pushing themselves to break through barriers.
2.3.2 Theoretical issues dealing with entrepreneurship

Entrepreneurship and entrepreneurs have been studied from a variety of disciplines to explain the activities of entrepreneurs and the organisations they own (Busenitz, West, Shepherd, Nelson, Chandler & Zacharakis 2003). The four approaches used to explore the behaviour and contributions of entrepreneurs and their firms are:

1. **Economic issues** – Pursuit of profit
2. **Psychological characteristics** – An understanding of who the entrepreneur is by focusing on a set of personality traits and characteristics
3. **Sociological approaches** – Considers the social context in which the entrepreneurs are embedded
4. **Behavioural focus** – What entrepreneurs do rather than how they do it

Differing views on the definition of entrepreneurship are undoubtedly derived from these differing perspectives. Each perspective requires particular features to be present to establish the presence of entrepreneurship for example the creation of a new organisation (Gartner 1988); self-employment (Van Praag & Versloot 2007); the development of a new product (Schumpeter & Backhaus 2003); or the addition of societal value (Bolton & Thompson 2004).

Entrepreneurship is an activity that can be carried out by the individual or can occur within the firm – intrapreneurship – where corporations create additional entrepreneurial ventures within the organisational structure (Hisrich 1990). What makes entrepreneurship different to small business? Some suggest that the presence of innovation is the defining feature. Innovation has been described as using an entrepreneurial orientation to enter new or established markets with new or established products/services, or the acquisition, combination and redevelopment of resources that provide new products/service through new organisations to new markets (Baum & Locke 2004; Drucker & Noel 1986; Zhao 2005).

**Economic issues**

The role played by entrepreneurs in transforming transition economies has gained the attention of researchers (Manolova, Manev & Gyoshev 2010; Peng & Luo 2000). Some researchers (Peng & Shekshnia 2001) argue that entrepreneurial energy is the backbone of the transition economies of Central and Eastern Europe, the more recently independent former Soviet Union and Asia.
Entrepreneurs represent a very small segment of the population, with the 2011 Global Entrepreneurship Monitor estimating that Australian entrepreneurs represented 10.5% of the overall population. However, McClelland (1987) argues that their impact is crucial as they gather resources to produce goods and services and decrease dependency on government. According to Dana (2011), the use of local entrepreneurs as the engine for growth rather than large-scale intensive growth strategies is preferable as the entrepreneur is seen as a driver of wealth creation and development in societies.

The area of entrepreneurship that has failed to attract interest is the entrepreneur as an individual. It has been observed that, while economic circumstances, networks, marketing and finance are all important to new venture creation, none of these things alone will create a new venture, hence the need to look more closely at the individual or the entrepreneur (Gartner, Shaver, Gatewood & Katz 1994).

Entrepreneurship requires the commitment of time and effort by the entrepreneur, often to the detriment of their personal life. They must assume the risks – financial, social and psychic – and may experience the ‘dark side’ of entrepreneurship, which can lead to entrepreneurial stress (Kets de Vries 1985). This is not disputed in the literature; however, the definition of entrepreneurship still continues to be debated with no agreed or widely accepted definition. Shane & Venkataram (2000) describe this lack of definition as a major obstacle to creating a conceptual framework for entrepreneurship and, owing to this lack of consensus, the field has been described as a potpourri (Davidsson, Low & Wright 2001). Many entrepreneurship researchers have attempted to define this concept and carve out a (Rocha & Birkinshaw 2007, p. 207) ‘distinctive domain for the field’. While the varying definitions can cause confusion, they also generate discussion on the phenomenon and many scholars see a precise definition as a necessary condition for the study of this particular phenomenon. Often definitions emerge ‘as a portmanteau’ (Berglund & Johansson 2007, p. 77) embracing a diverse range of topics. Gartner (1990, p. 28) described entrepreneurship as a ‘very complex idea’ and recognised the need for everyone to understand what we are talking about when we are talking about entrepreneurship.

Entrepreneurship has been variously described as a process by which opportunities to create future goods and services are discovered, evaluated and exploited (Shane 2003), ‘a dynamic process of vision, change and creation’ (Frederick & Kuratko 2010, p. 23). Shane and Venkataram (2000; Venkataraman 1997) voice their concern that, to date, the definitions of the field focus on either who the entrepreneur is or what he or she does and state that the problem
with this approach is that entrepreneurship is a ‘nexus of two phenomena: the presence of
lucrative opportunities and the presence of enterprising individuals’ (Shane & Venkataram
2000, pp. 218). With this discussion in mind Shane and Venkataram (2000, p. 218), based on
Venkataraman (1997), define the field of entrepreneurship as ‘the scholarly examination of
how, by whom, and with what effects opportunities to create future goods and services are
discovered, evaluated and exploited’. With this definition in mind, we can see that the field of
study of entrepreneurship involves the study of sources of opportunities, the processes by which
opportunities are discovered, evaluated and exploited and the set of individuals who undertake
to discover, evaluate and exploit the opportunities.

While the definitional debate continues, this practical approach undertaken by Shane and
Venkataraman (2000, p. 221) ask ‘Why do some people and not others discover particular
trepreneurial opportunities?’ and proposes a conceptual framework for studying
entrepreneurship. They opine that ‘…entrepreneurship is concerned with the discovery and
exploitation of profitable opportunities’ and the framework is designed to help researchers
recognise the relationships between multitudes of factors that compose entrepreneurship. They
suggest that research should focus on:

1. ‘why, when and how opportunities for the creation of goods and services come into
   existence;
2. why, when and how some people and not others discover and exploit these
   opportunities; and
3. why, when and how different modes of action are used to exploit entrepreneurial
   opportunities’ (Shane & Venkataraman 2000 p. 218).

Shane (2006) highlights the fact that scholars from a variety of disciplines have begun to study
entrepreneurship and, while they have produced high level scholarly research, they have
approached their studies from the variety of theoretical lens of their fields. This has led to a
‘disconnected, multidisciplinary…investigation’ that ‘has limited the development of well-
accepted explanations for why and how entrepreneurship occurs’ (Shane 2006, p. 155).

There has been a recent move away from trying to predict the future of entrepreneurship to
attempting to shape the future (Wiklund et al. 2011). The authors recommend that
entrepreneurship research become united as a field both theoretically and empirically. They
propose that ‘the phenomenon of “emergence of new economic activity” lies at the heart of
entrepreneurship’ (Wicklund et al. 2011, p. 9), thus explaining that ‘economic’ should take on
a wider meaning than ‘commercial’. To date, they argue, the field has been unified by their
interest in ‘small’, ‘young’ or ‘owner-managed businesses’ or the context rather than considering what it is about these businesses that is so interesting and worth studying. They opine that phenomena-based research would facilitate the inclusion of new domains and cite social entrepreneurship as an example of a domain that is at odds with the current focus of context based entrepreneurship.

For the purpose of this research, entrepreneurship will focus on the processes surrounding the for-profit business or businesses established by the entrepreneur (Foss, Foss, Klein & Klein 2007) and through which future goods and services are discovered, evaluated and exploited (Shane 2006). This combination of views is consistent with those expressed in the literature. Entrepreneurship is a process requiring action on the part of individuals – the entrepreneurs. Therefore it is important to understand the characteristics of an entrepreneur. Carland, Carland and Ensley (2001) cautioned that it is not acceptable to say we are investigating entrepreneurs without identifying the characteristics of an entrepreneur. Researchers (Hornaday & Aboud 1971) have called for further research into the characteristics of entrepreneurs and opine that predicting the characteristics of successful entrepreneurs can improve the effectiveness and efficiency of communication with them.

While acknowledging the four approaches to examining entrepreneurship, being behavioural, sociological, psychological and economic, this thesis will concentrate on two - the psychological and sociological approaches. The next section will investigate entrepreneurs with a focus on the characteristics of entrepreneurs.

**Psychological characteristics**

Because entrepreneurship has been studied within a variety of disciplines there are a variety of opinions regarding its meaning. Attempts to define entrepreneurship have focused on using the skills that characterize an entrepreneur, using the processes and events that are part of entrepreneurship and using the results that entrepreneurship leads to (Davidsson & Honig 2003). Most existing definitions come from a mix of these factors. Skill has been defined as ‘simply knowledge which is demonstrated by action’ (Wickham 2006, p. 100) and Wickham further comments that ‘entrepreneurial performance results from a combination of industry knowledge, general management skills and personal motivation’ (Wickham 2006, p. 100). While there does not appear to be a definitive definition of an entrepreneur, there is general agreement amongst scholars (Wickham 2006) that the entrepreneur exhibits these traits: need
for achievement, locus of control, tolerance of ambiguity and risk taking propensity. These will now be discussed as they relate to entrepreneurial behaviour.

Table 2.2 Psychological characteristics of entrepreneurs

<table>
<thead>
<tr>
<th>Psychological characteristics</th>
<th>Authors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Need for independence</td>
<td>Van Gelderen &amp; Jasen 2006</td>
</tr>
<tr>
<td>Need for achievement</td>
<td>McClelland 1961</td>
</tr>
<tr>
<td>Locus of control</td>
<td>Begley &amp; Boyd 1987</td>
</tr>
<tr>
<td>Risk taking propensity</td>
<td>Brockhaus &amp; Horowitz 1986</td>
</tr>
<tr>
<td>Tolerance of ambiguity</td>
<td>Begley &amp; Boyd 1987</td>
</tr>
</tbody>
</table>

*Source: Adapted from Henry et al. (2003)*

Based on their research, Kobiah and Sikalieh (2010, p. 113) pose the question ‘…why do certain individuals start firms when others, under similar conditions, do not?’ They go on to ask whether individuals are born with certain characteristics that predispose them to entrepreneurial endeavours and what traits can be attributed to an entrepreneurial personality. The traits approach assumes the entrepreneur to be of a particular personality having particular motives and incentives. Table 2.3 reviews literature on entrepreneurship since the mid-1980s and creates an overview of the characteristics of entrepreneurs; however, the recurring themes are: need for independence, need for achievement, risk-taking propensity, locus of control and tolerance of ambiguity, as identified in Table 2.2 and also Table 2.3.
Table 2.3 Summary of citations of characteristics of entrepreneurs

<table>
<thead>
<tr>
<th>Author</th>
<th>Year</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mill</td>
<td>1848</td>
<td>Risk bearing</td>
</tr>
<tr>
<td>Dewing</td>
<td>1919</td>
<td>Imagination, initiative judgment, restraint</td>
</tr>
<tr>
<td>Schumpeter</td>
<td>1934</td>
<td>Innovation, initiative</td>
</tr>
<tr>
<td>McClelland</td>
<td>1961</td>
<td>Risk taking, n-Ach, power, affiliation, conscientiousness</td>
</tr>
<tr>
<td>Davids</td>
<td>1963</td>
<td>Ambition, desire for independence, self-confidence, responsibility</td>
</tr>
<tr>
<td>Pickle</td>
<td>1964</td>
<td>Drive/mental, human relations, communication ability, technical knowledge</td>
</tr>
<tr>
<td>Litzinger</td>
<td>1965</td>
<td>Risk preference, independence, leadership, recognition, support</td>
</tr>
<tr>
<td>Wainer &amp; Robin</td>
<td>1969</td>
<td>Achievement, power, affiliation</td>
</tr>
<tr>
<td>Hornaday &amp; Bunker</td>
<td>1970</td>
<td>N-Ach, intelligence, creativity, energy level, self-reliance, drive, power</td>
</tr>
<tr>
<td>Hornaday &amp; Aboud</td>
<td>1971</td>
<td>N-Ach, autonomy, aggression, power, recognition innovative/independent</td>
</tr>
<tr>
<td>Winter</td>
<td>1973</td>
<td>Need for power</td>
</tr>
<tr>
<td>Borland</td>
<td>1974</td>
<td>Internal locus of control</td>
</tr>
<tr>
<td>Liles</td>
<td>1974</td>
<td>Need for achievement</td>
</tr>
<tr>
<td>Durand</td>
<td>1975</td>
<td>Achievement motivation, locus of control, training</td>
</tr>
<tr>
<td>East-West Center</td>
<td>1976</td>
<td>N-Ach, risk taking, initiative, self-confidence, drive, energy, LOC, tolerance for ambiguity, problem solving, goal setting, use of feedback, dealing with failure, use of resources</td>
</tr>
<tr>
<td>Channing</td>
<td>1977</td>
<td>Responsibility, high energy, ability to set realistic goals, ability to learn from failures</td>
</tr>
<tr>
<td>Timmons</td>
<td>1978</td>
<td>Drive/self-confidence, goal-oriented, moderated risk-taker, internal locus of control, creativity/innovation</td>
</tr>
<tr>
<td>De Carlo &amp; Lyons</td>
<td>1979</td>
<td>N-Ach, independence, autonomy</td>
</tr>
<tr>
<td>Brockhaus</td>
<td>1980</td>
<td>Risk-taking propensity</td>
</tr>
<tr>
<td>McClelland et al.</td>
<td>1980</td>
<td>Confidence, energy perseverance, diligence creativity, initiative</td>
</tr>
<tr>
<td>Mescon &amp; Montanari</td>
<td>1981</td>
<td>Foresight, intelligence, knowledge, perceptiveness</td>
</tr>
<tr>
<td>Welsh &amp; White</td>
<td>1981</td>
<td>Achievement, autonomy, endurance, locus of control</td>
</tr>
<tr>
<td>Welsch &amp; Yound</td>
<td>1982</td>
<td>Need for control, self-confidence/drive, challenge taker, moderate risk taker</td>
</tr>
<tr>
<td>Dunkelberg &amp; Cooper</td>
<td>1982</td>
<td>Growth-oriented, independent-oriented, challenge taker, moderate risk taker</td>
</tr>
<tr>
<td>Changti &amp; Changti</td>
<td>1983</td>
<td>Locus of control, risk-taking, self-esteem, openness to innovation rigidity</td>
</tr>
<tr>
<td>Nelton</td>
<td>1984</td>
<td>Risk taking, autonomy, locus of control, creativity</td>
</tr>
<tr>
<td>Author</td>
<td>Year</td>
<td>Characteristics</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>------</td>
<td>---------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Horwitz</td>
<td>1986</td>
<td>Resourcefulness, perseverance, flexibility, determination, financial analytical ability</td>
</tr>
<tr>
<td>Neider</td>
<td>1986</td>
<td>Locus of control, risk-taking, n-Ach, need for autonomy, high energy</td>
</tr>
<tr>
<td>Timmons, Muzyka, Stevenson &amp; Bygrave</td>
<td>1987</td>
<td>Ability to recognise and envision, taking advantage of opportunity</td>
</tr>
<tr>
<td>Scott &amp; Twomey</td>
<td>1988</td>
<td>Persistence, dominance, independence, capacity to take risks, ability to innovate, ability to get along well with people</td>
</tr>
<tr>
<td>Johnson</td>
<td>1990</td>
<td>Achievement motivation</td>
</tr>
<tr>
<td>MacGrath, MacMillan, &amp; Scheinberg</td>
<td>1992</td>
<td>High individualism, poor distance, uncertainty avoidance, masculinity</td>
</tr>
<tr>
<td>Chandler &amp; Johnson</td>
<td>1992</td>
<td>Self-assessed ability to recognise opportunity</td>
</tr>
<tr>
<td>Krueger</td>
<td>1993</td>
<td>Prior entrepreneurial exposure</td>
</tr>
<tr>
<td>Naffziger, Hornsby &amp; Kuratko</td>
<td>1994</td>
<td>Personal goals</td>
</tr>
<tr>
<td>Kaufman, Welsh &amp; Bushman</td>
<td>1995</td>
<td>Locus of control</td>
</tr>
<tr>
<td>Green et al</td>
<td>1996</td>
<td>Achievement motivation, locus of control</td>
</tr>
<tr>
<td>Hansemark</td>
<td>1998</td>
<td>Achievement motivation</td>
</tr>
<tr>
<td>Timmons</td>
<td>1999</td>
<td>Achievement motivation, opportunity recognition</td>
</tr>
<tr>
<td>Van Geldren &amp; Jasen</td>
<td>2006</td>
<td>Need for independence</td>
</tr>
<tr>
<td>McClelland</td>
<td>1961</td>
<td>Need to achieve</td>
</tr>
<tr>
<td>Begley &amp; Boyd</td>
<td>1987</td>
<td>Locus of control</td>
</tr>
<tr>
<td>Brockhaus &amp; Horowit</td>
<td>1986</td>
<td>Risk taking propensity</td>
</tr>
<tr>
<td>Begley &amp; Boyd</td>
<td>1987</td>
<td>Tolerance of ambiguity</td>
</tr>
</tbody>
</table>


Based on this table, there is some commonality of the demographic and psychological characteristics of successful entrepreneurs mentioned. Family background, education, prior work and entrepreneurial experience are the most commonly recurring demographic characteristics, while the psychological characteristics most commonly occurring are: need for achievement (nAch), locus of control and high risk-taking tolerance. If the characteristics of successful agripreneurs in the study are unique and could be identified, guidelines could arguably be developed for potential agripreneurs to assist them and future agripreneurs in their endeavours.

The majority of literature that discusses the traits approach identifies three main traits associated with entrepreneurship. These are: a strong need for achievement (nAch), locus of
control and risk taking propensity. This thesis will also consider the need for independence'autonomy.

Need for achievement (nAch)

There has been widespread attention paid to and research on the achievement motive or need for achievement (nAch). The achievement motive is regarded as an important personality construct which characterizes entrepreneurs, especially successful ones. Data from a study of young men (McClelland 1961, 1965) supports the hypothesis that nAch is a fairly stable personality characteristic which predisposes one to either enter an entrepreneurial occupation or to function in a traditional occupation in an entrepreneurial way. Several subsequent studies have shown a positive relationship between achievement motive and entrepreneurship (Begley & Boyd 1987; Davidsson 1989; Hornaday & Aboud 1971; Lachman 1980). However, other studies (Hull, Bosley & Udell 1980) have shown that need for achievement is not the most important variable for predicting the likelihood of starting a business. Kobiah and Sikalieh (2010) argue that, although an individual may have a strong need for achievement, this is not sufficient to become an entrepreneur and that entrepreneurial success is not a matter of merely wanting or needing to achieve. Individuals with a high achievement motive are internally focused and that makes it difficult to cooperate with others – a necessity, they say – for successful entrepreneurship (Kobiah & Sikalieh 2010). Nevertheless, motivation remains a central tenet in the psychological theories of entrepreneurship and most of these studies conclude that entrepreneurs have a high need for achievement.

Locus of control

Locus of control (LOC) is the degree to which entrepreneurs feel they can affect the world around them and is one of the recurring characteristics of successful entrepreneurs (Ahmed 1985). According to this theory, individuals believe that the outcomes of events are within (internal) or beyond (external) their personal control. An individual with a belief in an internal locus of control perceives that the outcome of an event is contingent on his/her own behaviour or his/her own relatively permanent characteristics (Kobia & Sikalieh 2010). This makes individuals believe that they can manipulate the environment in which he/she operates and that he/she is responsible for their destiny. Alternately, individuals with a belief in an external locus of control perceives that the outcome of events is out of their personal control, i.e. that the outcome is not entirely dependent on their actions. These individuals attribute the outcome of events to factors such as fate, luck and chance. Research has shown an association between this

This trait is also closely related to the trait of self-efficacy. Individuals displaying a high propensity towards self-efficacy are confident in their own ability to act as entrepreneurs and are more inclined to entrepreneurial activity than others (Brockhaus 1980). These individuals see opportunities rather than roadblocks in situations and feel capable of overcoming hurdles and difficulties with the anticipation of positive outcomes. Individuals with the self-efficacy trait show a reliance on their own will, ability and actions; they devise their own strategies for managing entrepreneurial tasks in both their entrepreneurial and professional life. Kobia and Sikalieh (2010) assert that these individuals act autonomously and take the initiative to bring about change when they feel that other’s actions or behaviour are in conflict with their best interests. From this discussion, we can conclude that the internal locus of control trait must be accompanied by self-efficacy or some other trait such as need for achievement for entrepreneurship to occur.

**Risk taking**

Risk taking propensity is one of the defining characteristics of an entrepreneur and was the earliest identified (McClelland 1961). Considered an essential characteristic of entrepreneurs (Douglas & Shepherd 2002), Brockhaus (1980) claims that individuals with high achievement needs would have a moderate risk taking propensity (Brockhaus 1980). The entrepreneurial process requires the entrepreneur to act in the face of uncertainty (Shane, Locke & Collins 2003) and whether it is financial, social or psychological (Liles 1974), risk-taking has been identified as part of the entrepreneurial process (Hisrich 1990). When the term ‘entrepreneurship’ was introduced to the field of economics (Henry & Mill 2003), bearing risk was the key factor distinguishing managers from entrepreneurs.

Cantillon, in 1755, identified that the entrepreneur is a rational decision maker ‘who assumed risk and provided the management of the firm’ (Kilby 1971, p. 12). Brockhaus (1980, p. 513) defined risk-taking as:

> ...the perceived probability of receiving the rewards associated with the success of a proposed situation, which is required by an individual before he will subject himself to the consequences associated with failure, the alternative situation providing less reward as well as less severe consequences that the proposed situation.
The high risk-taking propensity characteristic or the willingness to engage in high risk behaviour or exploit entrepreneurial opportunity is attributed to entrepreneurs (Shane & Venkataraman 2000). Entrepreneurs investing their own money or leaving secure jobs to start their own enterprise can evidence this. Research (Stewart Jr & Roth 2004) identified that entrepreneurs showed a higher risk taking propensity than managers and that owner managers whose focus was on growth had a higher risk-taking propensity that those whose focus was on family income. Hisrich (1990) also discussed the motives for risk-taking, which usually relate to achievement.

Cantillon (1755) also stressed the importance of an entrepreneur as an arbitrager who conducts all exchanges and bears risk as a result of buying at certain prices and selling at uncertain ones. Cantillon described an entrepreneur as perceptive, intelligent and willing to take risks; his role being to bring the two sides of the market together while bearing all the risks involved in the transactions. While risk-taking is an oft-voiced characteristic of entrepreneurs, there is disagreement among researchers as to whether entrepreneurs have a greater propensity for risk-taking than the general population. Some studies have indicated no significant differences in risk-taking propensities for entrepreneurs as compared to the general population, but opine that when people feel confident they are more inclined to take risks (Delmar & Davidsson 2000). Brockhaus (1980) found no significant statistical difference in the general risk preference patterns between a group of entrepreneurs and a group of managers. Delmar and Davidsson (2000, p. 145) state that ‘With the exception of the need for achievement, the results have been poor and it has been difficult to link any specific traits to entrepreneurial behaviour’. The same authors (p. 153) go on to argue that while ‘traits are supposedly stable over time’ some traits can be acquired through the learning experience.

Whether risk aversion is a personal trait or a broader concept that is contextual has been debated. Ray (1994) doubts that individuals have a generalised risk propensity, but argues that it is contextual and must be analysed as part of a more complex decision making process. Risk attitude is ‘not just a static personality trait forged by nature or nurture, but seems to reflect learning in the business context’ (McCarthy 2000, p. 563). From this discussion, it may not be appropriate to look at general risk attitude, but rather at risk attitude in the specific business and entrepreneurship context in which they operate (Block, Sandner & Spiegel 2015).
**Need for independence/autonomy**

There is broad consensus among researchers that autonomous individuals make their choices independent of others (Carter, Gartner, Shaver & Gatewood 2003; Kets de Vries 1985; Tajeddini & Mueller 2009), and those who value autonomy strive for an independent state of self-determination. For entrepreneurship to thrive in many organisational contexts, ‘the exercise of autonomy by strong leaders, unfettered teams, or creative individuals who are disengaged from organizational constraints’ is required (Lumpkin & Dess 1996, p. 140). Autonomy enables entrepreneurial ‘champions’ to achieve results unfettered by the dictate of others. Studies have shown that entrepreneurs have a higher need for independence or autonomy than the general population (Hornaday & Aboud 1971). People with a high need for autonomy prefer self-directed work, care less about others’ opinions or rules and prefer to make decisions alone.

Autonomy is not one of the original characteristics of entrepreneurs developed by Covin and Slevin (1991). Indeed, some researchers (Kets de Vries 1985; Hornaday & Aboud 1971) argue that autonomy is an antecedent of entrepreneurial behaviour rather than one of its essential components. On account of this debate and the difficulty of measuring autonomy few studies have included this dimension. Yet scholars are now arguing that autonomy is required for entrepreneurial initiatives to emerge and thrive in organisations and constitutes a basic feature of entrepreneurially oriented organisations (Tajeddini & Mueller 2009). Independence in entrepreneurial approach provides the impetus to explore business opportunities, develop business concepts and bring them to fruition (Bird & West III 1998; McMullen & Shepherd 2006.) Entrepreneurs need to be unhindered by strategic norms or organisational traditions that may impede their decision making.

**Trait research**

Work on trait-oriented research has been undertaken by multiple researchers from the early work of McClelland (1961) to the work of others (Brockhaus 1980; Brockhaus & Horwitz 1986; Hornaday & Aboud 1971) who studied traits like locus of control and propensity to take risks. The trait-oriented research approach has come under fire as ‘inadequate to explain the phenomenon of entrepreneurship’ (Gartner 1988, p. 48) and Gartner argued (1985) that no definitive link existed between achievement motivation and entrepreneurial success. Brockhaus (1980) failed to find nAch useful in describing entrepreneurs, while Hull, Bosley
and Udell (1980) opined that nAch isolated from other variables may be a weak predictor of an individual’s tendency to start a business.

Despite the criticisms of nAch, McClelland’s (1961, 1987) research concluded that: individuals with a high need for achievement tend to take personal responsibility for finding solutions to problems, set moderate achievement goals and take calculated risks, and desire concrete feedback regarding their performance. McClelland (1961) theorised that that nAch was central to economic growth and that persons with a high nAch have a particularly strong desire to do well in situations in which the individual expects to be evaluated in terms of excellence. These theories have been generally supported by reviewers as significant to the study of the field of entrepreneurship. However, Schatz (1965), an economist, criticized McClelland’s measurement methods by saying that, like many scholars, ‘McClelland became so attached to his hypothesis that he has unconsciously selected and used data in a way designed to support rather than test his theory’. This has been repudiated by McClelland (1965, p. 246) in his response, which says that Schatz evaluated the achievement motivation purely from an economic perspective while McClelland was attempting ‘to test empirically by some of the methods widely used in other behavioural sciences.’

Entrepreneurship research has become more contextual and process oriented with Gartner (1985) suggesting a conceptual framework for describing the phenomenon of new venture creation which emphasized four major perspectives: characteristics of the individual who starts the venture, the organisation which they create, the environment surrounding their new venture and the process by which the new venture is started. Gartner (1985, 1988) argued that focusing purely on traits and personality characteristics would not lead to a definition of entrepreneurship or help researchers to understand the phenomenon of entrepreneurship. As a better alternative, he proposed the behavioural approach, which focuses on the primary phenomenon of entrepreneurship – creation of organisations or the process by which new organisations come into existence. Gartner (1985) argues that the organisation, not the individual is the primary level of analysis and the individual is viewed in terms of activities undertaken to enable the organisation to come into existence. It could be argued, however, that, without the individual, the organisation does not come into being.

This argument has been revisited in more recent times as researchers continued to identify that the personality traits of an entrepreneur differ to those of a manager (Brandstätter 2011; Frese 2009; Zhao, Siebert & Lumpkin 2010). The last four decades has seen a substantial amount of research on the role of personality in entrepreneurial status. Personality research has evolved
over time, but early writers generated a wide array of confusing personality variables (Chandler & Lyon 2001; Gartner 1988). Towards the end of the 1980s, results from empirical studies were inconsistent and sometimes contradictory. This led reviewers to conclude that there was no identifiable relationship between entrepreneurial status and personality traits. The recommendation was to abandon all future research using the trait paradigm (Brockhaus & Horwitz 1986; Gartner 1988). Zhao and Siebert (2006, p. 259) argue that this was a premature conclusion and opine that the emergence of the Five Factor Model of personality (FFM) allows the organisation of a ‘vast variety of personality variables into a small but meaningful set of personality constructs’. This method of organisation facilitates the search for consistent and meaningful relationships. The five basic personality factors are:

Openness
Conscientiousness
Extraversion
Agreeableness
Neuroticism

These are often referred to in literature as OCEAN. Many researchers (e.g. Ahmed 1985; Boyd & De Nicolò 2005; Carland, Carland & Stewart 1999; Miner & Raju 2004) have examined the relationship between the personality trait of risk propensity and entrepreneurial status. Controversy exists regarding how this personality trait fits within the FFM. It has been suggested that risk propensity should be viewed as a ‘compound personality trait’ that reflects a specific combination of scores on all of the five basic personality (Nicholson, Soane, Fenton-O’Creevy & Willman 2005) traits, while others argue that is forms a sixth discrete dimension on personality (Jackson 1994; Paunonen & Jackson 1996).

Common theoretical and methodological approaches to research the characteristics of entrepreneurs have been the use of demographic information such as gender, birth order, marital status, previous work experience (Brockhaus & Horwitz 1986; Hisrich 1990) and personality theory emphasizing personal dispositions or traits (Gartner 1988; McClelland 1961; Mueller & Thomas 2001). The use of personality traits as a tool for analysis has had a chequered past. While originally considered an appropriate level of analysis, in the 1970s and 1980s, the personality approach to studying the behaviour to entrepreneurs was discredited. This is a partial reflection of personality research at the time (Zhao & Siebert 2006) as the studies were using a confusing variety of personality variables which had little theoretical justification and unproven reliability and validity (Chandler & Lyon 2001; Gartner 1988). This
led to the view that there is no identifiable relationship between personality and the entrepreneurial state and that all future research using the trait theory should be abandoned (Brockhaus & Horwitz 1986; Gartner 1988). However, trait theory has gained new momentum with the emergence of the Five Factor Model of personality, which allows a large number of personality variables to be organised into a small but meaningful set of personality constructs that allow the researcher to search for consistent and meaningful relationships (Zhao & Siebert 2006).

In labour economics, the general literature identifies that education and training need to be supplemented by innate ability for success in enterprises (Ashenfelter & Rouse 1998). However, there is no clear consensus on just what is innate ability. Two competing models have emerged to explain the variation in entrepreneurs’ skill sets: the investment hypothesis (Lazear 2004) and the endowment hypothesis (Astebro & Thompson 2011). The investment hypothesis (Lazear 2004) suggests that individuals work various jobs with a view to building up a skill set appropriate for starting a business. By way of contrast, the endowment hypothesis suggests that entrepreneurial talent or liking change help to develop the requisite skill set (Stuetzer, Obschonka and Schmitt-Rodermund 2013).

Entrepreneurial skills as an innate talent have been discussed over many years in the entrepreneurship literature (Knight 1942; Lucas 1978; Rosti and Chelli 2005; Schumpeter 1934; Silva 2007). More recently, Stuetzer, Obschonka and Schmitt-Rodermund (2013) tested two basic approaches: personality research and developmental research. The trait approach suggests that a person’s personality will indicate his or her entrepreneurial talent, while the developmental approach considers not only personality but also the age-appropriate entrepreneurial competence formed early in life (Stuetzer, Obschonka and Schmitt-Rodermund 2013). They concluded that a combination of initial talent, as well as a planned investment in developing the required skillset, are important for successful entrepreneurship.

**Sociological approaches to entrepreneurship**

Sociological approaches to entrepreneurship include factors such as gender, age, education, previous work experience and family as illustrated in Table 2.4 that outlines the sociological characteristics common to entrepreneurs.
Table 2.4 Sociological characteristics common to entrepreneurs

<table>
<thead>
<tr>
<th>Sociology</th>
<th>Authors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Carter et al. 2001</td>
</tr>
<tr>
<td>Age</td>
<td>Singh &amp; Verma, 2001</td>
</tr>
<tr>
<td>Education</td>
<td>Krueger &amp; Brazeal, 1994</td>
</tr>
<tr>
<td>Previous work experience</td>
<td>Krueger &amp; Brazeal, 1994</td>
</tr>
<tr>
<td>Family</td>
<td>Greenholm et al., 2004</td>
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Sociology

Sociologists hold that it is society’s values and hierarchy that will determine the extent of entrepreneurial activity. They acknowledge the influence of numerous social factors on the propensity of an individual to behave entrepreneurially and to do so continuously. This approach considers such demographic factors as family and social background, education, religion, culture, work and general life experiences (Hisrich 1990). The demographic approach to the study of entrepreneurship aims to identify where commonalities lie when characterising the entrepreneur, taking into account the following criteria:

Gender

The importance of gender in entrepreneurship has been identified. In particular, it has been concluded that there are differences between men and women in their characteristics and motivations in relation to entrepreneurship (Delmar & Davidsson 2000; Shane & Venkataraman 2000). Similarly, a 2004 Organisation for Economic Cooperation and Development (OECD) report discusses the different types of entrepreneurs in a society and the nature of the business in which they operate can be influenced by one’s gender. Women’s entrepreneurial activity levels in the past were usually significantly lower than men’s levels and, furthermore, the industries that women most commonly operate in differ significantly to that of men (Carter, Anderson & Shaw 2003).

While entrepreneurship has historically been a male dominated field, the trend is changing and women entrepreneurs have been described as an unexploited source of economic growth (Stevenson 2011). The number of women considering entrepreneurship as a career option has
increased (Aylward, Tynan, O’Gorman, Sinnot & Durand 2006) and the reasons for starting a business appear to be gender based. Women traditionally have had a low participation rate in entrepreneurship and this has been associated with their tendency to be concentrated in the public sectors such as health and education. More recently, business startups by women are one of the fastest growing entrepreneurial populations in the world and make a significant contribution to employment, wealth creation and innovation throughout the world (Brush, de Bruin, & Gatewood 2010). One of the oft-cited reasons for the lack of female representation amongst the ranks of entrepreneurs has been the difficulty in raising finance for a venture. The provision of micro-finance has been identified as integral in encouraging entrepreneurship among women as they often have access to ‘fewer resources, less knowledge and have in many countries a lower societal position than men’ (OECD 2004, p. 30).

Age

Age has been identified as another important demographic characteristic that differentiates the entrepreneur from an ordinary individual in business. The decision to become an entrepreneur is generally affected by a sequence of events, although there is a decline in the likelihood of individuals choosing an entrepreneurial path as they become older (Shane 2003). However, the more mature entrepreneur will have significantly more experience and thus may be more likely to succeed, in contrast to younger entrepreneurs who are more likely to take more risks in an attempt to grow their business (Henry, Hill & Leitch 2003). Entrepreneurial activity reaches its peak amongst individuals in the thirty to forty year age bracket as it is often at this point that an individual feels they have the capability of entering entrepreneurship after gaining experience in paid employment (Katz 1994). Also, as people age, the opportunity costs of leaving paid employment rises owing to higher incomes associated with more senior positions. And, finally, younger entrepreneurs tend to have a greater need for achievement and feel that they need to prove themselves, which in turn leads to higher levels of ambition (Singh & Denoble 2003).

Education

It has been argued that education is the key to successful entrepreneurship and can help individuals cope with their entrepreneurial problems more easily. Research has shown that the formation of potential entrepreneurs through education and entrepreneurial training can stimulate economic growth (Jusoh, Ziyae, Asimiran & Kadir 2011). It has been stressed that a good education is imperative for successful entrepreneurship (Hisrich 1990) as education
provides the skills to exploit entrepreneurial opportunities. In addition, education develops personal values such as strong ethics and ethical behaviour (Forfas 2007). Individuals with higher educational attainments tend to have greater skills that assist them not just in business start-up but also in greater employment opportunities, which results in greater opportunity cost in relation to entrepreneurial activity (Johannisson 2000).

**Previous work experience**

Often the industry in which the ‘new’ entrepreneur operates is strongly linked to previous experience (Groen, Van Der Sijde, Oakey & Cook 2008) and previous work experience is seen as an important indicator of entrepreneurial success, particularly if the experience is in the same industry as the proposed business venture (Henry, Hill & Leitch 2003). Career experience facilitates the entrepreneur in exploiting entrepreneurial opportunities and can increase the entrepreneur’s expected profit (Shane 2003).

**Family**

There is general consensus in the literature that family is one of the biggest influences on major life decisions (Shapero 1985). Family influences are an important factor for potential entrepreneurs in their decision to start a new business and there is some evidence to a tradition of entrepreneurship in some families. The occupation of parents has an influence on whether an individual is nurtured in an entrepreneurial direction. Research has shown that entrepreneurs tend to have self-employed or entrepreneurial fathers (Hisrich & Brush 1986), and this provides a strong inspiration for the budding entrepreneur. Parents are the primary role model in the early socialization of children and factors such as the parents’ occupations, social status, birth-order and the entrepreneur’s relationship with their parents have been found to be determinants of entrepreneurship (Cooper & Dunkelberg 1987; Henry, Hill & Leitch 2003). One of the primary demographic characteristics of entrepreneurs noted is that the majority are first-born (Henry, Hill & Leitch 2003). Research has revealed that the ‘typical’ female entrepreneur is: a highly educated, firstborn child with a self-employed, professional father (Hisrich & Brush 1986). The effect of birth order on entrepreneurial intentions has centred on the assumption that individuals born first in their family inherit or develop a set of personality characteristics that predispose those individuals to entrepreneurial behaviour at some point in their lives (Henry, Hill & Leitch 2003).
Social context

It has been suggested (Westhead, Wright & McElwee 2011) that internal and external factors are important in shaping an individual’s motivation and access to resources and that entrepreneurship exists in a social context (Licht & Siegel 2006). The suggestion being that an individual’s social context shapes their propensity to not only become an entrepreneur, but to become a successful entrepreneur. Social context can shape an individual’s expectations, access to high quality education and ability to obtain employment allowing them to accumulate financial resources and managerial, technical and entrepreneurial capabilities. Westhead, Wright and McElwee argue that ‘social context shapes access to resources’ (2011, p. 53) and it is often resources that dictate how an entrepreneur progresses with their venture.

The sociological approach recognizes that an individual’s age, education and employment history can shape their expectations and access to resources and these can be leveraged to create, identify and exploit business opportunities. The entrepreneur’s peers, family, mentors and teachers are influential in shaping one’s perception of the feasibility of starting a business (Westhead, Wright & McElwee 2011). A survey of 800 entrepreneurs conducted in 1987 by Cooper and Dunkelberg found that 50% had at least one parent who was self-employed. Other factors identified include social and entrepreneurial networks that provide the entrepreneur with support and educational background.

Behavioural focus

Entrepreneurship has been generally understood to be the creation and development of a new business. This common public perception is quite myopic, as the concept of entrepreneurship is not confined to the development of a new business. The term ‘entrepreneurship’ is relatively modern; however, the concept has evolved over centuries. It appeared in the French language long before there was any concept of entrepreneurs or entrepreneurship. Frenchmen who organized and managed military operations and expeditions in the sixteenth century were referred to as entrepreneurs (Ellis 1975).

When tracing the term ‘entrepreneur’ there is evidence that it first appeared in the literature in 1253 (Dana 2011), in the slightly different form of ‘empreneur’. It appears to have evolved to its present spelling in 1433 and from the middle ages until the current day, scholars have been developing descriptions of entrepreneurs. Cantillon is usually credited with the first use of the word in a business sense, yet there are records showing its use in 1475 by William Worcester and William Caxton in 1485 in their writings (Frederick & Kuratko 2010). During the Industrial
Revolution of the 18th century entrepreneurs played a key role in the transformation of resources and the associated risk taking. The word entrepreneur is derived from the French word ‘entreprendre’ which means ‘to do’ or ‘to undertake’ in English (Swedberg 2000). In the middle ages, the term entrepreneur translated as ‘between-taker’ or ‘go-between’ (Hisrich 1990).

During the past decade, researchers and educators have pondered the question ‘what are we talking about when we talk about entrepreneurship?’ (Kobia & Sikalieh 2010). Attempts to define entrepreneurship have centred on the skills that define an entrepreneur and the processes and events that are part of entrepreneurship (Davidsson & Honig 2003); however, there is still no well accepted definition of entrepreneurship (Gartner 1988; Kobia & Sikalieh 2010; Shane & Venkataraman 2000).

The definition of entrepreneurship is situational and open to interpretation (Hébert & Link 1989). Entrepreneurs are not a homogenous group; they differ widely (Bolton & Thompson 2004). According to Long (1983), the descriptions of entrepreneurship are so liberal that even Lenin might qualify as an entrepreneur. He took considerable risk, exhibited a high degree of independence and used innovative ideas to implement new organisational forms in many sectors of Soviet life. Cantillon (1755) emphasized the economic function of entrepreneurs and thought social standing irrelevant, saying that even beggars and robbers could be entrepreneurs as they face uncertainty and take chances.

Most authors agree that entrepreneurship is a creative act, requiring personal energy and financial means to initiate and build an enterprise. In general, it requires a person to be innovative by identifying and seizing an opportunity that others have either not noticed or discarded. Existing resources must be organized to convert the idea to practical and marketable products or services. Value must be added through the addition of time, money or skills for the benefit of society. The entrepreneur both realizes the risk and reaps the rewards from these efforts.

In summary, entrepreneurs are described as heterogeneous, independent, creative, innovative risk takers who operate for both self-interest and the common good. They both make money and employ others, while entrepreneurship is situational and open to interpretation, with no regard for social standing. The next section examines who entrepreneurs are and identifies how they are different to business managers.
Who are entrepreneurs?

While many small business owners perceive themselves as entrepreneurs, running a small business and being an entrepreneur is not the same thing (Frith & McElwee 2007; McElwee 2006). The ability to operate an organisation requires different skills and abilities to those of an entrepreneur, for example running a successful long-term business requires managerial skills while being an entrepreneur requires innovative skills and has been described as a mindset. The process of creating and developing this economic activity is underpinned by a blend of risk taking, creativity and/or innovation with sound management skills (European Commission 2003).

Three authors stand out as having reflected extensively on the function of entrepreneurs: Cantillon, Say and Schumpeter. Richard Cantillon, an 18th century French economist and what we would now call venture capitalist, coined the word entrepreneur. He described the entrepreneur as an ‘arbitrager’, an individual buying at a certain price and selling at an uncertain price (Blaug 1986). Cantillon also describes an entrepreneur as self employed and discusses the concept of uncertainty which could be viewed as his attempt to highlight the difference between employment and self-employment and the uncertainty of self-employment (Long 1983). Cantillon thought of entrepreneurs as intermediaries between two or more other actors in the commercial arena, who engage in exchanges for profit (Hébert & Link 1989). He was also one of the first writers to link entrepreneurs with risk and uncertainty.

After Cantillon, Jean Baptiste Say had the greatest impact on the field of entrepreneurship as it is today (Dana 2011). He both saw himself as an entrepreneur and in fact came from an entrepreneurial family. His contribution was to identify the element of ‘innovation’ as being most characteristic of an entrepreneur, regarding entrepreneurs as people who do new things or use existing things in a new or different way. He saw the entrepreneur as an economic actor whose activities added value.

Schumpeter (1954) pointed out that Say was the first to draw a clear distinction between the role of the entrepreneur and the role of the capitalist. Although Schumpeter pointed out that he merely took over Say’s definition, he is attributed as the author who connected entrepreneurs and innovation. He postulated that ‘the essence of entrepreneurship lies in the perception and exploitation of new opportunities’ (Schumpeter, Opie & Elliot 1934, p. 78) combining ideas and philosophies from Marx and many others (Hébert & Link 1989). Rather than imitating the work of others, he melded the ideas of others into something uniquely his own identifying that
competition involved mainly the dynamic innovations of the entrepreneur, a view set forth as his Theory of Economic Development, first published in German in 1911 and in English two decades later (Hébert & Link 1989).

The entrepreneur is a person, not a team or organisation (Hébert & Link 1989). Entrepreneurship has to do with the activities of an individual person/s called entrepreneur/s. Therefore, for the concept of entrepreneurship to be well understood, one needs to know who an entrepreneur is, how one can recognize an entrepreneur and understand the entrepreneurial process. The understanding and knowledge of these concepts set the basis for the study of agripreneurship by providing a background and insight into the entrepreneurial phenomenon.

Kuratko (2007) argues that entrepreneurship is more than the creation of a business. While important, it is the individual’s characteristics of seeking opportunities, taking risks and having the tenacity to pursue the idea to reality, that combine to make him or her an entrepreneur. Wennekers and Thurik (1999) argue that entrepreneurship is essentially a behavioural characteristic of persons. Entrepreneurial behaviour requires a person to have the entrepreneurial skills and qualities plus the drive to participate in the competitive process. One without the other is not entrepreneurship. Entrepreneurship is therefore not an occupation, but rather an exhibition of entrepreneurial behaviour in a given circumstance. Gartner (1988, p. 64) posited that ‘the entrepreneur is not a fixed state of existence; rather entrepreneurship is a role that individuals undertake to create organizations’.

**Entrepreneurial success**

Recently, the issue of entrepreneurial success has been recognised as being worthy of further investigation (Baron & Henry 2011), but what exactly is success to an entrepreneur? There is little dispute that success is important in any business venture and despite comprehensive studies on economic, individual and environmental factors antecedent to entrepreneurial success, how success should be measured and what is indicative of success to an entrepreneur is not evident in the literature. Baron and Henry (2011) suggest that this is an issue for entrepreneurship scholars and identify a need for detailed investigation.

Personal profit is the motivator identified by Schumpeter & Bachhaus (2003), but how can this dimension be objectively measured? Alstete (2008) opines that the presence of advantages or rewards arising from entrepreneurship indicate success. Business indicators are commonly the size or longevity of an organisation or meeting and overcoming the challenges thrown in their
way (Venkataraman 1997). At what level is success measured – the individual, the firm, the small business or large organisation (Rauch & Frese 2000)?

Recognised antecedents of entrepreneurial success include economic, psychological, sociological and management factors. Economic factors including the use of planning and strategies, innovation, entrepreneurial orientation and tough environmental factors have been identified by Rauche and Frese (2000). Psychological factors include nAch, locus of control, risk taking, problem solving orientation, assertiveness and self-leadership aimed at achieving a positive outlook (McClelland 1961) and self-efficacy (Drnovšek, Wincent & Cardon 2010). Management practices of visioning and bootstrapping are also accepted antecedents for entrepreneurial success (Brush 2008).

Success can only be judged retrospectively.

Success can also be transitory in nature evidenced by once successful entrepreneurs losing all. ‘Successful’ entrepreneurs such as the late Christopher Skase of Sheraton Mirage fame, Alan Bond of Bond Corporation and Eddie Groves of ABC Learning were discredited and, in the case of Bond, spent time in jail for corporate fraud (Washington 2008).

As entrepreneurial success has differing dimensions, identifying the indicators is problematic and should be undertaken through a multistage process (Brockner, Higgins & Low 2004). The use of performance indicators is attractive for researchers and they are less prone to common method bias (Maritz 2006). A two dimension classification scheme was developed in 1986 (Venkatraman & Ramanujam) which highlighted 10 different approaches to measuring business performance using indicators of financial and operational performance. In this method, there are 10 basic approaches used for measuring business performance in an attempt to address what they acknowledge to be one of ‘the thorniest issues confronting the academic researcher today’ (Venkatraman & Ramanujam 1986, p. 801).

Over 20 years later, the issue of measuring entrepreneurial performance remains problematical. Rauch and Frese (2000) suggest that entrepreneurial success be measured by goal achievement, economic success, lifestyle success and growth, yet each of these is a multidimensional phenomenon in its own right (Delmar, Davidsson & Gartner 2003). Rauch and Frese (2000) comment that choosing only one aspect of entrepreneurial success is seen as restrictive as it does not examine all of the processes involved and argue that an indicator of success from one view may imply unsuccessful activities from another, such as large profit margins in the context
of taxation planning. Table 2.5 identifies some of the issues when defining entrepreneurial success.

Table 2.5 *Entrepreneurial success*

<table>
<thead>
<tr>
<th>Entrepreneurial success</th>
<th>Author</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural issues informed by the customer’s perspective</td>
<td>Rauch et al. 2000</td>
</tr>
<tr>
<td>The attainment of wealth not necessarily a measure of entrepreneurial success</td>
<td>McMullen et al. 2006; Alstete 2008</td>
</tr>
<tr>
<td>Focus on value creation leads to alternate indicator of success: i.e. social entrepreneurship would not use wealth maximisation as an indicator of success</td>
<td>Austin et al 2006</td>
</tr>
<tr>
<td>Entrepreneurs have a diverse and individualised range of success measures</td>
<td>Bolton et al. 2005</td>
</tr>
<tr>
<td></td>
<td>Brush 2008</td>
</tr>
<tr>
<td>Rewards of entrepreneurship are independence, freedom, job satisfaction and money. Current involvement in entrepreneurship is an indicator of ‘success’</td>
<td>Alstete 2008</td>
</tr>
<tr>
<td>Entrepreneurs perceive effort as the most important condition for success, followed by education and experience and luck</td>
<td>Liechti et al 2009</td>
</tr>
<tr>
<td>The number of employees hired after the venture is launched</td>
<td>Calliendo et al. 2008</td>
</tr>
<tr>
<td>Entrepreneurial success is a consequence of the interaction between the individual and their environment and assumes that success can be transient.</td>
<td>Kumar 2007</td>
</tr>
<tr>
<td>Entrepreneurial success is satisfaction with perceived rewards and survival beyond a point in time.</td>
<td>Rauch et al 2000</td>
</tr>
</tbody>
</table>

*Source: developed for this study.*

It is evident that the indicators of success for entrepreneurs differ to those generally used in mainstream business. Entrepreneurial success is the entrepreneur’s personal satisfaction with their life as an entrepreneur and their venture in terms of its growth and attainment of goals set by the entrepreneur (Fisher 2011).

### 2.3.3 Identified gaps in literature

In spite of the controversy and definitional problems surrounding entrepreneurship, research on the personal characteristics and demographic issues continues. Yet, to date, there has been little or no research on entrepreneurs in agritourism or agripreneurs, despite the acknowledgement that they are vital to the economic survival of rural and regional areas of Australia. Research to date is seen as scarce, fragmented and inconclusive as evidenced by Table 2.6.
Table 2.6 Evidence of gaps in research

<table>
<thead>
<tr>
<th>Theme</th>
<th>Author(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of research into agricultural entrepreneurship/farm entrepreneurship</td>
<td>Swedburg 2000; Knudson et al. 2004; Ratnatunga &amp; Romano 1997; Busby &amp; Rendle 2000; Alsos, Ljunggren &amp; Pettersen 2003; Richards &amp; Bulkley 2007; Richards &amp; Bulkley 2007</td>
</tr>
<tr>
<td>Little emphasis placed on the role of innovation in agriculture</td>
<td>Knudson et al. 2004; Swedburg 2000; Blaug 2000</td>
</tr>
<tr>
<td>Existing literature on agritourism is fragmented, scarce and inconclusive</td>
<td>Barbieri &amp; Mshenga 2008; Di Domenico &amp; Miller 2012; Tew &amp; Barbieri 2012</td>
</tr>
<tr>
<td>Little research on the characteristics of both the farm and the farmer that may impact on performance in agritourism</td>
<td>Barbieri &amp; Mshenga 2008</td>
</tr>
<tr>
<td>Limited information on the extent or value of agritourism and food tourism in Australia</td>
<td>Ecker et al. 2010</td>
</tr>
<tr>
<td>Research often on motivations for venturing into agritourism, but differing conclusions</td>
<td>Murphy 1985; Nickerson et al. 2001; McGehee &amp; Kim 2004; Ollenburg &amp; Buckley 2007; Ollenburg &amp; Buckley 2011</td>
</tr>
<tr>
<td>Lack of attention paid to theories of entrepreneurship within tourism scholarship; the entrepreneur viewed as the overlooked player in tourism development</td>
<td>Li 2008; Koh &amp; Hatten 2002</td>
</tr>
<tr>
<td>Poor research on portfolio or pluriactive farming businesses</td>
<td>Carter 1998</td>
</tr>
<tr>
<td>Poor research on individual motivations for diversification</td>
<td>McGehee &amp; Kim 2004; Vik &amp; McElwee 2011</td>
</tr>
<tr>
<td>Dearth of research on diversification</td>
<td>Nickerson et al. 2001</td>
</tr>
<tr>
<td>Paucity of knowledge about which factors trigger the start-up of entrepreneurial activities amongst farmers</td>
<td>McElwee 2005; Alsos et al 2003</td>
</tr>
</tbody>
</table>

Source: Developed for this study

In general, the role of entrepreneurship and innovation has been given scant attention in agricultural economics (Knudson, Wysocki, Champagne & Peterson 2004; Swedberg 2000), but policy makers have identified this as a priority as it is a critical aspect of value adding in agriculture. Knudson et al. (2004) identify this limited research on entrepreneurship and innovation in agriculture as a gap in the literature that needs to be filled in light of both the growing interest in the area and the potential economic impact of agricultural entrepreneurs.

Rural embeddedness

When discussing rural entrepreneurs, the dimension of their embeddedness in the community in which they live cannot be ignored. An argument exists that, when examining the
entrepreneur, the context is important since the social structure is more important than the individuals within it (Jack & Anderson 2002). The degree to which an entrepreneur can draw on social and economic resources is dependent on the extent to which the entrepreneur is socially embedded (Hansen 1995; Jack & Anderson 2002) as it allows the entrepreneur to identify social resources essential to all new ventures. Several studies (e.g. Barbieri & Mshenga 2008; Che, Veeck & Veeck 2005; Cruickshank & Rolland 2006; Hindle & Klyver 2011; Johannisson 2000) have shown the importance of networks as an aid to developing connections and that social networks can increase the entrepreneur’s likelihood of success. The role of networking has become an important aspect of entrepreneurial research over the past three decades. Research on entrepreneurial networks (Hoang & Antoncic 2003) has confirmed their importance and varied role in influencing entrepreneurial process and outcomes (Jack 2005).

Networking effectively is important to facilitate entrepreneurial activity and sustain business development (Pettitt & Thompstone 1990).

Social networks can be sources of information including potential markets and business practices, with this knowledge not currently held by the entrepreneur but beneficial to identifying opportunities (Zampetakis & Kanelakis 2010). The information and resources gathered through being embedded have been found to compensate for environmental constraints. Opportunities only exist within the local structure and may not be available to those not embedded within the community; therefore, entrepreneurial embeddedness creates a link between the economic and social components of the community (Jack 2005).

Social embeddedness provides support during the entrepreneurial process (Schell & Davig 1981), but it is not without problems as, according to Uzzi (1997), there are several conditions where embeddedness can turn into a liability such as the unexpected exit of a core player, or when over-embeddedness stifles economic action due to social aspects superseding economic imperatives. Granovetter (1985) described networks as having ‘strong ties’ to family and close friends who trust each other and ‘weak ties’ of shorter duration and lower frequency. Weak ties are described as enabling the entrepreneur to reach outside their close social circle to access ‘information, advice and assistance from a large diverse pool’ (Chell & Baines 2000, p. 196).

Embeddedness has been identified as the nature, depth and extent (Uzzi 1997) to which an individual is tied to their environment and, based on Granovetter (1985), embeddedness represents a mechanism where the entrepreneur becomes part of the local structure. This social bond is beneficial as it allows the entrepreneur to exploit economic opportunities more effectively (Jack & Anderson 2002). This is because economic actions between actors do not
occur within a vacuum, instead they are conditioned by the structures of social relations and the social context is influential to the economic outcomes. While embeddedness was not always associated with entrepreneurship it is now recognised that research into embeddedness can increase our understanding of how social structure affects economic life (Uzzi 1997). Social contacts and links affect new business development as they bridge the ‘structural’ holes (Burt 1992; Carsrud & Johnson 1989; Jack & Anderson 2002). In this section the important role of social networks to business performance has been identified.

2.4 Immediate discipline: agripreneurs and agritourism

Agritourism or farm based tourism has been recognised as a form of rural tourism throughout Europe for over a century (Barbieri & Mshenga 2008). While rural tourism has been part of the Australian landscape for a period of time, more recently rural communities are contemplating agritourism as a means of surviving the global economic upheaval (Sharpley & Vass 2006) and taking a more coordinated approach to agritourism and food tourism (Knowd 2003). Two drivers of this change have been identified: firstly, structural market adjustments have forced farmers to identify new sources of income including food tourism and agritourism (Ecker et al. 2010) and, second, city dwellers are increasingly wanting to know where their food comes from (McGehee & Kim 2004; Mooney, Defenderfer & Anderson 2010), including how the food was produced and if animals and the environment were well looked after in the production of the food (Ecker et al. 2010).

2.4.1 Regional entrepreneurs and agricultural tourism in Australia

The importance of agritourism and food tourism (hereafter agritourism) to regional growth has been recognized by many researchers (Neales 2014). Two main drivers have been identified for this growth (Ecker et al. 2010; Gallaway 2011; Randall 2010; Veeck, Che & Veeck 2006). Firstly, changes such as structural and market adjustments, have forced farmers to pursue additional sources of income, including from agritourism (Ollenburg 2006). Second, city dwellers have developed a desire to be more connected to the land and the origins of their food and wine and popular televisions shows also have increased interest in cooking. The combination of these two trends has seen a shift in the traditional focus of agriculture on
production, to one that includes the increased integration of agriculture and consumption (McGehee 2002; Sharpley & Vass 2006).

Despite the harsh environment in Australia, agriculture is the most extensive form of land use (Ecker et al. 2010). The estimated total area of establishments with rural activity in 2005 was 445.1 million hectares (Bureau of Infrastructure 2008) representing 58% of the total land area. Since the mid-1980s, the area occupied by farms has steadily declined at a rate of 0.5% per annum. Several reasons have been cited for this decline, including the resumption of land for national parks, splitting of farms, urban sprawl, transfer of land to Aboriginal ownership, some of which is no longer used for agricultural purposes, and the conversion of land to other purposes such as forestry (Jones 2009).

Defining agricultural tourism has been likened to the fable of the blind men and the elephant (Brazeal & Herbert 1999; Veeck, Che & Veeck 2006), which is used to illustrate that each person may see a situation (or elephant) differently depending on their perspective of the situation. However, there is general agreement that regional agitourism refers to the act of going to a region to visit a working farm, or other farm or food related business for enjoyment, education or participation in other activities (Ecker et al. 2010). It incorporates visits to farms for the purposes of on-site retail purchases, enjoyment and education. It is an expanding industry; hence, governments are paying more attention to the importance and impact of agritourism.

While there has been on-farm diversification into new agricultural industries such as wildflowers, game meats and native foods including products such as aniseed, myrtle and Davidson’s plum, there has also been diversification away from agricultural production. Two major forms of this have been identified development of on-farm, non-agricultural enterprises and off-farm employment (Ecker et al. 2010). Off-farm employment has become increasingly important to maintaining family farm incomes with research reporting (Ecker et al. 2010, pp. 11-13) that in the period 1989 to 2003:

a) the proportion of farm families deriving a share of their income from off-farm wages and salaries increased 15% to 45%;
b) the average number of hours worked by spouses (usually the female partner) more than doubled from four to nine hours per week;
c) the average number of off-farm hours worked by farm operators increased by about one hour to an average four hours per week;
d) the average income earned from off-farm wages and salaries more than doubled in real terms from $15,000 to $35,000 per year; and
e) the contribution of off-farm wages and salaries averaged around 40% of the total income over the period.

Examples of the trend towards on-farm diversification include: farm tourism, aquaculture, effluent treatment, dairy processing (specialty cheeses and yoghurt), garment manufacturing from wool, wind farming and essential oil production. Farm tourism in Australian is dominated by the wine sector. Of the 1,798 wineries in Australia, in 2004 almost 80% had cellar door facilities, with just over a third of these serving food and providing on-site accommodation (Jones 2009). During the year ending June 2007, there were 5.3 million domestic and approximately 705,000 international visitors to Australian wineries. This is an increase of over 50% from 1999 (Australian Bureau of Statistics 2012). Outside the wine industry, farm tourism. While expanding, is not yet significant within either the agricultural or tourism sectors of Australia but is showing growth (Jones, Moreddu & Kumagai 2009).

A strong and growing interest in agritourism has been attributed to several reasons. Two of note to this study are:

1. agritourism has a substantial economic impact on local economies and provides one way to improve the incomes and potential economic viability of small farms and rural communities (Mason, Mahony, Pringle & Sibson 2007); and
2. farmer’s markets are attracting regional visitors willing to pay a premium for fresh, good, local produce (Langworthy, Howard & Mawson 2006).

Agriculture has always been an uncertain business. Global trade patterns have changed in recent decades for all agricultural commodities for several reasons. The inclusion of agricultural products in the 1994 World Trade Organization (WTO) agreements opened the markets to new producers such as Brazil, Mexico, Argentina and China. Trade and consumer disagreements regarding food safety and genetically modified foods have lowered demand in some instances and livestock and avian diseases have slowed exports. More recently, the live cattle industry was decimated with the cessation of exports, owing to reports of animal cruelty in Indonesian abattoirs (Cannane 2012). Along with the prolonged drought, locust and mice plagues (O'Rourke 2011) and the rising Australian dollar, farm incomes have been severely affected (Lewis 2014).

Governments worldwide have implemented programs to assist rural communities in developing tourism (Knowd 2003). Agritourism can have benefits for both the farmer and the
consumer as it plays an important role in increasing consumers’ knowledge of food and wine, and the background of production. The key drawcard relates to authentic recreational and aesthetic experiences – what they see, taste, hear, smell and feel. Agritourism also provides the opportunities for connection with growers and rural landscapes. Consumers are becoming savvier and have begun to question the origins of their food (Beer 2008). Knowd (2003) asserts that this is all beneficial to the highly urbanized Australian population as they have an increasing desire to connect with the farm. This is an opportunity that can be exploited by farmers willing to provide these opportunities.

Developing and maintaining agritourism activities requires leadership and entrepreneurship (Ecker et al. 2010). Amanour-Boadu (2006) argues the importance of consciously enhancing an entrepreneurial mindset amongst farmers to assist the development of a ‘discovering eye’ or the ability to see the same things as others, but identify how this can be used differently to create new business opportunities. Often, one or more key individuals with vision drive the collective move towards agritourism activities in a region. Knowd (2003) calls these players ‘champions’ and Ecker et al. (2010) asserts that these early movers are important in demonstrating to others, particularly other producers the benefits of agritourism and food tourism enterprises.

Key players or ‘champions’ play an integral role in the development of agritourism activities and entrepreneurs have been shown to create wealth and development in society. A review of literature identifies that while there has been considerable research on the role of entrepreneurs in many areas of business, there has been little specific research on the role of the entrepreneur in agritourism (see Table 2.7).

Changes in the macro environment, such as aging baby-boomers, immigration and fluctuations in the economy and currency, are felt deeply in rural environs (Knowd 2003; Townsend 2013). Rural communities have been feeling the impact of change with greater intensity than urban areas that have more critical mass to absorb the turbulence. Rural towns have been in decline in recent years for several reasons: extended drought conditions, the high Australian dollar making rural exports uncompetitive, an ageing workforce, skilled workers exiting to the resource sector and rising input costs (Industry Skills Council 2011). Entrepreneurship in rural communities has been identified as one way to increase the value of agricultural production (Alsos, Ljunggren & Pettersen 2003), with farm resources available for tourism to generate increased regional activity. Agriculture is a rapidly changing industry with high value resources at its disposal. While a universal awareness of agricultural business exists, it is subjective and
distorted with little awareness of the existence of entrepreneurs (Richards & Bulkley 2007). However, during the last century, thousands of agricultural entrepreneurs have ‘successfully navigated a path from farmer of yesteryear to today’s agricultural businessman’ (Richards & Bulkley 2007, pp. 3-4). In Australia, rural and regional areas have undertaken innovative changes to diversify agricultural production (Ecker et al. 2010).

Difficulty arises when defining rural as it is often defined in opposition to urban (Jones, Moreddu & Kumagai 2009). This is no different in Australia, where areas are defined as remote and rural according to a Standard Geographical classification – rural areas are defined as those areas other than urban according to census collection districts. The Australian government applies a Remoteness Area classification, which was developed in the late 1990s and classifies collection districts into five broad areas of remoteness according to the Accessibility/Remoteness Index of Australia (www.australia.gov.au 2014) based on the physical road distance to five urban areas of various population sizes. Definitions of ‘rural’ vary from country to country, with some countries merely classifying non-urban as rural or areas regions with density of population below a particular threshold as rural, while others are more specific as to remoteness (Jones, Moreddu & Kumagai 2009).

Several terms used interchangeably throughout the research on agritourism. They include: farm tourism, farm-based tourism, rural tourism, outback tourism, agritourism and culinary tourism (Ecker et al. 2010) and it has been defined in many ways as shown in Table 2.7.
Table 2.7 Definitions of agritourism

<table>
<thead>
<tr>
<th>Author</th>
<th>Year</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dartington Amenity Research Trust</td>
<td>1974</td>
<td>Any tourism or recreation enterprise on a working farm</td>
</tr>
<tr>
<td>Frater</td>
<td>1983</td>
<td>Tourism enterprises that are present on working farms and yet are largely supplementary to existing farm activities</td>
</tr>
<tr>
<td>Murphy</td>
<td>1985</td>
<td>Working farms that supplement their primary function with some form of tourism business</td>
</tr>
<tr>
<td>Roberts</td>
<td>1992</td>
<td>Farm tourism represents continuing ownership and active participation by the farmer in typically, small-scale tourism ventures</td>
</tr>
<tr>
<td>Clarke</td>
<td>1996</td>
<td>Tourism products in which the consumer is aware of the farming environment</td>
</tr>
<tr>
<td>Weaver &amp; Fennell</td>
<td>1997</td>
<td>Rural enterprises which incorporate both a working farm environment and a commercial tourism component</td>
</tr>
<tr>
<td>Kuehn &amp; Hilchey</td>
<td>2001</td>
<td>Any business conducted by a farmer for the enjoyment or education of the public, to promote the products of the farm and to generate additional farm income</td>
</tr>
<tr>
<td>Sonnino</td>
<td>2004</td>
<td>Activities of hospitality performed by agricultural entrepreneurs and their family members that must remain connected and complementary to farming activities</td>
</tr>
<tr>
<td>Centre for Profitable Agriculture</td>
<td>2005</td>
<td>An enterprise that combines elements of agriculture and tourism</td>
</tr>
<tr>
<td>McGehee, McGehee &amp; Jennings</td>
<td>2007</td>
<td>Rural enterprises that incorporate both a working farm environment and a commercial tourism component</td>
</tr>
<tr>
<td>Barbieri &amp; Mshenga</td>
<td>2008</td>
<td>Any practice developed on a working farm with the purpose of attracting visitors</td>
</tr>
<tr>
<td>Australian Regional Tourism Research Centre</td>
<td>2009</td>
<td>Agritourism characterized as a business or activity that invites visitors to come on-farm or into a rural community to enjoy agriculture, its produce and natural environment in which it exists, Agritourism is generally an additional enterprise added to the farm, integrating tourism into agri-business</td>
</tr>
<tr>
<td>Ecker, Clarke, Cartwright, Kancans, Please &amp; Binks</td>
<td>2010</td>
<td>The act of going to a region for the purpose of visiting a working farm, winery or other food- or fibre-related operation for enjoyment, education or active participation in activities or events</td>
</tr>
</tbody>
</table>

Source: adapted from Ecker, Clarke, Cartwright, Kancans, Please & Binks (2010).

Although farm-based tourism has a long tradition in Europe, more recently, agritourism has been identified as an effective means of addressing the socio-economic problems of rural towns and the agricultural sector (Sharpley & Vass 2006). Agritourism was initially encouraged in Europe as a way to save a struggling farming industry (Olding 2014). The European Union (EU) Common Agricultural Policy (CAP) subsidises farmer’s income and it has been argued by the World Trade Organization (WTO) that these subsidies distort agricultural markets
(Rizov, Pokrivcak & Ciaian 2013). Recent studies have identified that these public subsidisation of agriculture leads to inefficient production (Ciaian & Swinnen 2009). While this is open to dispute, farming in Australia is not regularly subsidised. This adds to the difficulties experienced by Australian farmers in global markets.

Table 2.7 shows that numerous labels and definitions are applied to agritourism and demonstrates that the picture is complex and confusing (Phillip, Hunter & Blackstock 2010). From ‘any tourism or recreation enterprise on a working farm’ (Dartington Amenity Research Trust 1974) to the Australian Regional Tourism Research Centre (2009) definition, which identifies the connection between farming, business, the environment and tourism, the definitions have evolved. Ecker et al. (2010) describe agritourism as tourists visiting a working farm, winery or other food- or fibre-related operation for education and enjoyment (Ecker et al. 2010). The following discussion will identify the changes taking place in the rural landscape.

In addition, it will discuss how agritourism undertaken by agripreneurs has provided additional on-farm income for both the farm and the local community.

Entrepreneurs are quick to respond to changes in their environment (Hébert & Link 1989; McClelland 1961) and it is within this climate of change that an entrepreneur can create change through the identification of opportunities and innovations. Kline (2007) argues that the entrepreneur needs a malleable, vulnerable environment in which to operate, yet the rural community is susceptible to change and the impacts from change are felt intensely. The trend towards uniformity in cities and towns has driven the demand for rural tourism with tourists attracted to unique experiences and flavours that rural communities can offer (European Commission 1997).

The connection between entrepreneurship and rural tourism development is found rarely in literature (Alsos, Ljunggren & Pettersen 2003). There are passing references made to entrepreneurs when identifying stakeholders but little research is devoted to the entrepreneur or the entrepreneurial activity as the subject. Following is a discussion of the entrepreneur’s role in rural agricultural tourism.

Like entrepreneurship, despite comprehensive examination of the literature there is no consensus of the fundamental defining characteristics of agritourism. Agrotourism, farm tourism, farm-based tourism and rural tourism are used interchangeably with agritourism and each other (Barbieri & Mshenga 2008; McGehee & Kim 2004); however, these terms have also
been used explicitly to denote similar but distinct concepts (Phillip, Hunter & Blackstock 2010). Agritourism will be used exclusively in this study.

Studies have cited many reasons why farmers choose to move into agritourism (Alonso & Northcote 2010; Ecker et al. 2010; McGehee & Kim 2004). These include the search for opportunities to increase or diversify income, maintaining or gaining a lifestyle to which they aspire, the opportunity to provide education about rural issues and providing a way to reduce drought and climate shocks. However, income diversification is the most commonly occurring reason given by farmers for their diversification (Ecker et al. 2010). Diversification into other income earning activities or ‘alternative farm enterprises’ (Ilbery, Bowler, Clark, Crocket & Shaw 1998) is increasingly seen as an effective strategy to promote a more diverse and sustainable rural economy. As diversification becomes normal practice, farmers are recognized as entrepreneurial, having developed new skills and capabilities to remain competitive (McElwee 2006). It has been argued that entrepreneurship is increasingly becoming one of the most important aspects of modern farming (Smit 2004).

A growing literature is emerging in agricultural and tourism entrepreneurship, but just what is it? Several studies (McElwee 2006; Vesala, Peura & McElwee 2007) refer to Gray’s (2002, p. 64) definition of the entrepreneur as being most appropriate and relevant to the farm sector: ‘…individuals who manage a business with the intention of expanding that business and with the leadership and managerial capabilities for achieving their goals’.

Agritourism is not to be confused with tourism in rural areas (Santucci 2013) which could include additional forms of tourism that exist in a rural setting. These could be eco-tourism and other nature-based forms of tourism or cultural tourism that does not relate directly to agriculture (such as opera in the vineyard) or rural adventure tourism (Ecker et al. 2010). Researchers have struggled to develop a broad definition of agritourism, although Phillip, Hunter and Blackstock (2010) developed a classification system of agritourism operations based on three criteria: whether the setting is a working farm, the level of contact between the tourist and the agricultural activity, and whether a visitor’s experience is authentic or staged. This research will use this classification system in the identification of agritourism operations.

The last three decades have seen a significant increase in the number of farm families diversifying their on and off-farm production (Edwards, Gray & Hunter 2009). A study of the literature reveals many reasons for this, including environmental pressures, climate change, a decline in the terms of trade for agriculture, rising production costs, globalization, loss of
government supported agriculture programs and the encroachment of suburban development (McGehee & Kim 2004). While research has been undertaken into a variety of issues associated with the farm and farm tourism such as: patterns of development (Ilbery, Bowler, Clark, Crockett & Shaw 1998), marketing (Boyne, Hall & Williams 2003; Zampetakis & Kanelakis 2010), farm tourism markets (Oredegbe & Fadeyibi 2009; Vecchio 2010) and gender (McGehee, Kim & Jennings 2007), there has been little written about the attitudes and responses of farmers to the challenges and experience of agritourism (Sharpley & Vass 2006).

**Farm diversification**

While diversification at farm level has been defined in many ways, it is generally accepted as the addition of an enterprise (Ecker et al. 2010). McInerney, Turner and Hollingham (1989) describe farm tourism as a one-off diversion using resources previously used in conventional farming activities. Ilbery, Bowler, Clark, Crockett and Shaw (1991) noted resistance to this change in focus. The farming identity which provided status and self-identity was viewed as important. Many French farmers have refused to diversify as they see this as a betrayal of their agricultural profession (Brandth & Haugen 2011). Also, many farmers still prefer not to consider themselves as entrepreneurs (Richards & Bulkley 2007) and instead prefer to maintain the cultural identity of farming. However, it has been observed that the manager of an agricultural firm has many roles (Olsson 1988). He/she has to be more than a manager or good producer – he/she now must possess many of the qualities of a good entrepreneur.

Thus the contemporary farmer might be considered the manager of a business, an entrepreneurial individual, or both (Couzy & Dockes 2008; McElwee 2008). Irrespective of these conflicting notions of farming self-identity – in economic development terms at least – in practice the diversified farmer is increasingly being seen as an entrepreneur with a stake in the performance of the rural areas (Jones, Moreddu & Kumagai 2009). Currently lacking in the literature is the discussion of the skills necessary for success in a modern and liberalised agricultural industry. Research is therefore required to identify the range of skills and competencies, from the farmer’s own perspective considered important for successful diversification into an agritourism enterprise.

An extensive review of the literature on entrepreneurship revealed a gap in the existing research, this being the dearth of research into the role of entrepreneurs in agritourism. Four research questions have been formulated as a result of a comprehensive study of the literature on entrepreneurs in agritourism or the term used in this study, agripreneurs. The first research
question (RQ1) is to ascertain the reasons why agritourism ventures are started – what triggers the decision to act. The individual differences that assist the move into agritourism are examined in the second question (RQ2). Barriers to entry were examined in question three (RQ3) and question four (RQ4) evaluates the meaning of success in agritourism ventures. In this thesis, an in-depth study of entrepreneurship has been undertaken. As a result, a gap in the extant literature – entrepreneurs in agritourism – has been identified.

2.5 Research domain

A societal shift has led to consumers wanting to reconnect with food and a greater emphasis on health and wellbeing has created the desire for consumers to know the source of their food. This has coincided with a general downturn in Australian agricultural industries owing to the availability of cheap food imports resulting primarily from the high Australian dollar until late 2013 and the availability of cheaper labour in many other countries, particularly our Asian neighbours. These factors plus the subsidisation of agricultural products in the EU have all led to an increased need for Australian farmers to identify new sources of income. This study will develop a tool to assist nascent agripreneurs evaluate their proposed venture. There are many barriers to entry for agripreneurs and this research aims to find out who takes the step into agritourism, why they take the step and how they can be assisted to take the step.

2.5.1 The research problem

How do agripreneurs come into existence? This is a question that has yet to be answered. While many have access to information and some even have access to the required resources, why do they make the decision to become entrepreneurs? The question of ‘Why do some people and not others discover particular entrepreneurial opportunities?’ (Jones, Moreddu & Kumagai 2009) continues to puzzle researchers. This question will be studied in the context of agricultural tourism.
2.5.2 Research objective

The objective of this research is to build a tool (Shane & Venkataraman 2000) or instrument for the development of agripreneurial action. There are several models and tools based on entrepreneurs in general business, but it could be argued that agripreneurs face additional obstacles due to their exposure to environmental issues often beyond their control.

2.5.3 Research Questions

Research question 1: What triggers individuals to start agritourism ventures when others, under similar conditions, do not?

Walford (2003 p. 61) argues that ‘failure to diversify is seen as poor farming practice’ and opines that the status of the farming community is no longer judged on their ‘nurturing and custodial abilities’ but on their ability to operate a successful enterprise. The desire to stay ‘on the land’ and the view that tourism offers a viable alternative has seen farmers embrace this as their key diversification strategy (Ilbery, Bowler, Clark, Crockett & Shaw 1991). Farm restructuring and rural decline are a worldwide phenomenon with diversification into agritourism observed worldwide, for example, in Australia (Knowd 2006), New Zealand (Cloesen 2007), the United States (Veeck, Che & Veeck 2006) and Japan (Ohe 2007).

A good argument can be made that farmers are already good managers who run their business effectively. They are price takers who have developed outstanding competencies in making the most of their assets. However, it is argued that the role of price taker and the focus on husbanding resources may be the very conditions that influence against innovation, risk taking and leadership that seem to typify entrepreneurial attitudes (Pyysiäinen. Anderson, McElwee & Vesala 2006). Timmons (1999, p. 27) describes entrepreneurship as ‘…a way of thinking, reasoning and acting that is opportunity obsessed’. So, can farmers who have shown they are good managers change their mindset to this opportunity obsession?

Farmers, agricultural businesses, researchers and governments have recognised the need for a more entrepreneurial culture in farming business. Other writers have suggested that, in order to reduce costs, intensifying conventional production, forward or backward integration or entering into cooperative arrangements are all ways to make the farm operations more viable (McElwee 2006; van der Ploeg 2000). Carter and Rosa (1998) argues that many farm businesses combine agricultural production with other income generating activities. They describe ‘pluriactivity’ as an important and distinctive feature of the farm sector. While writers
differ in their solutions to falling farm income, there is little dissension regarding the need for a more entrepreneurial approach to compete effectively and successfully in changing economic environments.

It has been said that the essence of entrepreneurship is the profitable exploitation of uncertainty (Knight 1942) and a personal alertness to potential sources of gain (Kirzner 1997). Entrepreneurs are as comfortable with uncertainty as non-entrepreneurs are uncomfortable with it (Amanor-Boadu 2006). They recombine resources – physical, human, financial and organisational – necessary to create new processes, practices, products/services and relationships to facilitate the exploitation of innovations that are identified through their ability to see things differently. As mentioned in the earlier discussion on entrepreneurs, several individuals may possess the same information, but only one may pursue the opportunity. Why is this? What triggers the start-up of new business activities by farm-based entrepreneurs?

It has been acknowledged in the literature that the pursuit of entrepreneurship is fundamental to the development of economically robust regions (Alsos, Ljunggren & Pettersen 2003; Westhead, Wright & McElwee 2011). Many studies cite the dominant reason for the opportunity search by farm operators is the need to maintain or increase the income generated by the farm owner (Bowler 1999; McNally 2001). The opportunity perspective of entrepreneurship highlighted in Table 2.1 emphasises business opportunities as the main source of entrepreneurial activities and an important trigger of new business start-ups. Some individuals recognise and/or exploit opportunities more easily than others (Shane. & Venkataraman 2000). The ability to discover opportunities requires the relevant information as well as the cognitive ability to evaluate it. Therefore, opportunities are the result of both environmental conditions and entrepreneurial ability to assess and process information (Alsos, Ljunggren & Pettersen 2003; Ucbasaran, Howorth & Westhead 2000).

The puzzle is therefore: ‘Why, when two farmers are faced with identical situations and conditions, does one farmer elect to pursue an opportunity when the other farmer does not?’ (adapted from Shane 2003).

**Research question 2: What individual differences help the transition from farmer to agritourism operator?**

This research will study farm operators involved in agritourism to evaluate whether an entrepreneurial approach to diversification has led to success in their venture. Research into farm diversification is not new; however, research into ‘farmers as entrepreneurs’ has provoked
little investigation, as evidenced by a major literature review on this subject (McElwee 2006). There is a large amount of literature on the characteristics of entrepreneurs and there is consensus that successful entrepreneurs exhibit certain characteristics such as n-Ach, risk-taking propensity and internal locus of control (Gartner et al. 1994; Koh 2002; Liles 1974; Long 1983).

A question consistently posed throughout the literature is why, when and how do some people and not others exploit opportunities that they discover? Venkataraman (1997) argues that the answer appears to be a function of the joint characteristics of opportunity and the nature of the individual or individual differences. Not all entrepreneurs will exploit an opportunity with the same expected value. Instead, they will look at the opportunity cost of pursuing alternative activities when making the decision on whether to or not (Shane 2003). If people have developed useful information from previous employment, which may reduce the cost of opportunity exploitation, they are more likely to exploit opportunities. This information plus transferability of skills from previous entrepreneurial experience are all cited as factors that increase the probability of exploiting an entrepreneurial opportunity (Cooper & Dunkelberg 1987). The creation of a new product or market involves downside risk owing to the time, effort and money that must be invested before return on investment becomes evident (Knight 1942; Venkataraman 1997). The argument has been that individual differences in the willingness to bear risk influences the decision to exploit entrepreneurial opportunities. It is suggested that people who exploit opportunities tend to frame information more positively, then respond to these positive perceptions (Palich & Ray Bagby 1995).

**Research question 3: What barriers could make the transition from farming to agritourism difficult?**

The relationship between farm tourism and the surrounding areas is a two-way one with both positive and negative linkages. The benefits of farm tourism include stimulating the surrounding local economy, providing incentives to farmers to preserve agricultural land and related natural amenities and enhancing the availability of authentic farm products and services. As an activity that shapes the appearance of the countryside and makes it more attractive to visitors, it may also enhance economic opportunities for the regional tourist sector by creating a tourism cluster. In addition, this farm tourism may reinvigorate the area, thereby enhancing the sense of place for local residents (Mooney, Defenderfer & Anderson 2010) and giving them a reason to stay and invest in their community.
As with any development there is a negative impact and the factors could include a loss of privacy, over use of resources, local traffic congestion and conflicts over non-traditional land uses (Ecker et al. 2010). These factors need to be managed sensitively to minimise the impact on residents (Ecker et al. 2010). Farm tourism can also benefit from proximity to natural features, i.e. landscape features or native wildlife (Ecker et al. 2010). Agritourism ventures may promote themselves on the basis of proximity to these features, rather than just the attraction of staying on or visiting a farm.

Farmers have identified internal factors create barriers in addition to external factors. Farmers interviewed in a Tasmanian study on-farm diversification (Mooney, Defenderfer & Anderson 2010, p. 30) stated ‘that not having the right combination of appropriate knowledge, skill set and attitude’ could present an internal barrier. They voiced their concern about their own inexperience and the need to ‘learn to crawl before you can walk’ (Mooney, Defenderfer & Anderson 2010, p. 30). Given the diversity of opportunities available, farmers also discussed the difficulty of ‘choosing which way to go’ (Mooney, Defenderfer & Anderson 2010, p. 30).

The orientation of farmers has also been cited as a barrier. Farmers are generally product rather than market oriented (Che, Veeck & Veeck 2005) and it has been argued that the most significant barrier to growth in their businesses can be found in the farmers themselves (Klodzinski 2001). This is due to their level of education and readiness to cooperate, not because of a lack of physical resources. Farmers do not systematically access business advice networks and have narrow social networks. This is seen to limit their access to opportunities (McElwee 2006). Barriers are described as political, social, economic technical or personal phenomenon that restrict, either temporarily or permanently, the potential of the farmer to further develop their business (McElwee 2006).

**Research question 4: How is success measured in an agritourism venture?**

It is frequently observed that, under a wide range of conditions and in many different cultures and countries, farmers do not run their businesses with the sole objective of profit maximization and that other goals and objectives are significant (Austin, Deary, Gibson 1996). A performance evaluation of an agritourism farm that shows reduced economic returns could be viewed as a business failure (McNally 2001), although the farmer may view the operation as a success as the accomplishment of other goals are more important to him or her (Barbieri & Valdivia 2010). These goals may be providing employment for family members, ensuring continuation of the farm business or creating employment opportunities for the local
community (Australian Regional Tourism Research Centre 2009). This is in direct contrast to the usual business success indicators or employee numbers, sales growth, return on equity and return on assets (Achtenhagen, Naldi & Melin 2010; Walker & Brown 2004).

In their 1996 paper, Austin et al. identify two types of farmers, namely yeoman and entrepreneur. Yeoman farmers ‘define agricultural success by continuity of the family farm and implement risk aversive financial practices to meet their goal’ and entrepreneurial farmers ‘define success as the optimization of financial returns and personal achievement’ (Salamon 1985, p. 326).

From this discussion, it is evident that non-monetary aspects are important to agripreneurs and that success may not be evaluated by agripreneurs in the same way as the general business community. Table 2.8 summarises the research questions.

Table 2.8 Research questions

<table>
<thead>
<tr>
<th>Research question no.</th>
<th>Research question</th>
</tr>
</thead>
<tbody>
<tr>
<td>RQ1</td>
<td>What triggers individuals to start agritourism ventures when others, under similar conditions, do not?</td>
</tr>
<tr>
<td>RQ2</td>
<td>What individual differences help the transition from farmer to agritourism operator?</td>
</tr>
<tr>
<td>RQ3</td>
<td>What barriers could make the transition from farming to agritourism difficult?</td>
</tr>
<tr>
<td>RQ4</td>
<td>How is success measured in an agritourism venture?</td>
</tr>
</tbody>
</table>

Source: developed for this research.

2.5.4 Research propositions

Based on extant literature and discussions with informed sources it is proposed that the following propositions form the basis of the research. A previous conceptual framework has been adapted to the context of agripreneurs and agricultural tourism based on the research questions derived from the literature.

**Proposition 1:** Opportunities for agritourism come into existence

**Proposition 2:** Some but not other farmers identify opportunities for agritourism

**Proposition 3:** Differing modes of action are used to exploit entrepreneurial opportunities
This study fills this void by studying agripreneurs with a focus on personal and behavioural characteristics of the agripreneurs as well as the context in which he or she operates. The next section will discuss agritourism and entrepreneurs.

### 2.6 Conclusion

Entrepreneurship has been examined from a historical perspective to the present day. Then, ‘who is an entrepreneur?’ has been identified and discussed. From this analysis, the gaps in the literature have been identified. The lack of research into entrepreneurs in the context of agritourism has been shown to be a gap in the literature. The questions listed in Table 2.8 have been developed and will be used to form the basis of research to be undertaken into entrepreneurs in agritourism and test the research propositions developed for this study.

The following chapter will describe the research method to be used in this thesis. The chapter will describe the research philosophy and methodology, the assumptions on which they are founded and issues concerning the research methods, including data analysis, to be used in the study.
CHAPTER 3: METHODOLOGY

3.1 Introduction

In the previous chapter, entrepreneurship was examined from a historical perspective to the present day. Then, who is an entrepreneur was identified and discussed. From this analysis, the gaps in the literature were identified. The lack of research into entrepreneurs in the context of agritourism was also shown to be a gap in the literature. Four questions were developed and used to form the basis of research undertaken into entrepreneurs in agritourism.

This chapter describes the research methodology used in this thesis. The research objectives and questions for this study are stated, then the chapter describes the research philosophy and methodology, the assumptions on which they are founded, and any issues concerning the research methods utilised in this study.

The two major research methodologies are quantitative, which uses statistical analysis of large quantities of data to test existing theories and qualitative, which investigates from a social context to assign meaning. As this research was conducted in an uncontrolled environment, where little research has been previously undertaken, case study research was identified as the most appropriate method of research.

3.1.1 Research questions

In Chapter 2, the literature on entrepreneurship was reviewed, followed by a thorough analysis of entrepreneurs in agritourism. Research questions for this thesis address the gaps identified in the course of the literature review.

Four research questions have arisen from the literature review undertaken in Chapter 2. They are as follows:

1. What external factors trigger individuals to start agritourism ventures when others, under similar conditions, do not?
2. What individual differences trigger the transition from farmer to agritourism operator?
3. What barriers could make the transition from farming to agritourism difficult? How can these barriers be overcome?
4. How is success measured in an agritourism venture?
The research problems emanating from the literature centred on the rural context and in particular, agritourism players. The overarching research question asks which factors impact the transition to and success of agritourism ventures as perceived by agripreneurs.

Figure 3.1 represents the structure of Chapter 3. Section 3.2 outlines the selection and justification of the research methodology, Section 3.3 presents the sampling procedures, Section 3.4 details the data collection methods, Section 3.5 explains the data analysis, Section 3.6 illustrates the criteria used for judging the quality of this research, Section 3.7 discusses the limitations of case study methodology, Section 3.8 outlines the ethical considerations and, finally, the conclusions are presented in Section 3.9.
Figure 3.1 *Structure of Chapter 3*

**3.1 Introduction and structure Chapter 3**

**3.2 Selection and justification for the research**
- 3.2.1 Purpose of the research
- 3.2.2 Justification of the interpretivist paradigm
- 3.2.3 Justification for qualitative methodology
- 3.2.4 Justification for case study methodology
- 3.2.5 Justification for multiple case study methodology

**3.3 Sampling**
- 3.3.1 Definition of target population
- 3.3.2 Sampling method
- 3.3.3 Sampling frame
- 3.3.4 Sample size

**3.4 Data Collection**
- 3.4.1 Justification for semi-structured in-depth interviews
- 3.4.2 Interview instrument
- 3.4.3 Pilot case study
- 3.4.4 Case study protocol
- 3.4.5 Chain of evidence
- 3.4.6 Case study transcripts, documentation and data storage

**3.5 Data analysis**

**3.6 Criteria for judging the quality of case study research design**

**3.7 Limitations of case study methodology**

**3.8 Ethical considerations**

**3.9 Conclusions**

*Source: developed for this study.*
3.2 Selection and justification for the research methodology

In this section, the chosen research strategy employed and the research design are justified.

3.2.1 Purpose of research

In general, the purpose of business research is to reduce uncertainty (Zikmund Babin, Carr & Griffin 2010) and focus decision-making. The three types of business research studies are: exploratory, descriptive and explanatory/causal. Sekaran (2003) asserts that the stage to which the knowledge about the research topic has been developed ideally dictates the nature of the study. Causal research seeks to explain why events occur and how things work to develop a cause and effect relationship (Zickmund, Babin, Carr & Griffin 2010). According to Zickmund et al. (2010), this type of research is appropriate when the research problem is already well documented and the discovered causality is useful to understand and predict outcomes of the investigated problem. Descriptive research provides a detailed and highly accurate picture using words or numbers. It presents ‘…a profile, a classification of types, or an outline of steps to answer questions such as who, when, where, and how’ (Neumann 2011, p. 38). Descriptive researchers focus on describing how things are as opposed to exploring new issues. Exploratory research is identified as an appropriate approach when the subject is new, we know little about it or no-one has yet explored it (Neumann 2011). Exploratory research can clarify ambiguous situations (Zikmund et al. 2010) and ‘…. explain some present circumstance’ (Yin 2009, p. 4).

While there have been multiple studies of entrepreneurs and entrepreneurship, the literature review identified that there is a dearth of research on entrepreneurs in agricultural tourism. This would justify the chosen approach of the exploratory research methodology as this area would benefit from investigation. The initial exploratory research would be viewed as a first stage of enquiry as it rarely yields definitive answers (Yin 2009), and further research using descriptive and/or causal research may be required.

3.2.2 Justification of and interpretivist paradigm

There are many definitions of a paradigm. Mertens (2005, p. 7) describes it as ‘…a way of looking at the world. It is composed of certain philosophical assumptions that guide and direct thinking and action’. According to Neuman (2011), paradigms are a basic orientation to theory and research, a system of thinking that includes basic assumptions, important questions to be
answered, research techniques to be used and examples of what good scientific research looks like. A paradigm is based on sets of assumptions and is a system of thinking (Neumann 2011). Bryman (1998) points out that each of the paradigms will determine the way a researcher views a research subject and designs the methods for data collection. The research purpose, methodology and methods of data collection need to be complementary to that view.

The traditional paradigm was positivist, which has been described as placing an emphasis on causal laws, careful empirical observations and value-free research (Neumann 2011). Three paradigms have emerged to challenge the traditional positivist paradigm: post-positivism, critical theory and constructivism (Guba 1990). Cresswell (2009) further categorised these by grouping the paradigms under two headings – quantitative or qualitative and acknowledges other terms associated with each paradigmatic choice. These terms are for quantitative – traditional, positivist, experimental or empiricist and for qualitative – constructivist, naturalistic, interpretive or post positivist or postmodern paradigms. These two sets of terms are then tabled in terms of a set of assumptions – ontological, epistemological, axiological, the rhetorical and methodological (Cresswell 1994). This is shown in Table 3.1, adapted from Creswell’s own table in which he maps these two paradigms and associated assumptions. Simplistic explanations of the terms are: ontology is the nature of organisational phenomena, epistemology is the nature of knowledge about phenomena and methodology is the nature of the ways of studying the phenomena (Denzin & Lincoln 2003, p. 99).
Table 3.1 Quantitative and qualitative paradigm assumptions

<table>
<thead>
<tr>
<th>Assumption</th>
<th>Question</th>
<th>Quantitative</th>
<th>Qualitative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ontological or</td>
<td>What is the nature of reality?</td>
<td>Reality is objective and singular, apart from the</td>
<td>Reality is subjective and multiple as seen by</td>
</tr>
<tr>
<td>basic belief</td>
<td></td>
<td>researcher</td>
<td>participants in a study</td>
</tr>
<tr>
<td>Epistemological</td>
<td>What is the relationship of the researcher to that</td>
<td>Researcher is independent from that being researched</td>
<td>Researcher interacts with that being researched</td>
</tr>
<tr>
<td></td>
<td>being researched?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Axiological</td>
<td>What is the role of values?</td>
<td>Value-free and unbiased</td>
<td>Value-laden and biased</td>
</tr>
<tr>
<td>Rhetorical</td>
<td>What is the language of research?</td>
<td>Formal</td>
<td>Informal</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Based on a set of definitions</td>
<td>Evolving set of decisions</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Impersonal voice</td>
<td>Personal voice</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Use of accepted quantitative words</td>
<td>Accepted qualitative words</td>
</tr>
<tr>
<td>Methodological</td>
<td>What is the process of research?</td>
<td>Deductive process</td>
<td>Inductive process</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cause and effect</td>
<td>Mutual simultaneous shaping of factors</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Static design-categories isolated before study</td>
<td>Emerging design-categories identified during research process</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Context-free</td>
<td>Context-bound</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Generalizations leading to prediction, explanation,</td>
<td>Patterns, theories developed for understanding</td>
</tr>
<tr>
<td></td>
<td></td>
<td>and understanding</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Accurate and reliable through verification</td>
<td>Accurate and reliable through verification</td>
</tr>
</tbody>
</table>

*Source: adapted from Creswell (1994, p. 5).*

The value of any research study is determined by the proper match between the research questions and the chosen methodological approach (Davidsson 2005). For this research, a qualitative/interpretive research methodology and case study method will be adopted. The following discussion will justify this selection by presenting discussion of the differences between positivist and interpretivist research paradigms. The ontological basis for this research is that of multiple realities; that is, those of the researcher, the interviewees and the audience reading the research. Table 3.2 summarises these approaches.
### Table 3.2 Overview of research paradigms

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Positivist viewpoint</th>
<th>Interpretivist viewpoint</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research position</td>
<td>Descriptive, causal, deductive, theory confirming, world is external and objective</td>
<td>Exploratory, theory building, inductive, analytical, interpretive, world is socially constructed and subjective</td>
</tr>
<tr>
<td>Direction of research</td>
<td>Measurement and analysis of causal relationships between variables that can be generalised across time and content</td>
<td>Development of ideographic, knowledge based social experiences such as human ideas, beliefs, perceptions and values</td>
</tr>
<tr>
<td>inquiry</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research strategies</td>
<td>Experiments, surveys</td>
<td>Case study, action research in-depth interviews</td>
</tr>
<tr>
<td>Methodology</td>
<td>Outcome and verification oriented</td>
<td>Process oriented, discovery oriented</td>
</tr>
<tr>
<td>Causality</td>
<td>Cause and effect relationships</td>
<td>Causal tendencies, generative mechanism</td>
</tr>
<tr>
<td>Interview questions</td>
<td>Mainly closed with limited probing</td>
<td>Open with probing</td>
</tr>
<tr>
<td>Judgement of research</td>
<td>External validity and reliability are critical</td>
<td>Construct validity is important</td>
</tr>
<tr>
<td>quality</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sample size</td>
<td>Large</td>
<td>Small</td>
</tr>
<tr>
<td>Data collection</td>
<td>Structured</td>
<td>Semi-structured, unstructured (investigated in depth or over time)</td>
</tr>
<tr>
<td>Interaction of interviewer</td>
<td>Independent and value free, one way, distant and unbiased</td>
<td>Mutually interactive, value-laden, close and biased</td>
</tr>
<tr>
<td>and phenomenon</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perspective of respondent</td>
<td>Emphasis on ‘outsiders’ perspective being distant from data</td>
<td>Emphasis on ‘insiders’ perspective</td>
</tr>
<tr>
<td>Information per</td>
<td>Varies according to question</td>
<td>Extensive (broader question)</td>
</tr>
<tr>
<td>respondent</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Type of data gathered</td>
<td>Replicable, discrete elements, statistical</td>
<td>Information rich and deep, contextual, non-statistical, somewhat subjective reality</td>
</tr>
<tr>
<td>Physical aids</td>
<td>Questionnaires, statistical software programs</td>
<td>Recorder, interview guides, visual methods</td>
</tr>
</tbody>
</table>


### 3.2.3 Justification of qualitative methodology

Merriam (2002, p. 4) advocates the use of the interpretivist paradigm when the researchers ‘aim to understand the meaning people have constructed about their world and their experiences’. The researcher is the primary instrument for data collection and analysis and this allows for adaptation and responsiveness of the research. However, this is not without issues as the researcher may not maintain objectivity. Finally, when there is a lack of theory or the theory is
inadequate to explain a phenomenon, the use of qualitative research that is inductive, can gather data to build concepts, theories or hypothesis.

Qualitative research concerns the assumption that ‘individuals construct social reality in the form of meanings and interpretations, and these constructions tend to be transitory and situational’ (Gall, Borg & Gall 1996, p. 767). In practices, qualitative research is the use of unstructured exploratory techniques such as group discussions and interviews that are based on statistically small samples in order to understand a problem further (ESOMAR Market Research Glossary). Selecting the qualitative research methods for this research study has provided the foundation for the appropriate interview instrument to be constructed, whereby the researcher has developed an approach ‘study of human actions in natural settings’ (Gall, Borg & Gall 1996, p. 767) and personal involvement with the research participants can take place.

Qualitative research, as in quantitative research, is accorded a degree of criticism with regard to its justifiability for use in research study. Quantitative researchers particularly question the reliability and validity of data collected in qualitative research owing to its susceptibility to subjectivity and prejudice. The quantitative argument has been presented and clarification is now provided as to the justification for the use of qualitative research and the subsequent selection of semi-structured interviews as the data collection for this research.

After reviewing the literature on research methodologies, it was decided that the positivist paradigm was unsuitable for this research. As identified by the gaps in the literature on entrepreneurship, there has been little research on entrepreneurs in agritourism in general and agripreneurs in the Australian context in particular. Also, this research aims to acquire in-depth knowledge and an insight into a small number of cases and is more theory building than theory testing – a typical factor in the positivist paradigm. Finally, this research will be undertaken in an environment that cannot be controlled, for example the agritourism operator and the agritourism venture. For these reasons, positivism is not regarded as an appropriate paradigm for this research.

3.2.4 Justification of case study methodology

Zickmund et al. (2010, p. 66) refers to the research design as the ‘master plan specifying the methods and procedures for collecting and analysing the needed information’. This is essentially a framework for the research plan of action. The detailed research design should
serve to answer the overall research question and assist in the attainment of the research objectives. Easterby-Smith (2002, p. 43) highlights that ‘…research designs are about organising research activity, including the collection of data, in ways that are most likely to achieve the research aims’. According to Yin (2009) the research method must suit the problem under investigation and the selection depends on three major considerations: the research questions, control of the behavioural events and temporal focus.

A research methodology is described as a technique to ‘discover reality’ (Perry, Riege & Brown 1999). Even though each method has distinctive characteristics, there are similarities and the aim is to select the best fit method (Yin 2009). Yin’s three factor table was examined to identify a suitable methodology. Table 3.3 identifies relevant situations for different research methods.

<table>
<thead>
<tr>
<th>Method</th>
<th>(1) Form of research question</th>
<th>(2) Requires control of behavioural events</th>
<th>(3) Focuses on contemporary events</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experiment</td>
<td>How, why?</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Survey</td>
<td>Who, what, where, how many, how much?</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Archival Analysis</td>
<td>Who, what, where, how many, how much?</td>
<td>No</td>
<td>Yes/No</td>
</tr>
<tr>
<td>History</td>
<td>How, why?</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Case Study</td>
<td>How, why?</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Source: adapted from Yin (2009).

**Form of research question**

Yin identifies three methods – experiment, history and case study as being suitable for ‘how’ and ‘why’ questions. Yin also states that ‘what’ questions can also be included under these three methods. Experiments have been discarded as the researcher is not able to control behavioural events. As the area of research is a contemporary one, the history method was also discarded. This leaves the case study method, which is beneficial, according to Neumann (2011), when the aim is to undertake an in-depth investigation of one or a small set of cases with many details within each case. Yin (2009, p. 18) argues that the case study is an ‘empirical inquiry that investigates contemporary phenomenon in depth and within its real-life context, especially when the boundaries between the phenomenon and context are not clearly evident.’
Qualitative research is important in ‘clarifying the values, language and meanings attributed to people who play different roles in organizations and communities. They allow people to speak in their own language, rather than conforming to categories and terms imposed on them…’ (Sofaer 1999, p. 1105). In further support of the use of qualitative research for this study, the researcher has sought to implement a ‘questioning search and search for questions at the same time’ (De Ruyter & Scholl 1998, p.7). The implication here is that the data analysis and data collection can be undertaken simultaneously.

Perry (2001, p. 305) synthesises the literature on case study research and provides a valuable review to confirm the accuracy of the chosen method. Case research has been described as:

- investigation of a contemporary, dynamic phenomenon and its emerging (rather than paradigmatic) body of knowledge (Eisenhardt 1989; Yin 1994; Romano 1989; Chetty 1996; Gable 1994; Bonoma 1985);
- within the phenomenon’s real-life context where the boundaries between the phenomenon and context under investigation are unclear (Bonoma 1985; Chetty 1996; Stake 1994; Yin 1994);
- when explanation of causal links are too complex for survey or experimental methods (Eisenhardt 1989; McGuire 1997) so that single, clear outcomes are not possible (McGuire 1997); and
- using interviews, observation and other multiple sources of data (Bonoma 1985; Perry, Reige & Brown 1999; Robson 1993).

From this discussion, it is evident that case study research is appropriate in this instance. Sofaer describes this type of research as having ‘rich description capacity’ (1999, p. 1108) as it can result in far more compelling articulation of events.

### 3.2.5 Justification of multiple case study methodology

The use of single case studies has been criticised as being vulnerable as having ‘all your eggs in one basket’. Yin (2009) suggests that the analytical benefits of using two or more cases may be substantial. Conclusions will be more powerful than those coming from a single case study and scepticism of the results may be blunted. Yin (2009) argues that single case studies are an effective way of investigation when:

- a) there is one single critical case which can be investigated with a well-formulated theory;
- b) there is a single extreme or unique case which is uncommon; and
c) there is an opportunity to investigate a single case which was previously inaccessible for observation.

The method used in this research study is based on Yin (2009), who proposed that a multiple case study method must include three stages, namely design, single case data collection and analysis and cross case analysis as shown in Figure 3.2. In this research, the rationale for using multiple case studies is that each agritourism operator is an independent entity. They operate different types of agricultural businesses and are not a homogenous group, therefore a single case study would not capture the depth and breadth of information required to research the problem at hand. Figure 3.2 illustrates the case study method.

**Figure 3.2 Case study method**

There are several benefits of using a multiple case study design: the findings from multiple cases make the overall study results more robust (Herriott & Firestone 1983); the evidence from multiple case studies is considered compelling (Yin 2009); multiple case studies can provide greater potential for generalisability of findings for theory formulation (Bonoma 1985; Robson 2002); and, finally, multiple case study approaches allow for cross-case analysis, which leads to enriched theory building (Carson Gilmore, Perry & Grounhaug 2001).
3.3 Sampling

Given that the multiple case study approach has been selected and justified, the next step is to identify the target population, select a sampling method and determine the sample size. The aim is to choose a sample that is appropriate for the study.

3.3.1 Definition of target population

A target population must be determined. Yin (2009, p. 246) describes a target population as the ‘specific collection of elements’ to be studied. In this instance, the potential target population is all the agritourism operators in Australia. The large number of operators makes this unmanageable so the target was reduced to operators on the east coast of Australia. Information about this population is available from regional development associations and industry groups. This group was then refined to include only agritourism operators in the Northern Rivers region of New South Wales, Australia.

3.3.2 Sampling methods

There are multiple sampling methods available and the choice depends on the type of research being undertaken. In quantitative analysis the researcher studies a smaller group to produce accurate generalisations about a larger group called the population (Neumann 2011, p. 240). For qualitative researchers, the sampling aim is to find ‘relevant categories at work in a few cases’ (Neumann 2011, p. 241). Neumann (2011) also suggests that nonprobability sampling is the most appropriate sampling method for qualitative research.
Table 3.4 Types of nonprobability samples

<table>
<thead>
<tr>
<th>Type of sample</th>
<th>Principle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convenience</td>
<td>Get any cases in any manner that is convenient</td>
</tr>
<tr>
<td>Quota</td>
<td>Get preset number of cases in each of several predetermined categories that will reflect the diversity of the population, using haphazard methods</td>
</tr>
<tr>
<td>Purposive</td>
<td>Get all possible cases that fit particular criteria, using various methods</td>
</tr>
<tr>
<td>Snowball</td>
<td>Get cases using referrals from one or a few cases, then referrals from those cases, and so forth.</td>
</tr>
<tr>
<td>Deviant Case</td>
<td>Get cases that substantially differ from the dominant pattern (a special type of purposive sample).</td>
</tr>
<tr>
<td>Type of sample</td>
<td>Principle</td>
</tr>
<tr>
<td>Sequential</td>
<td>Get cases until there is no additional or new characteristics (often used with other sampling methods).</td>
</tr>
<tr>
<td>Type of Sample</td>
<td>Principle</td>
</tr>
<tr>
<td>Theoretical</td>
<td>Get cases that will help reveal features that are theoretically important about a particular setting/topic.</td>
</tr>
<tr>
<td>Adaptive</td>
<td>Get cases based on multiple stages, such as snowball followed by purposive. This sample is used for hidden populations.</td>
</tr>
</tbody>
</table>

Source: adapted from Neumann 2011, p. 267.

The sampling techniques to be used in this research are purposive, snowball and convenience sampling approaches. Purposive sampling is defined as that in which the researcher ‘uses a wide range of methods to locate all possible cases of a highly specific and difficult to reach population’ (Neumann 2011, p. 267). Snowball sampling involves the researcher identifying a small number of sample elements, and then utilising these as informants to identify others until the researcher has sufficient for the sample. This method is often used when there are difficulties in locating units or elements of analysis (Best & Kahn 2005; Cohen, Manion, Morrison & Morrison 2007). Snowball sampling is also referred to as network or chain referral sampling (Neumann 2011, p. 269). Convenience sampling, described as getting any cases in any manner convenient (Neumann 2011, p. 267), was also used in this study. This became necessary some of the agritourism operators approached were hesitant to become involved in the study. They cited reasons such as being time poor, concerned they would be asked financial questions or feeling they had nothing to contribute. As the population of agritourism operators
available that fit the set criteria was small it became difficult to find sufficient agritourism operators for the study.

3.3.3 Sample Frame

A sampling frame is a list or other device used to define a researcher's population of interest (Lewis-Beck, Bryman & Liao 2004). Because a researcher rarely has direct access to the entire population of interest in social science research, a researcher must rely upon a sampling frame to represent all of the elements of the population of interest.

The researcher contacted economic development officers from several councils on the east coast of New South Wales and Queensland. Following discussion with these officers, a small number of cases fitting the identified criteria were found. The initial contact was with six operators based around the Coffs Harbour region who have recently been part of a regional effort to promote agritourism using a tourism publication. After this initial contact in Coffs Harbour, the researcher then sampled agritourism operators in the Northern Rivers region of New South Wales. This grouping was chosen as there is an emerging food culture and became evident that the cases fit the set criteria. While this research could be undertaken Australia wide, the time and financial constraints made it necessary to put some boundaries in place. As a result, the interviews were confined to the east coast states of Australia, in particular northern New South Wales and southeast Queensland. Also the use of case studies from various regions may help in validating the findings externally (Yin 2009). Cases were selected based on the following criteria (Di Domenico & Miller 2011, p. 288): the farms need to be working farms, limited to wholly family owned and operated businesses, not incorporated entities with decisions being made by an external board of directors and within the defined geographical regions.

For this research the sampling frame was identified as:

- agritourism operators;
- from a traditional farming background;
- who are primary producers;
- based in the Northern Rivers region of New South Wales; and
- who have diversified into agritourism

The agritourism operators interviewed fit this criteria. On account of the fact that, in these regions, agritourism is an emerging industry, the target population was relatively small and
cases were mostly chosen based on referrals from the initial interviewees or stories in the media identifying potential cases.

The agritourism ventures included in the study were showcasing various products and activities, including fruit crops and bush foods, cheese making, nut processing, dairy production and milk processing, beef farm production, worm farming and a cooking school. Table 3.5 illustrates the sample frame for this study.

Table 3.5 Sampling frame

<table>
<thead>
<tr>
<th>Participant</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Venture Type</td>
<td>1,2, 4</td>
<td>1,2, 4</td>
<td>1</td>
<td>2,4</td>
<td>1,2, 4</td>
<td>2</td>
<td>2</td>
<td>1,2, 3,4</td>
<td>1,2, 4</td>
<td>2</td>
<td>1,2, 4</td>
<td>1,2</td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>C</td>
<td>B</td>
<td>C</td>
<td>C</td>
<td>B</td>
<td>D</td>
<td>B</td>
<td>AA</td>
<td>AB</td>
<td>BE</td>
<td>B</td>
<td>BE</td>
<td>C</td>
</tr>
<tr>
<td>Gender</td>
<td>MF</td>
<td>F</td>
<td>M</td>
<td>F</td>
<td>M</td>
<td>M</td>
<td>M</td>
<td>FM</td>
<td>M</td>
<td>MF</td>
<td>M</td>
<td>M</td>
<td>MF</td>
</tr>
<tr>
<td>Education</td>
<td>HS</td>
<td>HS</td>
<td>U</td>
<td>C</td>
<td>HS</td>
<td>HS</td>
<td>U</td>
<td>U</td>
<td>U</td>
<td>U</td>
<td>HS</td>
<td>U</td>
<td>U</td>
</tr>
<tr>
<td>Size of property (Hectares)</td>
<td>122</td>
<td>81</td>
<td>52.6</td>
<td>6</td>
<td>152</td>
<td>42.5</td>
<td>55.8</td>
<td>46.5</td>
<td>45.3</td>
<td>36.1</td>
<td>43.3</td>
<td>122</td>
<td>148</td>
</tr>
<tr>
<td>Years on property</td>
<td>41</td>
<td>83</td>
<td>20</td>
<td>14</td>
<td>77</td>
<td>21</td>
<td>18</td>
<td>4</td>
<td>7</td>
<td>14</td>
<td>4</td>
<td>41</td>
<td>&gt;100</td>
</tr>
<tr>
<td>Original use</td>
<td>Bananas</td>
<td>Dairy &amp; beef</td>
<td>Beef</td>
<td>Beef</td>
<td>Beef</td>
<td>Dairy, beef &amp; hay</td>
<td>Dairy</td>
<td>beef</td>
<td>Beef</td>
<td>Beef &amp; avocado</td>
<td>Beef</td>
<td>Tropical fruit</td>
<td>Beef</td>
</tr>
<tr>
<td>Family workers</td>
<td>2</td>
<td>5</td>
<td>2</td>
<td>2</td>
<td>6</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>Non-family workers</td>
<td>2</td>
<td>3-4</td>
<td>2</td>
<td>1</td>
<td>8</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>30</td>
<td>2</td>
</tr>
</tbody>
</table>

Key

<table>
<thead>
<tr>
<th>Venture type</th>
<th>Age</th>
<th>Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 On-farm visits</td>
<td>A 30-39</td>
<td>HS High School</td>
</tr>
<tr>
<td>2 Value adding</td>
<td>B 40-49</td>
<td>C College</td>
</tr>
<tr>
<td>3 Cooking school</td>
<td>C 50-59</td>
<td>U University</td>
</tr>
<tr>
<td>4 On-farm retail or coffee shop</td>
<td>D 60-69</td>
<td>E &gt;69</td>
</tr>
</tbody>
</table>

Source: developed for this research.
3.3.4 Sample size

There does not appear to be any consensus on the most appropriate number of cases to use. Eisenhardt (1989) suggests that between four and 10 cases work well. Hedges (1985) argues that four to six is appropriate, setting the upper limit at 12 owing to the high costs of qualitative interviews. Miles and Huberman (1994, p. 30) believe that more than 15 cases make the research ‘unwieldy’. Perry (2001) asserts that the accepted range appears to fall between two to four as a minimum and 10, 12 or 15 maximum. This may lead to up to 35 interviews to provide a credible picture of the research area. While this number of business interviews may be difficult to arrange, the number can be made up with interviews of stakeholders or key players such as regional development representatives, consultants and from industry associations. More recently, in defence of a relatively small sample size, Van Esch and Van Esch (2013, p. 4) argue that ‘in qualitative research studies there are numerous factors that can determine sample size and the literature is limited as to what a sufficient sample size is.’

For this research, the aim was to conduct between 12 and 15 case studies unless theoretical saturation (Eisenhardt 1989) was reached prior to this number being achieved. Each case study may involve interviewing several people, depending on the structure of the business. In this research, there were 13 case studies and 18 agriprenuers were interviewed for the study. In addition, to gain background information, interviews with economic development officers and tourism representatives in each region were be undertaken in the formative stages of the research. On account of the fact that information was sought from these representatives prior to gaining ethics approval for this research, the interviews are not included in this study. These interviews provided broad themes and information which informed the direction of the research.

3.4 Data collection

A literature review was undertaken to explore the areas of entrepreneurship and agritourism. This provided a good working knowledge of the fields and a definition and framework for this piece of research. It raised questions and identified areas to be explored. It also identified the work that had been carried out in the chosen subject areas, laying the groundwork for this research. The process undertaken by the researcher when carrying out the literature review was to compare and contrast different authors’ views on the issues, then to group authors who draw
similar conclusions. This led the researcher to the appropriate aspects of methodology, noting areas in which authors are in disagreement, highlighting seminal studies and identifying patterns or trends in the literature. From this, the researcher was able to highlight gaps in and omissions in previous research or questions left unanswered, thereby showing how this study relates to the literature in general and summarising existing literature. The following section will identify the appropriate data collection methods to be undertaken.

3.4.1 Justification for the use of semi-structured in-depth interviews

Merriam argues that ‘...some and occasionally all of the data collected are collected through interviews’ (1998, p. 71). This point illustrates why effective interviewing is important to the qualitative research process. Yin (2009) supports Merriam and identifies that the interview is the most important source of case study material.

McElwee (2008) asserts that it is time to move farm entrepreneurship research from a positivist to an interpretivist approach and argues that the role of the interview has been undervalued in past research. The interview method, according to McElwee (2008), is more effective when trying to capture the true essence of the farm entrepreneurs experience, where the ‘aim of the interview is to gain a first person description of some specified domain of experience’ (Thompson 1989, pp. 14). Table 3.6 identifies research approaches of more recent studies.

Table 3.6 Summary of farm entrepreneurship research methodologies

<table>
<thead>
<tr>
<th>Methodology</th>
<th>Researcher</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interpretive</td>
<td>Rae 2000; Rae &amp; Carswell 2000</td>
</tr>
<tr>
<td>Phenomenological interview – where theoretical propositions emerge from descriptions of experience given by individuals under investigation</td>
<td>Cope 2003</td>
</tr>
<tr>
<td>Social constructionism to understand the ‘life worlds’ of managers of SMEs</td>
<td>Devins &amp; Gold 2002</td>
</tr>
<tr>
<td>New perspectives on entrepreneurship can only be achieved when the debate moves out of the ‘paradigmatic cage’ of positivism</td>
<td>Grant &amp; Perrin; McElwee &amp; Atherton 2005</td>
</tr>
</tbody>
</table>

Source: developed for this study from McElwee 2008.

McElwee (2008) argues that the researcher needs to move away from the purely economic perspective of the past, to a more social approach to understanding the farm entrepreneur. Denzin and Lincoln (2000, p. 3) identify a number of methods for collecting data: ‘case study,
personal experience, introspection, life story, interview, artefacts, cultural texts, observations’ are several of these. McElwee (2008) shows a preference for interviews in his research, however cautions the reader to be aware of the limitations of interviews due to interviewer bias. One way to manage this issue is to engage in three activities: ‘reflection, reflexivity and recursivity in an attempt to understand 1) my role as a researcher and interviewer 2) the research process 3) the actions and responses of the interviewee/respondent’ (McElwee 2008, p. 148). McElwee (2008) also warns that this is not a linear process and that constant reflection is required to make sense of what has been done to date.

Three types of interviews are commonly used: structure interviews, semi-structured interviews and unstructured interviews. As with most methods of collecting data, interviews have strengths and weaknesses (Yin 2009). While the researcher acknowledges the strengths and weaknesses outlined in Table 3.7 it was felt that, with careful preparation and testing, most of the weaknesses could be overcome.

Table 3.7 Interview strengths and weaknesses

<table>
<thead>
<tr>
<th>Interviews</th>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td> Targeted – focuses directly on case study topics</td>
<td> Bias because of poorly articulated questions</td>
</tr>
<tr>
<td></td>
<td> Insightful – provides perceived causal inferences and explanations</td>
<td> Response bias</td>
</tr>
<tr>
<td></td>
<td></td>
<td> Inaccuracies due to poor recall</td>
</tr>
<tr>
<td></td>
<td></td>
<td> Reflexivity – interviewee gives what the interviewer wants to hear</td>
</tr>
</tbody>
</table>

*Source: adapted from Yin (2009, p. 102)*

Interviews are essential to gather case study information and can be viewed as guided conversations rather than structured queries (Yin 2009). The aim is to follow a structured line of enquiry with fluid rather than rigid questions. Adequate preparation on the part in the interviewer can overcome the weakness due to poorly articulated questions. Using a recorder, if the interviewee agrees, will assist in recalling the interview accurately. The interviewer needs to be aware of the other potential weaknesses and factor these in when analysing responses.

Merriam (1998, p. 73) asserts that ‘interviews exist on a continuum, based on the amount of structure in an interview, from highly structured/standardized to semi-structured then
unstructured/informal’). She observes that the most structured interviews can be likened to an oral form of a written survey, but identifies the need for more open-ended and less-structured interviewing in qualitative studies. Unstructured interviews are appropriate when the interviewer knows little about the phenomenon being researched and the interview is being used to formulate interview questions. A semi-structured approach is a flexible approach where specific information required from respondents may be elicited from a set of standard questions; however, a large part of the interview is guided by a list of questions or issues to be explored. Neither the order nor exact wording of the questions is determined ahead of the interview.

This research used semi-structured interviews to examine and explore the ‘how, why and what’ factors that affected the transition from farming to agritourism. This format is beneficial as it allows the researcher to respond to new ideas on the topic and the worldview of the respondent (Merriam 1998). It also allowed for the interviewee to introduce additional ideas and material to the interview that they thought were relevant.

3.4.2 Interview instrument

The method of data collection should relate to the type of information being sought (Yin 2009). Semi-structured interviews have been identified as the appropriate method to collect data for this research. After analysing the relevant literature in Chapter 2, research questions were formulated and, based on these research questions, interview questions were formulated and are listed below.

3.4.2.1 Interview questions

RQ1: What external factors trigger individuals to start agritourism ventures when others, under similar conditions, do not?

   a) Why did you consider farm tourism as an alternative or addition to you farm operation?

   b) When you were considering a change, what would you say were the main things that prompted you to consider agricultural tourism?

   c) Why, do you believe, other farmers don’t consider it?
RQ2: From their perception, what individual differences trigger the transition from farmer to agritourism operator?

a) Do you consider that any individual characteristics may have helped you through the process of establishing the agricultural tourism operation?
b) Do you consider that any individual characteristics may have helped you through the process of establishing the agritourism operation?
c) Do you believe these are characteristics that all farmers possess?

RQ3: What barriers could make the transition from farming to agritourism difficult? How can these barriers be overcome?

a) What barriers did you encounter during the process of setting up the agricultural tourism operations?
b) What things helped or encouraged you during this time?
c) At any stage, would extra help or guidance have made a difference to your progress in the venture? If so, what type of help or support?
d) Are there things that the Government or similar bodies could have done to make it easier for you to become a successful agritourism operator?
e) Are you a member of any organisations relevant to your move into agritourism??
f) What networks do you link in to?
g) Do you consider networks important? If so, why?
h) Have your networks changed since you became an agritourism operator?
i) What importance do you place on your networks?

RQ4: How do farmers measure success in an agritourism venture?

a) Do you believe your venture has been a success?
b) How do you measure your success?
c) Do you measure your success in agritourism differently to when you were a traditional farmer?


3.4.3 Pilot case studies

Yin (2009) recommends the use of multiple case study design as, while this requires increased resources to single case study designs, it is regarded as more robust and the resulting evidence more compelling. To this end, the use of a pilot case study or two (see Table 3.4) assist the researcher to refine their design for data collection and their data collection methods (Yin 2009). Exploratory research is designed to provide investigation into an area on which little information exists. This may include, although is no limited to, using pilot studies, as a trial run experiment. Pilot studies allow the researcher to explore in the field and test a proposed methodology before committing limited resources to a full scale study (Veal 2005). The pilot cases may be chosen for reasons entirely different to the selection criteria for the final cases. They might be chosen purely for accessibility or a large amount of documentation and data (Yin 2009).

In this research, two pilot case studies were undertaken during the month of September 2012 in the Northern Rivers region of New South Wales, Australia since it was accessible and the cost was minimal. Yin (2009) asserts that most pilot studies are chosen on the basis of convenience, access and geographic proximity. Participants for the pilot study were chosen based on their perceived ability to provide insights into the process of diversifying from traditional farming to agritourism, their approachability and availability. There were several possible agritourism operators in the region and personal contact was made with several agripreneurs to find the two operators prepared to participate in the pilot study. These two agripreneurs were chosen as they fit the set criteria, were within a short geographical distance, and were prepared to be interviewed to test the questionnaire and allow the interviewer to refine her interview technique. The interviews undertaken in the pilot cases provided valuable background information, an overview of what was happening in the small regions regarding agritourism and helped the researcher to locate several other potential cases nearby.

3.4.4 Case study protocol

A case study protocol will increase the reliability of a multi case study (Yin 2009) as it guides the investigator when carrying out the data collection. There are three points to this protocol: it contains procedures and general rules to be followed during data collection, it is not directed at the study participant and it is essential when doing multiple case studies. Yin (2009) argues
that the protocol will keep the researcher targeted and help to anticipate problems. Table 3.8 identifies the protocol for this research.

Table 3.8 Case study protocol

<table>
<thead>
<tr>
<th>Case study protocol</th>
<th>Essential component</th>
<th>Adoption for this research</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overview of the case study</td>
<td>Research objectives</td>
<td>Chapter 3</td>
</tr>
<tr>
<td></td>
<td>Case study issues</td>
<td>Chapter 3</td>
</tr>
<tr>
<td></td>
<td>Relevant issues</td>
<td>Chapter 2</td>
</tr>
<tr>
<td>Data collection procedures</td>
<td>Credentials</td>
<td>Chapter 3</td>
</tr>
<tr>
<td></td>
<td>General source of information</td>
<td>Chapter 3</td>
</tr>
<tr>
<td></td>
<td>Procedural Reminder</td>
<td>Chapter 3</td>
</tr>
<tr>
<td>Case study question</td>
<td>Specific questions</td>
<td>Chapter 2</td>
</tr>
<tr>
<td></td>
<td>Potential sources of answers</td>
<td>Chapter 4</td>
</tr>
<tr>
<td>Guide for case study report</td>
<td>Outline</td>
<td>Chapter 1</td>
</tr>
<tr>
<td></td>
<td>Format</td>
<td>Chapter 1</td>
</tr>
</tbody>
</table>

Source: adapted from Yin 2009.

As illustrated in Table 3.8, Yin (2009) identifies the need for four sections in the case study protocol: an overview, field procedure, research questions and a case study report guide. As outlined in Table 3.7, Chapter 3 reviews the chosen case study method followed by a review of the relevant literature in Chapter 2. The field procedure protocol is outlined in Chapter 3. Case study questions are developed in Chapter 2 and analysed in Chapter 4. The guide for the case study report was provided in Chapter 1.

3.4.5 Chain of evidence

Yin (2009) identifies the necessity of a ‘chain of evidence’ in case study research as another way to increase the reliability of information in the case study. This allows the external observer to see how evidence has been derived – from initial research questions to case study conclusions. Figure 3.3 illustrates the chain of evidence for this research.
3.4.6 Case study transcripts, documentation and data storage

Where permissible interviews were recorded, the researcher transcribed the interviews and finally the transcripts were crosschecked with several of the interviewees. There are also hard copies of data collected to inform the case study of each participant. All coding was undertaken by the researcher to maintain confidentiality of data. The interview transcripts, the hard copy materials, all recorded interviews and any other will be kept in a secure location for seven years. Ethics clearance was obtained (ECN-12-211) for this study from the Southern Cross University Higher Degrees Research Committee in August 2012.

3.5 Data analysis

Yin (2009, p. 127) asserts that analysing case study evidence ‘is one of the least developed and most difficult aspects of doing case studies’. Neumann (2011) agrees, saying that the vast amount of material generated from qualitative research can leave inexperienced researchers exasperated. There is no single best method available to analyse qualitative data, however the use of software packages has made the process more manageable (Neumann 2011). A three
stage process proposed by Miles and Huberman (1994, p. 10) has a suggested a process of: a) data collection and reduction, b) data display and c) conclusion forming and verification. The steps for undertaking the process of analysis (Miles and Huberman 1994, p. 10) are described:

**Step 1:** Data reduction refers to the process of simplifying and transforming collected data into a manageable form, which is generally by way of textual transcriptions. This process occurred continuously throughout this research project.

**Step 2:** Data display involves the transformation of reduced data into a formation that permits conclusion drawing and action, which in qualitative research is often in the form of extended text. In this step, the research analysis begins with the individual case descriptions and then applies the technique of cross-case analysis.

**Step 3:** Conclusion forming and verification refers to the researcher noting regularities, patterns, explanations, possible configurations, causal flows and propositions, in addition to confirming the validity of meanings emerging from the data through consultation with field notes or consultation with the respective respondent.

A Google Scholar search on this publication (Miles and Huberman 1994) showed that it had been cited 44,968 times (15/05/2014). This model has been followed for data collection in this research.

### 3.6 Criteria for judging the quality of case research design

Yin (2009) asserts that the quality of case study design can be assessed based on four tests: construct validity, internal validity, external validity and reliability. Table 3.9 below provides a description of each test.

**Table 3.9 Four tests used to establish the quality of empirical work**

<table>
<thead>
<tr>
<th>Test</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construct validity</td>
<td>Identifying correct operational measures for the concepts being studied</td>
</tr>
<tr>
<td>Internal validity</td>
<td>Seeking to establish a causal relationship, whereby certain conditions are believed to lead to other conditions, as distinguished from spurious relationships</td>
</tr>
<tr>
<td>External validity</td>
<td>Defining the domain to which a study’s findings can be generalized</td>
</tr>
<tr>
<td>Reliability</td>
<td>Demonstrating that the operations of a study – such as data collection procedure – can be repeated with the same results.</td>
</tr>
</tbody>
</table>

*Source: adapted from Yin (2009, p. 40).*
Note: Internal validity is only applied in explanatory or causal studies and does not apply to descriptive or exploratory studies. Table 3.10 identifies the tactics available for the four tests and the phase of research where each tactic occurs.

Table 3.10 Criteria of research design

<table>
<thead>
<tr>
<th>Tests</th>
<th>Case study tactic</th>
<th>Phase of research in which tactic occurs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construct validity</td>
<td>Framework from literature</td>
<td>Literature review</td>
</tr>
<tr>
<td></td>
<td>Establish chain of evidence</td>
<td>Data collection</td>
</tr>
<tr>
<td></td>
<td>Use multiple sources of evidence</td>
<td>Data collection</td>
</tr>
<tr>
<td></td>
<td>Interview audit instrument</td>
<td>Data analysis</td>
</tr>
<tr>
<td>Internal validity</td>
<td>Do pattern matching</td>
<td>Data analysis</td>
</tr>
<tr>
<td></td>
<td>Do explanation building</td>
<td>Data analysis</td>
</tr>
<tr>
<td></td>
<td>Address rival expectations</td>
<td>Data analysis</td>
</tr>
<tr>
<td></td>
<td>Use logic models</td>
<td>Data analysis</td>
</tr>
<tr>
<td>External validity</td>
<td>Cross case analysis</td>
<td>Data analysis</td>
</tr>
<tr>
<td></td>
<td>Use replication logic in multiple case-studies</td>
<td>Research design</td>
</tr>
<tr>
<td>Reliability</td>
<td>Use case study protocol</td>
<td>Data collection</td>
</tr>
<tr>
<td></td>
<td>Develop case study database</td>
<td>Data collection</td>
</tr>
</tbody>
</table>

*Source: adapted from Yin (2009, p. 41).*

While reliability and validity are ideals that researchers strive for, it is implausible to expect to have 100% perfect reliability and validity. The researcher must put the appropriate measures in place to reduce the absence of reliability and validity (Neumann 2011). Measurement reliability is described as ‘The dependability or consistency of the measure of a variable’ (Neumann 2011, p. 208). Reliability plays a more minor part in qualitative research that validity. Reliability in qualitative research is described as primarily a check that the coding is consistent over multiple coders on a team (Creswell, Plano Clark, Gutmann & Hanson 2003, p. 134). In this case, there was only one coder, which led to greater consistency.
Validity differs in quantitative and qualitative research; however it serves as a check on the quality of the data and the results (Creswell et al. 2003). In qualitative research, there is a higher focus on validity. The aim is to ascertain whether the account, provided by the researcher and the participants, is accurate, can be trusted and is credible (Lincoln & Guba 1985). Member checking is one method to identify whether findings are accurate and a true reflection of their experiences.

Triangulation is another way of checking the validity of data. The researcher builds a picture by looking at something from multiple points of view to improve accuracy. This can involve multiple investigators, multiple sources of data or multiple methods to confirm the emerging findings (Denzin & Lincoln 2003). In this study several sources were used to collect evidence: a review of the existing literature on entrepreneurship and agritourism; a study of farming in the Northern Rivers region, both anecdotally and from public records, – its recent history and current status; interviews with industry representatives and agripreneurs; news articles and industry papers. The collection of data from these multiple sources was used to corroborate the ‘same fact or phenomenon’ and illustrate data triangulation (Yin 2009, p. 116).

Construct validity or identifying the correct operational measures for the concepts being studied is imperative. For this research, a comprehensive review of the literature was undertaken. This forms the theoretical foundation for this study. To this end, multiple sources of evidence were collected. A web search was undertaken to gather information on each participant prior to the interview. For the participants with websites, the information therein was used for background prior to the interviews and, after the interviews, the draft report was forwarded to several participants for their review and feedback. This step was taken to ensure the interviews were transcribed and recorded to accurately reflect their responses.

3.7 Limitations of a case study methodology

The historical criticism of qualitative studies, including case study research, has been that it lacks rigor because ‘methods of analysis are not well formulated’ (Miles 1979, p. 591). In more recent times, a set of research techniques such as grounded theory has emerged to counter this argument. In addition, the concern about the case study method and possible a major limitation is the difficulty of generalising findings. To address this concern, it is necessary to distinguish between statistical generalisation when the goal is to establish frequencies and analytic
generalisation when the goal is to establish new concepts, suggest contingencies and thus expand and generalise theories (Davidsson 2005). Case studies can be difficult to conduct on account of potential operational and logistical problems (Yin 2009). The use of detailed planning can overcome this criticism. Through the use of a case study protocol, chain of evidence, interview guide and the systematic collection of data this limitation should be overcome.

3.8 Ethical considerations

Case studies are an effective method in social sciences qualitative research. The risk level of this type of research is low to the study participants as the interview study participants do not belong to vulnerable groups as identified by Miles and Huberman (1994).

Privacy and confidentiality of participant’s information is an ethical consideration in this type of research. As previously mentioned, this research has ethics clearance (ECN-12-211) from the Southern Cross University Higher Degrees Research Committee. This research will ensure that the ethical duty of the researcher is taken seriously. Privacy of participant’s information, anonymity and confidentiality will be protected by:

1. coding of all audio recordings, notes and interview transcriptions using pseudonyms to disguise participant’s names;
2. password protection and version control of all files, software and materials related to the research and holding material in a secure location accessible to the researcher only;
3. not disclosing any participant’s name or business name during interviews;
4. the study asks no questions relating to financial information or commercial in confidence material of the venture; and
5. confirming the veracity of the data collected from the interview by making a copy of the material collected available to the participant for them to check accuracy.

Procedure followed for the interviews

The agritourism operators interviewed fit the stated criteria. On account of the fact that, in these regions, this is an emerging industry, the target population was relatively small and cases were mostly chosen based on referrals from the initial interviewees or the snowball method. The researcher identified several potential ventures that may fit the set criteria. A phone call was
made to these venturers to ask them if they would be interested and prepared to be part of the study. If they replied in the affirmative then the project was outlined and they were told what would be required of them, i.e. the time it would take for the pre-interview paperwork, the time for the interview and the time to review the transcript of the interview to be provided to them by the researcher. If they were still interested in being part of the study, the participants were provided with information regarding the purpose of the research and consent to participate was sought (in writing) prior to starting any interviews. A Participant Information Pack (Appendix 4) containing adequate information about the study and the proposed list of questions was attached to an email in most cases and or sent by mail in two cases, to potential participants with a view to recruiting them to the study.

Interviews were taped with permission from the agripreneurs. In some cases, the interviewees also provided some written responses to the questionnaire. Interviews were conducted either on the farm or at a location and at a time convenient for the interviewees. While the Research Questions were at times used as prompts, for the most part the interviewees provided answers in a conversational manner to the areas being researched. When asking about success all interviewees stated they were not prepared to reveal any financial information. This was not part of the survey and was not provided for under the ethics application made for the research.

In this multi-stage research design, the researcher consulted with industry specialists to identify major issues in this sector. Based on the knowledge gleaned from these initial contacts, the researcher conducted a pre-test with two of identified agritourism agripreneurs. Once the interview technique was fine-tuned based on the pilot cases, the research was extended the research to the larger sample. The preliminary results were discussed with rural extension officers then transcripts of individual interviews were provided to the interviewees and the preliminary results were also discussed with them. Given the limited number of agritourism operators in the region, the maximum available subjects within the appropriate criteria were contacted for interview and in total 13 cases were studies. Figure 3.4 illustrates the process undertaken to collect the data for this research.
Figure 3.4 Processes from data collection to research outcomes

Data collection → Pilot case study of two Agripreneurs based on accessibility → Case study of 13 Agripreneurs → Interviews of one or more people in each new venture → Data reduction → Data display → Conclusion forming and verification → Research outcomes

Data analysis

Reflection and comparison with literature

Member check

Source: developed for this study.
3.9 Conclusion

In this chapter, the selection and justification for using case study methodology were presented. The research design, sampling procedure and data analysis strategy were also described. Various protocols to ensure the validity and reliability of the study were also presented. Figure 3.4 explains the steps from data collection to research outcomes as discussed in this section. The following chapter will describe in detail the data collection, data analysis and findings of the fieldwork component of this study.
CHAPTER 4: FINDINGS AND DATA ANALYSIS

4.1 Introduction

The literature review presented in Chapter 2 provided a theoretical basis for this research into the factors that prompt farmers to start agritourism ventures. Chapter 3 presented the research methodology, the data collection techniques and the data analysis procedure adopted in this study. Chapter 3 also identified that ethical considerations needed to be considered and procedures were put in place to address these issues. Ethics clearance was obtained (ECN-12-211) for this research. Chapter 4 overviews the findings of the data collection and analyses those same findings in preparation for the final Chapter, 5, which focuses on conclusions and implications, with reference to the underlying parent discipline.

Figure 4.1: Structure of Chapter 4

Source: developed for this study.
4.2 Summary of data collected

A total of 13 case studies were conducted for this study. Semi-structured interviews were conducted with 18 people in 13 businesses and, in addition, representatives from three industry groups were interviewed between August 2012 and August 2013. This resulted in a total of 21 interviews. The data collected from the 18 farmers interviewed includes 24 hours of audio recording, 249 pages of transcript and 61 pages of handwritten notes taken during the interviews. The data was then coded and categorised by the researcher in accordance with the research methodology outlined in Chapter 3. Two pilot cases were undertaken at the beginning of the research process to inform and fine-tune the interview process. Informal interviews with regional development representatives were conducted prior to ethics clearance and in the period when the research direction was being researched and formulated, therefore the comments from these interviews are not included in Chapter 4.

The businesses are all located in the Northern Rivers region of New South Wales, Australia, adjacent to the border with Queensland. There are a variety of ventures and these are summarised in Table 4.1.

4.3 Background information

This section outlines information on the ages and gender of farming participants as well as information regarding their property.

4.3.1 Types of ventures

Table 4.1 following shows the various approaches that operators have chosen, to engage directly with tourists and consumers. They include farm tours, demonstrations of agricultural processes, a cooking school to showcase local produce, value adding to their own produce and taking fresh produce and value-added product to local community based artisan markets. The ventures varied in the scale of the operations with some starting on a small-scale using their own funding with the aim of growing gradually and others launching large-scale from day one. Most of the farmers were born and raised on the properties that they are now farming. In four cases, their parents still lived on the farm and took on advisory roles in the operation of the properties.
In 2005, there were 7,710 agricultural businesses in the northern rivers region of New South Wales (Davidsson 2005), with grazing being the primary agricultural land use, the region being well known for its beef and dairy industries. Various industry restructures have reduced this number, but there is no current research to confirm the current number of agricultural operations. Anecdotal evidence has identified that there are currently only eight dairy farms in the region as a result of dairy deregulation in 2000 (Beck & Beck 2014). Horticulture is also important, with the region having 1637 horticultural operations, this being almost 30% of the total horticultural operation in the state of New South Wales (Tiley 2014). The region is a major contributor to the supply of the state’s produce, including 100% of NSW macadamias, 98.5% of NSW sugar and 96.8% of NSW blueberries (Australian Bureau of Statistics 2012b).

Table 4.1 Overview of ventures

<table>
<thead>
<tr>
<th>Participant</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
</tr>
</thead>
<tbody>
<tr>
<td>On-farm visits/demonstrations</td>
<td>x</td>
<td>x</td>
<td>X</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value adding for farm gate and artisan market</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cooking school on-farm using produce from farm</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>On-farm coffee shop/retail</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: analysis of interview data.

4.3.2 Demographic information

The participants ranged in age from 30 to 80 years of age, as shown in Table 4.2. Five ventures had two decision makers, hence two ages shown for these operations. The average age of this group is 49 years old, which sits slightly below the Australian farmer’s average age of 52 years old (Australian Bureau of Statistics 2012a). On a global scale, the most common age for entrepreneurial activity is in the 25-34 year old age range (Amoros & Bosma 2014), with entrepreneurial activity in the 45-54 and 55-64 age range being considerably reduced (Amoros & Bosma 2014).

There were 13 men and 5 women interviewed for this study in the farming participant group, as shown in Table 4.3. Of the three industry representatives who participated in preliminary
scoping interviews, two were female and one was male. Farming has traditionally had a masculine image, with 72% of farmers being male (National Farmers Federation 2012). The 28% of women in farming has fallen from 30% in 1981, even though female participation in other occupations has risen from 37% in 1981 to 47% in 2011 (National Farmers Federation 2012).

Table 4.2 Age of farming participants

<table>
<thead>
<tr>
<th>Participant</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>30-39</td>
<td></td>
<td></td>
<td>xx</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>40-49</td>
<td>x</td>
<td></td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>50-59</td>
<td>xx</td>
<td>x</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5</td>
</tr>
<tr>
<td>60-69</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>&gt;69</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2</td>
</tr>
</tbody>
</table>

Source: analysis of interview data.

Table 4.3 Gender of agritourism participants

<table>
<thead>
<tr>
<th>Participant</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>MF</td>
<td>F</td>
<td>M</td>
<td>F</td>
<td>M</td>
<td>M</td>
<td>M</td>
<td>M</td>
<td>MF</td>
<td>M</td>
<td>MF</td>
<td>M</td>
<td>M</td>
</tr>
</tbody>
</table>

Source: Analysis of interview data

From Table 4.3, we can see that 12 male and six female agripreneurs were interviewed as part of this research. This equates to approximately one third of the respondents being female. When compared with the results of the GEM research undertaken globally (Kelley, Singer & Herrington 2012), 42% of entrepreneurs are female. In Australia’s general population, there are an estimated 1.48 million or 10.5% of the Australian adult population early-stage entrepreneurs actively engaged in starting and running new businesses in 2011. Of these, 40% are women. Where two or more people participated in the interviews, this table represents the key decision makers. Where both male and female agripreneurs are identified, the participants indicated that both took part in the final decisions, yet they all indicated that one made the final decision, as indicated by the M or the F leading in the gender row.
Table 4.4 **Education of agritourism participants**

<table>
<thead>
<tr>
<th>Participant</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>HS, HS</td>
<td>HS</td>
<td>U</td>
<td>C</td>
<td>HS</td>
<td>HS</td>
<td>U</td>
<td>U</td>
<td>U</td>
<td>U</td>
<td>U</td>
<td>U</td>
<td>U</td>
</tr>
</tbody>
</table>

**Key:** HS: High school, C: College, U: University

*Source: developed for this study.*

Of the 18 farmers interviewed, 12 had attended university, TAFE or undertaken other vocational training. This was in direct contrast to their parents, who in most cases had not completed high school or had not studied beyond high school. Many had travelled away from the district to pursue their education and had worked both in Australia and overseas for a period of time before returning to the family property.

### 4.3.3 Property information

From Table 4.5, it is evident that many families have held their properties for long periods of time. This ranges from four years to in excess of 100 years. The properties vary in size from the smallest at 6 hectares to the largest at 365 hectares. The original uses of the properties ranged from dairying, beef cattle production and tropical fruit research and production. On-farm family workers ranged from two to six and non-related employees (equivalent full time) from one to 30. From this table, it is evident that the venturers are from diverse age groups, production backgrounds and agricultural experience.
Table 4.5 Property information

<table>
<thead>
<tr>
<th>Case No.</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property size in hectares</td>
<td>12</td>
<td>81</td>
<td>52.6</td>
<td>6</td>
<td>152</td>
<td>42.5</td>
<td>55.8</td>
<td>46.5</td>
<td>45.3</td>
<td>36.1</td>
<td>43.3</td>
<td>122</td>
<td>152.2</td>
</tr>
<tr>
<td>Years of tenure on property</td>
<td>41</td>
<td>20</td>
<td>14</td>
<td>21</td>
<td>18</td>
<td>4</td>
<td>7</td>
<td>14</td>
<td>4</td>
<td>41</td>
<td>Family owned in excess of 100 years</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Original use</td>
<td>Bananas</td>
<td>Dairy &amp; beef</td>
<td>Beef cattle</td>
<td>Dairy, Beef cattle &amp; hay</td>
<td>Beef cattle</td>
<td>Dairy</td>
<td>Beef</td>
<td>Beef cattle, avocados</td>
<td>Beef cattle</td>
<td>Tropical fruit</td>
<td>Beef cattle &amp; dairy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family workers on-farm</td>
<td>2</td>
<td>5</td>
<td>2</td>
<td>2</td>
<td>6</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>Non family workers</td>
<td>2</td>
<td>3-4</td>
<td>2</td>
<td>1</td>
<td>8</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>30</td>
<td>2</td>
</tr>
</tbody>
</table>

Source: analysis of interview data.

4.4 Interview findings

This section is divided into four parts to reflect the interview structure. The four parts are: impetus for change (RQ1), individual differences that prompt the move to agritourism (RQ2), barriers encountered along the way (RQ3), and what is success to the interviewee(s) (RQ4).

4.4.1 RQ1: What external factors prompt individuals to start agritourism ventures when others, under similar conditions, do not?

This section aims to identify why interviewees considered agritourism as a viable option and then proceeded to pursue an agritourism venture.
4.4.1. Part A: Why did you consider farm tourism as an alternative or addition to your farm operation?

As shown in Table 4.6, there were many reasons cited for the change of direction into agritourism. All respondents cited industry changes as being a major factor in their decision. Many identified that the high Australian dollar affected the export markets and allowed a flow of cheap imports to flood the Australian food market. This made it difficult for these producers to compete and make a living.

Of the sample, 14 stated that a life-changing event prompted them to look for other opportunities and 14 were interested in the societal benefit of their venture citing the creation of local jobs as an important factor in their decision. Other reasons cited were: the global financial crisis (2), government decisions (5) such as ceasing live cattle exports, industry deregulation, as was the case for the dairy industry (8), and changing consumer demands (14) with consumer’s desire to connect with their food and concerns about sustainability and food safety often being cited.

Table 4.6 Reasons for change

<table>
<thead>
<tr>
<th>Reasons for change to agritourism</th>
<th>No. of interviewees citing reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry changes</td>
<td>13</td>
</tr>
<tr>
<td>Changes in consumer demands</td>
<td>14</td>
</tr>
<tr>
<td>Societal benefit</td>
<td>14</td>
</tr>
<tr>
<td>Life-changing event</td>
<td>14</td>
</tr>
<tr>
<td>Dairy deregulation</td>
<td>8</td>
</tr>
<tr>
<td>Government decisions</td>
<td>5</td>
</tr>
<tr>
<td>Global Financial Crisis</td>
<td>2</td>
</tr>
</tbody>
</table>

Source: analysis of interview data.

Note: respondents may have cited more than one reason.

Examples of comments from farmers who had established an agritourism venture include:

- After many years of being a small crop farmer and a fisherman, my trawler sank on the bar. This was the second time I had ended up in the water and I decided not to tempt fate again.
Agritourism presented itself, as there was an increasing demand for truly fresh and unusual produce. (Case 6)

- Farm tourism allowed me to still be a farmer, which was all I had ever been, but to it meant I could add another income stream to my business. (Case 4)

- We had been a conventional dairy for generations; we were losing money every month and heading for bankruptcy. Farm tourism meant I could tell people about the thing I love – dairying and make some money in the process. (Case 5)

- Farming is tough and the cheques weren’t covering the bills. We needed a venture that paid for our expenses. I wanted to work on-farm when I had young children. (Case 2)

- These days it is hard to pass on (the farm) and the parcels are not large enough to split and remain viable. Now the Local Government Act won’t allow farms to split into smaller holdings and many red soil areas are protected, but it is hard to be the last ones on the farm when it has been if the family since the 1930s. (Case 2)

- I had the farm and a very successful business overseas. Things were going well, and then my overseas partners took the business out from under me. I had to find something to make money and feed my family as the farm was being supported by the business. (Case 3)

- I collected all sorts of unusual fruit plants and tested them on my property. One of my children wanted to work on the farm and had become interested in cooking with the fruits we grew. Other people were interested too and wanted to know more. Small groups used to visit to see what we were doing. As I have always been interested in the health benefits of good food, this seemed like a good way to promote it. (Case 12)

- After years of subsistence income and having to work off-farm to supplement the income, I said ‘enough is enough’. I had to find a better way. I kept reading about the growing demand for organic foods so decided that was where I would focus my efforts. The farm was split in an estate settlement and a niche market was the only way I could make a living on a smaller property. (Case 4)

- It was obvious with the prices we were getting that the bananas weren’t going to feed my family. I had a vision for how things should be, to grow things successfully and do it well. Then I became interested in growing unusual crops that were from South East Asia that had a similar climate to here. (Case 1)
4.4.1 Part B: When you were considering a change, what would you say were the main things that prompted you to consider agricultural tourism?

There were a variety of reasons stated for the decision to change production direction, but they can be summarised by trends and changes in consumer demand. Consumers are becoming more aware of their food choices and anecdotally want to know where their food comes from and how it is produced.

- We became interested in the change in consumers interest in the origin of their food. Food shows were creating this interest. At the same time I was looking for opportunities and became interested in cheese making while I was travelling in Europe. It is a simple process, but the skills have been lost over time. (Case 2)

- Illness in the family made us reconsider what we ate. We grow most of our food here using biodynamic techniques. Lots of our town friends wanted to know more so we started bringing groups onto the property. It became clear that this was a way we could supplement our income by doing what we were already doing. It just took off. (Case 3)

- Food was very important to our family. We gathered and produced wonderful meals from the produce of our properties. When there was a special celebration the family preferred to cook ourselves as they said we were often able to produce a better spread than the restaurant and we knew the origins of our food. It occurred to us that others might be interested in growing and cooking their own food and they were! (Cases 8)

- I noted that there was a real change happening in how people thought about food. More people wanted to know where there food was produced, what chemicals were used and how long it had been in storage before they bought it. (Case 7)

- We would send our product to market and sometimes get a negative return so we actually lost money. We thought about how we could get the customer to come to us. If we made our farm interesting to them we could encourage them to come to us. (Case 10)

- I wanted to promote unusual fruits and the health benefits of eating fresh foods. By bringing consumers to us by making the farm friendly I could achieve this. (Case 12)

- The health benefits of good clean eating were just beginning to be acknowledged. I decided that this was the time to change direction. Consumers wanted to know more about their food and I could show them how it was produced and the value adding process. (Case 4)
• Farming was in my blood but dairy deregulation meant we couldn’t make a living. But I knew I wanted to stay here. We tried a variety of crops and supplemented our income with off-farm work. I did some research on crops that would give a reasonable return and decided pecans would suit our land. It wasn’t planned … it just evolved. (Case 13)

• I had started successfully growing some interesting fruits but had trouble selling, as the central markets weren’t interested. Consumers didn’t know what they were or how to use them. We had the roadside stall and spent a lot of time talking with customers about what we’re doing. This led to us taking groups of people through our operations and showing them how these fruits were grown. So I guess it just evolved. (Case 1)

The findings indicate that for a large number of Cases, they wanted to remain on-farm – a lifestyle they loved – but acknowledged the need to increase on-farm income. They recognised the external pressures on their traditional production methods and identified that bringing the consumer to them allowed them to showcase their operation while supplementing their income. Dealing directly with the consumer increased their returns and provided many with satisfaction they are producing a quality product.

4.4.1 Part C: Why, do you believe, other farmers don’t consider it (agritourism)?

Several reasons were cited as to why the participants believed other farmers didn’t move towards agritourism. They include finance, lack of confidence and the fact that farmers felt that their identity as farmers was important to them. Several also stated that other farmers were critical of their decision to change their operations.

Comments included:

• One local farmer was entrepreneurial but ended up being ostracised by the other farmers. He identified trends and chose to follow some. Moving away from traditional farming made him different and other farmers felt uncomfortable. (Case 8)

• There appears to be a dilemma for farmers. They have been farmers all their lives and come from farming stock. They are proud to be called farmers. If they move into another area – say agritourism – are they still farmers? (Case 1)

• Many farmers are solitary and don’t like to talk to the customer, even though they are proud of their products. (Case 11)
• Money! When things have been going poorly, many farmers are hesitant to take the risk of putting money into an unknown venture. The banks won’t lend for these types of things as often the farm is heavily mortgaged already. (Case 4)

• Many don’t want to change. My father said he was too old to make a change and couldn’t wait 10-12 years for a new crop to be profitable. Change is difficult. (Case 13)

• As farms are often family owned, it is hard to get everyone onside to make the change. We had many heated discussions when I suggested we move from traditional farming. My family could only see that it would lose money, as they had no experience outside farming. Now the older members of the family love talking to the visitors about the old days on the farm. (Case 5)

• Many farmers feel like they are in a rut but like the security of being on a farm. In our area there are few alternatives. Agritourism is still so new and there have been so many people failing because they didn’t have the money or experience in dealing face to face with customers. (Case 2)

• We did meet some resistance from other farmers. At one workshop a third generation farmer got quite aggressive as he didn’t think what we were doing was right. He wanted to know why we were sharing our knowledge and thought it would affect other farmers’ income. (Case 3)

The findings indicate that for a large number of cases, they wanted to remain on-farm – a lifestyle they loved – but acknowledged the need to increase on-farm income. They recognised the external pressures on their traditional production methods and identified that bringing the consumer to them allowed them to showcase their operation while supplementing their income.

4.4.2 RQ2 From their perception, what individual differences trigger the transition from farmer to agritourism operator?

This section aims to identify individual characteristics which the interviewees believe assist them in their new venture.
4.4.2 Part A: What individual characteristics do you believe farmers exhibit?

When the researcher initially asked this question, many interviewees scratched their head, as they had not thought about this before. The words most often stated were: resilient, stable, strong attachment to the land, community oriented, independent, committed, patient and outdoor type of person.

The interviewees all indicated that farmers liked to be independent and be able to make their own decisions. They are used to hardships brought about by seasonal climate changes, flooding and bushfires. Farmers feel a strong responsibility to their family, their land and their animals. They all indicated that farmers show concern for the health of their land and recognise the importance of minimising the use of harmful chemicals both for their consumers and themselves.

4.4.2 Part B: (i) Do you consider that any individual characteristics may have helped you through the process of establishing the agricultural tourism operation?

4.4.2 Part B: (ii) Do you believe these are characteristics all farmers possess?

The responses to these questions were reasonably consistent. As identified in Table 4.7, all respondents identified that they do not resist change, they are prepared to take calculated risks, personal satisfaction is important to them, they are proud to present a quality product to the consumer, and they like to be their own boss and be in control of their own destiny. In addition, the interviewees mentioned being visionary (11), innovative (14), self-motivated (13) and liking people (14).
Table 4.7 Individual characteristics

<table>
<thead>
<tr>
<th>Individual characteristics</th>
<th>No. of interviewees citing this characteristic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not afraid of change, views change as positive</td>
<td>18</td>
</tr>
<tr>
<td>Prepared to take calculated risks</td>
<td>18</td>
</tr>
<tr>
<td>Personal satisfaction important</td>
<td>18</td>
</tr>
<tr>
<td>Likes to be proud of the product that is presented to consumers</td>
<td>18</td>
</tr>
<tr>
<td>Likes to control their destiny / be their own boss</td>
<td>18</td>
</tr>
<tr>
<td>Visionary, constantly looking forward, looking for the next opportunity</td>
<td>11</td>
</tr>
<tr>
<td>Likes to be innovative</td>
<td>14</td>
</tr>
<tr>
<td>Like people – social interaction</td>
<td>14</td>
</tr>
<tr>
<td>Self-motivated</td>
<td>13</td>
</tr>
</tbody>
</table>

Source: analysis of interview data.

Comments included:

•  *I am always on the lookout for ways to improve that way we operate our business. Often that means change and I think change keeps me more alert to possibilities.* (Case 1)

•  *I think differently to many farmers as I am not bound by previous generations. I am the boss now. I think we need to constantly be looking for better ways. Change is not always bad. I am proud of my products and like to be able to show my customers how it is done.* (Case 3)

•  *I like to be in control of my destiny. For years I felt like the bank dictated to me what I could or couldn’t do. By being prepared to take a risk, financing the operation differently and being innovative, I have created more opportunities for my family and me.* (Case 4)

•  *Because I didn’t grow up on the farm but married into it, I probably take a more pragmatic view to its operations. I like the opportunity to meet customers and tell them about our produce. I get a huge amount of personal satisfaction when customers come back and say they want more as they enjoyed our products so much.* (Case 2)

•  *Being alert to new opportunities is no good without being prepared to make changes to how we do things. Change isn’t always comfortable but the results can be fantastic. I feel proud of what we are achieving and I want the customers to have access to our foods.* (Case 12)
The risk-taking part of operations – you don’t realise how big the risk was until you look back. We try not to borrow too much and take calculated risks but even so I like to be in control of my own destiny and control my products right to the consumer. Selling your product locally insulates us from the global situation. The ability to deal with change and ambiguity is probably the most important as farmers tend to get into set habits and not want change. Flexibility to meet challenges and patience to let it work particularly when you are dealing with limited finance, are so important on the land. (Case 13)

4.4.2 Part C: Do you believe these are characteristics that all farmers possess?

There was a united response to this question. While not criticising other farmers, the interviewees identified that, if more farmers were prepared to let go of old ways and be more adventurous in their ventures, they may be able to cope more effectively with societal, industry and government changes that affect their farming. The following comment sums up the feelings of many of the farmers.

- Many older farmers don’t like change. Tradition is important to them. They can also be very determined – something needed to succeed on the land – sometimes to their detriment. (Case 2)

- Farmers are good blokes but many are asleep at the wheel. Farming is an honourable profession or calling with a massive responsibility to provide a clean source of food and protect the land. However, because of a blinkered approach they often get into trouble when conditions turn bad. (Case 3)

- Many farmers, particularly the older ones, feel that their identity is being a farmer and they are proud of their title. To do something different feels at odds with who they are. I think the younger ones are more prepared to make changes as often they have spent time off-farm for education or work and they can see things differently. (Case 7)

- Change is difficult and a big change from livestock to a horticultural operation ... you know it is a big change for the older generation. Even though it is still farming, it is very different and you need a strong character to keep going. Probably that is the biggest fact for people not changing, but I knew that, to make the place work, we had to change the way we did things. I will always identify as a farmer but we have to realise that farming is a business. (Case 13)
4.4.3 RQ3. What barriers could make the transition from farming to agritourism difficult? How can these barriers be overcome?

4.4.3 Part A: Barriers

There were two distinctive groups of barriers identified by the agritourism operators. They were barriers to entry and barriers encountered while operating their venture. The barriers have been summarised in Table 4.8.

The main concerns were legislative requirements and finance. They all stated that finance was an issue in the expansion process as they were often ‘mortgaged to the brim’ already, so lending institutions were hesitant to extend them any further finance. Many turned to family or business ‘angels’ to help finance the operation. The ventures that used finance from business angels were forced to examine the viability of their operation carefully and produce a plan for the venture before any finance was forthcoming. They all said that this was valuable and made them evaluate the venture from all angles. It also made them more confident that it would work.

Legislative requirements from the three levels of government were cited by all agripreneurs. They identified issues such as the restrictions placed on land use by various environmental acts and requirements and the lack of money to fight these restrictions. One farmer lost one third (40.5 hectares) of his property based on these requirements. Council fees and the slow processing times were also cited as barriers. Several said that the Council officer gave them incorrect or ambiguous information and they then had to pay a lawyer to help resolve the issue. Others complained that Council would not approve signage to help tourists locate their property. Also in the early days they had problems getting signage approved for tourism trails.

Family was often cited as a barrier. Several whose family had been on the property for generations said that the older family members were hesitant about changing when the property had been, say, a beef farm or a dairy for generations. The older generation were mainly concerned about the financial risk as they were either in retirement or planning their retirement. These objections were not unreasonable due to the older generation being at a different stage in life and hard to overcome due to the family relationships.

Objections by conservationists and NIMBYs have also been cited as a barrier. They felt affronted by conservationist’s claims that they were degrading the property and the region as many have regarded themselves as ‘custodians of the land’ and actively sought to improve soil quality and maintain their property in an environmentally safe way. They were actively planting trees and providing wildlife corridors to support local flora and fauna. NIMBYs feel
that having tourists travelling through the region will change the character of the region. Several operators have undertaken traffic counts and, while the number of cars and some tourist busses had certainly increased, the number of heavy transport vehicles has decreased with the removal of cattle and milk trucks from the road.

**Unhealthy competition** from the large supermarkets was a concern for eight of respondents. They identified that they could not produce and make a profit at the price paid by supermarkets, such as Woolworths and Coles. Often product sent to central markets sold at a loss after freight and commissions were calculated.

While **weather** was mentioned by eight, this was peculiar to their type of production. The past 12 months has been extremely wet in the region and this has damaged several crops such as garlic, tomatoes and lettuces and increased the incidence of certain plant diseases and pests.

One farmer identified that stopping **live cattle exports** had been a problem for him as the producers from northern Australia were now sending their cattle south to the markets. This led to him either taking very low prices or not selling cattle, which put pressure on his finances. This meant that he was not able to use the cattle sales to support his agritourism venture to the extent required.

Table 4.8 **Barriers encountered**

<table>
<thead>
<tr>
<th>Barriers encountered by agripreneurs</th>
<th>No. citing each barrier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legislative requirements – Federal/State/Local government</td>
<td>18</td>
</tr>
<tr>
<td>Finance</td>
<td>18</td>
</tr>
<tr>
<td>Family</td>
<td>15</td>
</tr>
<tr>
<td>Business Compliance</td>
<td>14</td>
</tr>
<tr>
<td>Lack of information on new crops</td>
<td>14</td>
</tr>
<tr>
<td>Conservationists &amp; NIMBYs (Not in my back yard)</td>
<td>8</td>
</tr>
<tr>
<td>Unhealthy market competition</td>
<td>8</td>
</tr>
<tr>
<td>Weather</td>
<td>8</td>
</tr>
<tr>
<td>Stopping live exports</td>
<td>1</td>
</tr>
</tbody>
</table>

*Source: analysis of interview data.*
Some comments were:

- *It feels like you are dealing with an octopus of regulations and requirements. You are trying to please the bank, the Council, State and Federal government, family, neighbours, conservationists, politicians especially the Greens. No matter how hard I try, I can’t please them all.* (Case 1)

- *Bureaucrats in ivory towers restrict my right to use my land as I want to and I am a small operator who cannot fight the rules. I lost one third of my land to agriculture without compensation and they think that is OK.* (Case 1)

- *Other farmers and locals muttered behind their hands about people taking an entrepreneurial approach. They are proud of the tradition of farming and felt that these new operations were being unfaithful to the traditions they had built over time.* (Case 2)

- *It is not enough to look at who we are and what we can do. There are so many people trying to put their nose into the process. What should be simple becomes a long drawn out process.* (Case 6)

- *Because we wanted to do something that was way out of left field, some locals ostracised us. They would ask us ‘why would you want to do that? Consider how it will change the feel of the area’.* (Case 8)

- *We encountered a lot of resistance and the negotiations with Council, and the community took two years. What is needed is a few independently minded people to convince the community of the benefits.* (Case 7)

- *One of the biggest barriers was financial as we didn’t have a big, reliable turnover and we were averse to borrowing. I didn’t want a handout but there was no help from any level of government and young people weren’t getting any encouragement to stay on the land and keep producing food. Also, local government restrictions to everything we try to do have made life particularly difficult. We couldn’t use our land how we wanted to but we still pay top rates to Council for the minimal facilities supplied to us.* (Case 13)

- *While the Council and State representatives worked with us it has been very frustrating. Not the people but the processes, the red tape. Also, several people required extra reports to ‘cover their arses’ even though when we argued it became apparent they were not required.* (Case 5)
• Trying to educate people that farmers are important. People at farmer’s markets understand this, but the broader community don’t seem to understand how important farmers are to their daily life. (Case 13)

• Now suburbia is encroaching on farmlands the locals think they can dictate how we run our operations. They forget that we were here first and we believe ourselves to be good custodians of the land, but we do need to produce food and this is not always conducive to neighbours with the dust and noise. (Case 8)

Facilitators of agritourism

When looking at barriers, it is also important to consider the facilitators of the change. Table 4.9 lists the people identified by the interviewees who helped in the change process. It shows four groups were mentioned as facilitators: family, other venturers, government representatives and rural extension officers. Family often provided finance when traditional lenders refused to finance the new operation. Traditional lenders often argued that this type of venture was not consistent with the experience of the operators and was therefore ‘doomed to fail’. Other venturers provided valuable information from their own experience. Even though their operations were generally quite different, they were able to suggest solutions to problems encountered. Government representatives were mentioned as both barriers and facilitators, often depending on who they dealt with. Several found someone who was enthusiastic and took a personal interest in finding solutions to help them develop their new venture, while others stated that some government representatives acted by putting up barriers and, in one situation, the farmer became so well informed about the regulations that he was able to tell them that their requirements did not apply to his type of operation. Rural Extension Officers were often able to offer little practical assistance due to the nature of the venture, but were able to direct the venturers to technical information and in some instances provide contacts, albeit in different regions and sometimes different countries.
Table 4.9 **Facilitators**

<table>
<thead>
<tr>
<th>Facilitator</th>
<th>Process assisted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family</td>
<td>Finance</td>
</tr>
<tr>
<td>Other venturers</td>
<td>Processes necessary to get the venture up and running</td>
</tr>
<tr>
<td>Government representatives</td>
<td>Identified regulations and requirements such as licenses and permits.</td>
</tr>
<tr>
<td>Rural Extension Officers</td>
<td>Helped with processes required to set up venture.</td>
</tr>
<tr>
<td></td>
<td>Provided direction to available technical information.</td>
</tr>
</tbody>
</table>

*Source: Developed for this study*

### 4.4.3 Part B: Networks

The responses on this question varied but the majority identified that they did not depend on networks beyond family and friends. Most identified that no industry association existed to support their current endeavour. They did not feel that the Tourism associations were of any benefit to them and stated that they were more involved in providing information to tourists rather than helping set up new ventures.

The majority said that their new venture had created informal networks amongst likeminded venturers. The Northern Rivers region has become a vibrant food destination and they identified that the collaboration between the agritourism operators was very effective, even though informal.

Some comments were:

- *We sought contact more with the associations for our new products rather than tourism associations. At that time, they couldn’t see how we fitted in, as the industry is relatively new. Other local growers and stallholders at the markets were helpful. We were all feeling our way and learning together. (Case 13)*

- *Initially, my networks were people involved in agriculture, but when I started with unusual fruits and had to educate people about them it broadened. Now I rely heavily on local chefs to both develop recipes for the fruit and tell me what they want planted next. Also because we have visitors coming to the property, I have linked in with the tourism groups. (Case 1)*
• As I had worked in a marketing capacity with the local tourism authority, I had good contacts there. When we started this venture, they were invaluable, plus industry representatives were able to help with the big picture outlook. (Case 2)

4.4.4 How do farmers measure success in an agritourism venture?

Businesses generally assess their success on the basis of profit growth and survival. The farmers were asked how they assess their success in this venture. While some made an aside comment about money, they were united in the belief that it was about more than money. Lifestyle and the opportunity to showcase the region’s attractions were the two most cited measures of their success. When asked if they had ever considered packing up and moving, the response was an adamant ‘no’. They all had strong connections to the region and moving was not an option.

4.4.4 Part A: Do you believe your venture has been a success?

Except for one participant who was still in the early stages of the venture, all the participants were decidedly positive about the success of the venture. They felt that had they not taken this step, their future on the land would have been a troubled one. Table 4.10 outlines the measures of success as identified by the interviewees.

Table 4.10 Measurements of success

<table>
<thead>
<tr>
<th>Measurements of success</th>
<th>No. citing the measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Showcasing the region’s attractions</td>
<td>18</td>
</tr>
<tr>
<td>Maintaining lifestyle</td>
<td>18</td>
</tr>
<tr>
<td>Generating regional income</td>
<td>14</td>
</tr>
<tr>
<td>Employing locals</td>
<td>14</td>
</tr>
<tr>
<td>Employing family</td>
<td>13</td>
</tr>
<tr>
<td>Not needing farm income support</td>
<td>12</td>
</tr>
</tbody>
</table>

Source: analysis of interview data.
Examples of comments on the questions of success include:

• When you stop treating people as a transaction and start treating them as a relationship and like people, you will always have business. (Case 3)

• Maybe not by big city standards, but we are happy with the way things are going. It is not all about money, but we have been able to stay here when others have had to leave their farms. And we have been part of a new awareness of good fresh food. (Case 1)

• Yes ... we had some money to invest in the venture, but not a massive amount. By taking the agritourism path, we could use existing resources. We love being able to use and promote local ingredients. We also believe we are providing safer food for our family and locals. (Case 2)

• Yes. You have to make a dollar, but this is more than that. I see how people’s eyes are opened when they visit and see how we grow our produce and value add. They get to see the processing then sample it at the end. They talk to the workers and get a better understanding of how their food is produced. It is almost like many of them have that ‘aha’ moment. That’s a good feeling. (Case 12)

• Finance is always an underlying issue, but it is more than that. About six months ago, we had a curry night at the local hall for about 100 people and I supplied the rice. It was a good feeling as I thought ‘I fed my community’ and I came away from that feeling a bit chuffed. (Case 13)

The respondents were united in their statements about lifestyle. Some had lived in the city and taken considerable cuts to their income to come back and raise their children in the region. They had identified that they wanted their children to have a similar upbringing to themselves, in safe environments with outdoor activities such as horse riding. Gaining farm experiences was viewed as being an important aspect for their children. They felt this was instrumental in building good character and learning life skills. Several had gone, some involuntarily, to cities or larger rural centres for education and work experience. They said that, in hindsight the experience was valuable, but at the time they had not been happy in the larger centres and some had pined for the ‘bush’.
4.4.4 Part B: Do you measure your success in agritourism differently to when you were a traditional farmer?

There was a united ‘yes’ in response to this question. Many said they felt constrained by the title of farmer and felt that the traditional measures of profit and survival applied. With their agritourism venture, they felt they were ‘thinking outside the square’, so the traditional measures did not apply. They did not feel as constrained as they were not selling through central markets and therefore, as reliant on more traditional production practices.

• Yes, very differently. Traditional farming is measured by output per hectare. I measure my success in this as more within the community, as what I am doing for my local community. We provide employment both on-farm and sending out our product for processing and packaging, we spend locally and hope that will help our neighbours. It is disappointing for me that I will probably be the last of my family. Unless the broader consumer’s attitude to food production changes, I’ll probably be the last. Imported food undermines us. (Case 13)

• For sure. We do things differently and we have more control over what we do. We are no longer at the will of the central markets where we often got no return for product sent after freight costs were taken out. How can anyone survive on that? At least now we have the money in our hands as soon as we sell and we have income from visitors touring the property. Plus we get to see how consumers relate to our product. It’s a win-win all around. (Case 1)

• Yes, I am still alive – better and stronger every day. I don’t know what I would have done if this didn’t work. We don’t owe anything now but we are still bumping along the bottom. It gives us enormous personal satisfaction to have customers say how much they love our product. (Case 3)

• I get so much satisfaction from what I do now. Success is not always money. While I am still a primary producer I became an educator, something that I never thought I was capable of. The reaction I get from people when they try our product makes all the effort worthwhile. (Case 2)

4.5 Conclusion

This chapter reported the findings from the semi-structured interviews that were undertaken with agripreneurs in the Northern Rivers region of New South Wales, Australia. Chapter 5 will analyse and discuss these findings, then draw conclusions, comparing the findings to existing knowledge and identifying new knowledge gained from the data analysis.
CHAPTER 5: CONCLUSIONS AND IMPLICATIONS

5.1 Introduction

This chapter presents the conclusions and implications of this research, which aims to provide insight into who are the farmers that take the step into agritourism and identify whether they show entrepreneurial characteristics. Chapter 1 introduced the research including the background and justification for the study. Chapter 2 then reviewed the extant literature and identified gaps in entrepreneurship research relating to entrepreneurs in agriculture. The research problem subsequently stated was that there was no information on the characteristics of agripreneurs or triggers for their move into agritourism. The research objective was supported by four research questions, which were then supported by a larger set of interview questions.

Chapter 3 described the research methodology. An overview of research paradigms was presented, then a justification for the research paradigm chosen presented. Next, the research process adopted for the study was discussed and the specific technique adopted for this study justified. In addition, the chapter discussed data collection, data analysis, limitations and ethical considerations and how these have been addressed.

Chapter 4 discussed the research findings and data analysis. It began by summarising the data collected during the semi-structured interviews, then reported and analysed the interview results. The results for each interview were summarised, key aspects of the participant responses presented and analysis conducted.

In Chapter 5 the results and analysis are taken and discussed in terms of the research problem, objective, questions and propositions in light of the literature reviewed in Chapter 2. To conclude the chapter, the researcher identifies the limitations of this study, together with suggested opportunities for further research.
Figure 5.1: Structure of Chapter 5

5.1 Introduction

5.2 Conclusions about research propositions
   5.2.1 Research problem
   5.2.2 Research objective
   5.2.3 Research question
   5.2.4 Research proposition
   5.2.5 Discussions on research question 1
   5.2.6 Discussions on research question 2
   5.2.7 Discussions on research question 3
   5.2.8 Discussions on research question 4

5.3 Conclusions about research problem

5.4 Implications for theory

5.5 Implications for policy and practice

5.6 Limitations and implications for future research

5.7 Conclusion

Source: Developed for this study
5.2 Conclusions about research propositions

5.2.1 Research problem

The question of ‘how agripreneurs come into existence’ prompted this research. In 2000, Shane and Venkataraman (p. 218) posed the question: ‘Why do some people and not others discover particular entrepreneurial opportunities?’ While Shane and Venkataraman hypothesise it could just be ‘blind luck’, they also identify that research suggests prior information and cognitive ability are factors that influence the discovery. In this study, the question was applied in the context of agricultural tourism.

5.2.2 Research objective

The objective of this study is to build a tool for the development of agripreneurial action. While models and tools exist for entrepreneurs in general business, farming and tourism are quite different industries and agripreneurs face additional obstacles due to their exposure to the natural environment.

This research had several goals, one of them being to identify barriers to business. In addition, the research aimed to identify whether there were barriers peculiar to only agritourism ventures. The researcher also asked what prompted the agripreneurs to start up agritourism ventures. Entrepreneurship theory asks why some take the step into new ventures while others, armed with the same information, do not take the step. The purpose of the research on individual differences was to find out whether there were individual differences peculiar to these ventures.

5.2.3 Research propositions

Based on extant literature and discussions with informed sources, it is proposed that the following questions form the basis of the research. A previous conceptual framework (Shane & Venkataraman 2000) has been adapted to the context of agripreneurs and agricultural tourism.

Proposition 1: Opportunities for agritourism come into existence.

Proposition 2: Some, and not all, farmers identify opportunities for agritourism.

Proposition 3: Differing modes of action are used to exploit entrepreneurial opportunities.
This study fills this void by studying agripreneurs with a focus on personal and behavioural characteristics of the agripreneur as well as the context in which he or she operates. The next section will discuss agritourism and entrepreneurs.

5.2.4 Discussion on research question 1

Research question 1: What were your reasons for moving into agritourism ventures?

From the study of 13 cases, the reasons for entry into agricultural tourism were identified. While regional policy encourages the pursuit of entrepreneurship (Alsos, Ljunggren & Pettersen 2003) and farmers are acknowledged to have acquired experience through generations on the land (Carter & Rosa 1998), previous research has found a diversity of factors triggered entry into new ventures (Alsos, Ljunggren & Pettersen 2003). Several studies assert that the reasons are economically based (Busby & Rendle 2000; Nickerson & Black 2001; Weaver & Fennell 1997). A study of the motivations of Canadian farmers for establishing vacation-farms (Weaver & Fennell 1997) found that the main reason was to offset falling income from agriculture. There are numerous examples of agritourism businesses taking over as the primary income producer (Busby & Rendle 2000). At the same time, an Australian study found that the appeal of a rural lifestyle was the strongest motivation for finding economic means to support this lifestyle (Getz & Carlsen 2000). While the financial contribution from agritourism maybe minimal, it is often sufficient to make the property viable (Getz & Carlsen 2000).

Table 4.6 outlined the reasons for change as identified by the respondents in this study. It is evident that industry changes forced all respondents to consider new options for income generation. These industry changes made their current business model either obsolete or no longer financially viable – for example, banana crops being wiped out by disease, or dairy deregulation where the price of drinking milk was no longer dictated by legislation, thus leading to a decrease in the number of farms being able to make a living from selling drinking milk alone (Beck & Beck 2014). For this group, the reduction in farm income was a strong motivator for looking to change the way they operate their farm. When comparing reasons for diversifying into agritourism, all cases stated that increasing their income stream was important, although to 11 cases it was imperative to keep the operation viable.
Life-changing events

Life-changing events were ranked as the reason by 14 of respondents. Those who cited life-changing events felt they could no longer continue their farms in the same manner. Several were supplementing their income off-farm, including one who nearly lost his life when the fishing boat he was on capsized on a rough bar crossing. These respondents felt they were pushed into the entrepreneurial activities, as there were no other options for employment in their region, consistent with necessity entrepreneurship (Acs 2006; Reynolds 2005). A necessity entrepreneur has been described (Maritz 2006, p. 255) as ‘someone who never considered starting or owning a business until there was no other option’ and individuals who ‘are pushed into entrepreneurship because all other options for work either absent or unsatisfactory’ (Harding & Bosma 2006, p. 17). This, in conjunction with their embeddedness in their community cited in interviews, created a unique situation.

Many could say that these farmers could sell their farm and move to an area of higher employment. For the farmers this is not an option as they are embedded in their communities, often with a long family history in the region. The nature, depth and extent of an entrepreneur’s ties into the local environment are described as local embeddedness (Jack & Anderson 2002). ‘Entrepreneurial craftsmen are usually locally born individuals who appear to be well embedded in the local socioeconomic milieu’ (Kalantaridis & Bika 2006, p. 1562), as opposed to professionals who show entrepreneurial flair, move into the area and rely less on ‘the locality as a source of employment, materials and information’.

Societal benefit

Societal benefit was cited by 14 respondents as the reason for change. They discussed issues such as creating local employment particularly for family members, educating consumers about their food, educating fellow farmers about more sustainable methods of farming such as permaculture and biodynamics, together with growing and educating about organic foods.

A positive relationship between entrepreneurship, employment generation and economic development has been identified (Acs et al. 2009; Frederick & Kuratko 2010; Frith & McElwee 2007; Low & MacMillan 1988; Wennekers & Thurik 1999) and the entrepreneur has been described as essential to economic development (Schumpeter, Opie & Elliot 1934). However, in the cases studies there is little evidence of increased employment from these ventures.
Government decisions

Government decisions were cited by four of the respondents as the reason that they moved into new ventures. Decisions such as changing local government regulations, which increased the size of blocks that could be subdivided from their land, and the cessation of live cattle exports, causing cattle from northern Australia to flood into southern markets, were identified as causing financial stress. These events were outside the farmer’s sphere of influence, but had a negative impact on their operations.

Global Financial Crisis

The Global Financial Crisis was cited by only three of respondents. One farmer had been exporting cattle but the economic downturn reduced his export numbers to a point where the profit was negligible. Only one operation had a high number of international visitors, but they indicated that international visitors were not their main income source.

There were several sub questions to Research Question 1. These will now be discussed.

When you were considering a change, what would you say were the main things that prompted you to consider agricultural tourism?

Changes in consumer demand and societal trends were identified as the reasons for moving to agritourism. Television shows and magazines with a focus on health, cooking and different varieties of foods have piqued the public’s interest. Farmers with dwindling incomes have identified an opportunity in the market or developed an innovative new product. This is consistent with entrepreneurial activities described in the extant literature. While falling incomes and supplementing poor yields are underlying motivations a sense of morality, philosophical bent or a vision for societal change have also been cited as reasons for change (McGehee & Kim 2004). The presence of innovation has been described as the defining feature of entrepreneurship and innovation has been described as using an entrepreneurial orientation to enter new or established markets with new or established products or services (Baum & Locke 2004; Drucker & Noel 1986; Zhao 2005).

Several respondents had visited established agritourism areas both in Australia and overseas as part of their information search. Several identified agriculture as something they knew ‘inside out’, so they felt that agritourism might be a logical extension. Also, these businesses can draw on the support of family members for finance and paid and unpaid labour for such things as bookkeeping, household management and mentoring (Alsos & Carter 2006).
Why, do you believe, other farmers do not consider agritourism?

Several reasons were cited as to why the participants believed other farmers didn’t move towards agritourism. They include finance issues, lack of confidence and the fact that farmers felt that their identity as farmers was important to them. Farming was described as an honourable profession (Case 13). Several also stated that other farmers were critical of their decision to change their operations. Criticism from other farmers is consistent with the strong feelings of identity that farmers hold. A study of Illinois farmers identifies the difference between the yeoman and the entrepreneur identifying that, for the yeoman farmer, agricultural success was defined by farm continuity, whereas, for the entrepreneur, farmer success was based on financial returns and personal achievement (Salamon 1985). Farmers do not think of themselves as entrepreneurs and some hesitate to identify with entrepreneurship (Richards & Bulkley 2007). Many prefer to ‘conform to the understated mannerisms of the prevailing farm culture, especially among their peers’ (Richards & Bulkley 2007, p. 5). Several of the interviewees made comments that would support this assertion.

Two other factors were cited: lack of confidence in, and dislike of, change. Tolerance of ambiguity has been identified as one of the characteristics likely to be present in successful entrepreneurs (Schere 1982), so it is not surprising that farmers who do not pursue entrepreneurial opportunities would dislike change. Ambiguity is present when there is ‘no clear interpretation of a phenomenon or set of events’ (Hunter 2006, p. 45), hence ambiguous situations lack information creating uncertainty. Therefore it is not surprising that the farmers who dislike change have not pursued entrepreneurial opportunities.

While tourism has been described as a ‘mechanism for farm survival’ (Knowd 2006, p. 12), many farmers decide that it is not for them. The agripreneurs interviewed identified several reasons listed above as to why others do not enter agritourism, but they may not be factual. This is an area that warrants future research.

When you were considering a change, what would you say were the main things that prompted you to consider agricultural tourism?

There were a variety of reasons stated for the decision to change production direction, but they can be summarised by trends and changes in consumer demand. Consumers are becoming more aware of their food choices and anecdotally want to know where their food comes from and how it is produced.
The findings indicate that, for a large number of agripreneurs, they wanted to remain on-farm – a lifestyle they loved – but acknowledged the need to increase on-farm income. They recognised the external pressures on their traditional production methods and identified that bringing the consumer to them allowed them to showcase their operation while supplementing their income. Dealing directly with the consumer increased their returns and provided many with satisfaction that they are producing a desirable and high-quality product.

5.2.5 Discussion on research question 2

Research Question 2: From their perception, what individual differences trigger the transition from farmer to agritourism operator?

This section aims to identify individual characteristics which the interviewees believe assist them in their new venture.

What individual characteristics do you believe farmers exhibit?

The words most often stated were resilient, stable, strong attachment to the land, community oriented, independent, committed, patient, and outdoor type of person. There is little research on the personality characteristics apart from tolerance of risk (DellaValle, Hoppin, Hines, Andreotti & Alavanja 2012; Gurven, von Rueden, Massenkoff, Kaplan & Lero Vie 2013). Farmers have become disconnected from their customer base due to the highly developed food and primary production distribution systems and while tourism has been promoted as a tool to alleviate the economic pain being experienced in rural regions, different knowledge, skills and attitudes are required if communities are to harness the benefits successfully (Knowd 2003).

The interviewees all indicated that farmers liked to be independent and be able to make their own decisions. They are used to hardships brought about by seasonal climate changes, flooding and bushfires. Farmers feel a strong responsibility to their family, their land and their animals. They all indicated that farmers show concern for the health of their land and recognise the importance of minimising the use of harmful chemicals both for their consumers and themselves. This is consistent with research undertaken in far north Queensland in 2000, which identified farmers as having a capacity for hard work, the capacity to cope with adversity, and a stoic and self-contained outlook (Shrapnel, Davie & Frank 2000).
Individual differences of agripreneurs

When asked whether they thought any individual differences may have helped them through the process of establishing the agricultural tourism operation they identified several reasons as listed in Table 4.7. These have been amalgamated and will be discussed in relation to the extant literature.

The respondents all identified that they embraced change and saw it as positive, in contrast to their impression of traditional farmers, who they saw as disliking change. They liked to research and evaluate any opportunities that they saw.

Tolerance of ambiguity

Tolerance of ambiguity is related to risk taking and is an emotional reaction to ambiguity and uncertainty. It has been identified as one of the characteristics likely to be present in successful entrepreneurs (Schere 1982). Indeed, Schere (1982) states that entrepreneurs reporting a high tolerance of ambiguity have an open mind, respond quickly to change, need to know only the key facts, and have a flexible attitude. This is consistent with the group studied, who appeared to make quick decisions and moved forward with business ventures. As one respondent said, ‘We make our mistakes quickly and move on’ (Case 4). However, few studies have found any linkage between an individual’s self-assessment of high tolerance of ambiguity and any increased likelihood to become an entrepreneur (Gartner 1988).

Risk taking

While all respondents identified they were prepared to take a risk, they all qualified the statement by saying they would not proceed without doing a considerable amount of research before proceeding with a venture. However, they all said that, at the end of the day, it took a leap of faith to proceed with a new venture.

Risk taking was one of the earliest entrepreneurial characteristics identified. Whether financial, social or psychological (Liles 1974), risk-taking is part of the entrepreneurial process (Hisrich 1990). Entrepreneurs show a higher risk-taking propensity than managers (Stewart Jr & Roth 2004), and owner managers whose focus was on growth had a higher risk-taking propensity that those whose focus was on family income (Hisrich 1990). Hisrich (1990) also discussed the motives for risk-taking, which usually relate to achievement.
Need for Achievement

All farmers interviewed identified as being motivated to achieve and this sometimes made it difficult for them in the family business. While there have been conflicting views on the need for achievement motivation, Clelland’s (1961, 1987) research concluded that: individuals with a high need for achievement tend to take personal responsibility for finding solutions to problems, set moderate achievement goals and take calculated risks, and desire concrete feedback regarding their performance.

Locus of control

All respondents indicated that they have a high locus of control. They like to feel proud of their product and all indicated that, by taking more control of how their products were presented to the consumer, they were able to increase their income and their personal satisfaction with how their business operated. Consumer feedback was readily available and their product was no longer anonymous on the supermarket shelf.

Locus of control (LOC) is the degree to which entrepreneurs feel that they can affect the world around them and is one of the recurring characteristics of successful entrepreneurs. According to this theory, individuals believe that the outcomes of events are within (internal) or beyond (external) their personal control. An individual with a belief in an internal locus of control perceives that the outcome of an event is contingent on his/her own behaviour or his/her own relatively permanent characteristics (Kobia & Sikalieh 2010) This makes individuals believe that they can manipulate the environment in which they operate and that they are responsible for their own destiny. Alternately, an individual with a belief in an external locus of control perceives that the outcome of events is out of their personal control that is that the outcome is not entirely dependent on his/her actions. These individuals attribute the outcome of events to factors such as fate, luck and chance. Research has shown an association between this trait and entrepreneurship (Brockhaus 1980; Hull, Bosley & Udell 1980; Low & MacMillan 1988).

Individuals with the self-efficacy trait show a reliance on their own will, ability and actions. They devise their own strategies for managing entrepreneurial tasks in both their entrepreneurial and professional life. Kobia and Sikalieh (2010) assert that these individuals act autonomously and take the initiative to bring about change when they feel that other’s actions or behaviour is in conflict with their best interests.

From this discussion, we can conclude that the internal locus of control accompanied by self-efficacy or some other trait such as need for achievement for entrepreneurship to occur. The
respondents all indicate that they wanted to control their own destiny and be their own boss. They often acted against the preferences of other family members, as they were confident their ideas would work to achieve their goals. While their families saw roadblocks, they saw opportunities. They felt the barriers they had identified could be surmounted and that the opportunities identified would allow their families to remain on their property in the environment and community that they loved.

**Innovation**

The agripreneurs identify themselves as visionary and innovative. Innovativeness is one of the factors of entrepreneurial orientation (Lumpkin & Dess 1996) and is described as especially important in agritourism farms owing to the fact that success depends on continuously changing and improving programs and products offered (Barbieri & Mshenga 2008). Creativity and optimism have been identified as related to successful opportunity identification (Ardichvili, Cardozo & Ray 2003). Opportunities do not drop from the sky (Low & McMillan 1988), but are the product of ongoing networks and relationship exchanges. Shane (2000) ponders on why some people discover opportunities and others do not. It has been speculated that it is not the amount of knowledge available but the combination of different strands of knowledge to form new relationships (Stuetzer, Obschonka and Schmitt-Rodermund 2012) that matters.

When asked whether they thought that these were characteristics that all farmers possess, the consensus was that traditional farmers were staid and unable to let go of their old ways. In saying this, the interviewees were not critical and there was great respect for the farmer and their attributes of stability, resilience and independence.

5.2.6 Discussion on research question 3

**Research Question 3. What barriers could make the transition from farming to agritourism difficult? How can these barriers be overcome?**

The purpose of this question was to identify the types of barriers encountered by the agripreneurs and how/if they had been able to overcome them. The use of networks was also examined. Table 4.8 identifies the barriers as identified by the agripreneurs. One agripreneur used the analogy of dealing with an octopus – there were so many competing forces exerting pressure on the operations of his business. He identified that he was trying to please many stakeholders including family, government, neighbours, conservationists, NIMBYs and politicians.
Finance and government policies

For all of the agripreneurs, finance and legislation were cited as being a major hurdle. Finance was a problem for two reasons: first, many of the farms were already highly geared for existing operations and, second, the addition of an agritourism operation did not fit the traditional business model of agriculture. Several applied for small grants but were rejected on the same basis – this was not traditional agriculture.

Similar results have been seen in studies undertaken in the United Kingdom (Phelan & Sharpley 2011; Sharpley & Vass 2006), United States (Richards & Bulkley 2007), Canada (Siemens 2009) and Europe (Barbieri & Mshenga 2008). Porter’s Five Forces Framework (Porter 2008) highlights the barriers to entry that may be encountered by entrepreneurs entering new markets. These include developing economies of scale and brand loyalty, capital requirements, switching costs for the buyer, access to distribution channels, proprietary factors such as technology, products and processes, and government regulations.

Legislation was, and continues to be, a major barrier for the businesses. This is due to the high level of new legislation being introduced at all levels of government that affects these operations. Agripreneurs voiced their frustration at the level of change and their inability to both keep up to date and implement the sometimes costly changes required. This is associated with the rise of conservationists and NIMBYs who object to farmers carrying out their business. These people often move into a rural area chasing the rural idyll, then object to the noise or smells from agricultural production. Finally, the cessation of live cattle exports by the federal government has led to beef producers in northern Australia flooding southern markets with their cattle. This had impacted on the profit margins of the southern farmers.

Other barriers mentioned by the agripreneurs include unhealthy market competition from large supermarkets that import cheap product or implement tough trading conditions with local growers have made many farms unviable. This has led many agripreneurs to start their new ventures. Also weather and seasonality in farming have always been barriers. At present, many farming regions in Australia are encountering drought conditions and the federal government has just announced a drought package to assist the farmers through the tough conditions. Several farmers introduced new crops for their ventures and identified that there was little information available on growing these crops in their local environment so it became an experiment.
Facilitators of the process must also be mentioned here. As shown in Table 4.9, three groups were mentioned as facilitators: family, other venturers and government representatives. Family often provided finance when traditional lenders refused to finance the new operation arguing that it was not consistent with the experience of the operators and was therefore ‘doomed to fail’. Other venturers provided valuable information from their own experience. Even though their operations were generally quite different they were able to suggest solutions to problems encountered. Finally, government representatives were mentioned as both barriers and facilitators, often depending on with whom they dealt. Several found someone who was enthusiastic and took a personal interest in finding solutions to help them develop their new venture, while others stated that some government representatives acted by putting up barriers. To combat this many agripreneurs became very well versed in the legislation and requirements.

It could be argued that most of these responses could be replicated worldwide. The farmers all had good skills in production. Farmers are not a homogenous group, but they do encounter similar problems worldwide. However, rural entrepreneurs face unique challenges not experienced by urban entrepreneurs. The remoteness from cities and business hubs and appropriately qualified consultants add additional complexity to all ventures (Arenius & De Clercq 2005; Scott 2006).

 Networks

The responses on this question varied but the majority identified that they did not depend on networks beyond family and friends. It is interesting to note that these people were not viewed as networks. Most identified that no industry association existed to support their current endeavour. The agripreneurs did not feel that the tourism associations were of any benefit to them and stated that they were more involved in providing information to tourists rather than helping set up new ventures.

The majority said that their new venture had created informal networks amongst likeminded venturers. The Northern Rivers region has become a vibrant food destination and agripreneurs identified that the collaboration between the agritourism operators was very effective, even though informal. Several venturers identified that they had set up informal partnerships with chefs, manufacturers and local artisans as a means of gathering information and selling any excess crops. These partnerships have the potential to help to grow the ventures as these networks expand.
While the word ‘embedded’ was never used by the agripreneurs, they networked extensively within their region but to a lesser degree outside their region. Social relationships were viewed as more important than economic factors consistent with research findings (Hite & Hesterly 2001; Jarillo 1989). Several authors also identified that entrepreneurs involved in networks were able to exploit more external resources than entrepreneurs who were not involved in any networks (Batjargal 2003; Granovetter 1985; Hite & Hesterly 2001). ‘Relationally embedded network ties’, as discussed by Hite and Hesterly (2001, p. 113), facilitate successful entrepreneurial emergence. As a result, entrepreneurs should work to build these ties in the early stages of the venture to facilitate the success of their venture.

The agripreneurs interviewed all acknowledged the importance of their community to them and their venture and believed that being part of that community enhanced their business activities consistent with previous research findings (Jack & Anderson 2002). This embeddedness allowed a level of trust, reciprocity and knowledge sharing that may have been more difficult in a larger urban area.

5.2.7 Discussion on research question 4

Research Question 4: How do farmers measure success in an agritourism venture?

The purpose of this research question was to evaluate how agripreneurs measured success. While employee numbers or financial performance such as profit, growth and survival (Siemens 2009) are often used as measures of business success, many small businesses are starting to fulfil the personal or lifestyle goals of the entrepreneur (Siemens 2009; Walker & Brown 2004).

This question had two parts:

Do you believe your venture has been a success?

Do you measure your success in agritourism differently to when you were a traditional farmer?

Except for one participant who was still in the early stages of the venture, all the participants were decidedly positive about the success of the venture. They felt that had they not taken this step, their future on the land would have been a troubled one.

The Northern Rivers is located in the north eastern corner of the state of New South Wales. The Northern Rivers economy has relied heavily on agriculture and the food industry has
grown to be an important sector in the local economy (AEC Group 2011), with food and beverages industries adding an estimated $A352.2 million to the economy and showing an estimated growth of 6.3% per annum since 2005-2006. However, only a quarter of the horticultural and food production has been value added locally, with most fruit and vegetable leaving the region for processing. While the motivations for beginning the new venture are not always financial, agripreneurs are well placed to take advantage of a food industry that is growing in the region (AEC Group 2011) and the changes in consumer behaviour provides significant opportunity for agripreneurs to remain on their properties.

Measures of success

Respondents answered in the affirmative when asked whether they regarded their venture as successful. They then discussed why the venture had been successful and what they interpreted as success for them. Typical measures of performance and evaluation of balance sheets to assess success are not telling the whole story in rural agritourism.

When asked about how they measure success in their agritourism venture, the answers varied. Many said that they felt constrained by the title of farmer. With their agritourism venture, they felt they were ‘thinking outside the square’, so the traditional measures of profit, growth and survival did not apply. The primary goal of each of the respondents was to stay on the farm in the rural community in which they were embedded. Social embeddedness has been a means of explaining human behaviour, with Granovetter (1985) arguing that, in modern societies, economic action is embedded into the structures of social relations. An entrepreneur’s embeddedness within their rural community is said to both inhibit and enhance the entrepreneurial process (Jack & Anderson 2002).

It has been previously discussed that, under a wide range of conditions and in many different cultures and countries, farmers do not run their business with the sole objective of profit maximisation and other goals and objectives are found to be significant (Austin et al. 1996). Success was described as continuing a lifestyle and meeting family goals. Research in rural communities in Canada’s west coast (Siemens 2009) suggests that, to agripreneurs, success is more than revenue and profits – it encapsulates individual, family, business and community factors. The farmer perceives their venture as a success if it accomplishes the goals that are important to them (Barbieri & Valdivia 2010). Evaluating the performance of an agritourism venture with reduced economic returns as a failure is seen as simplistic (McNally 2001).
While traditional measures of business success were not met by some of the cases examined, several authors identified that agripreneurs do not measure by these traditional methods. Family lifestyle and community factors take a greater importance in decisions regarding the business. This is consistent with research undertaken in rural communities in both the United States (Tew & Barbieri 2012) and Canada (Siemens 2009).

From the study of 13 cases of agripreneurs in agritourism, the study has concluded that agripreneurs were pushed into agritourism by varying external factors. These factors ranged from industry and legislative changes to life changing events. All respondents were faced with a dilemma that affected their ability to earn income from their traditional farming activities. Previous research undertaken in Tasmania, Australia (Mooney, Defenderfer & Anderson 2010), identified that the reasons farmers diversified were mainly economic, while a study undertaken in Texas, United States (Barbieri & Mahoney 2009), identified that farmers were aiming to reduce the uncertainty of farming. Research by Nickerson & Black (2001) also identified that social, economic and external factors were of importance. This study advances research not only in rural entrepreneurship where a number of gaps exist in practical, theoretical and policy knowledge, but also in relation to agritourism and the reasons for entry.

The agripreneurs identify individual differences between themselves and traditional farmers that are similar to the identified characteristics of entrepreneurs. While not using the exact terms, they identified themselves as having a need for achievement (McClelland 1961), a preparedness to take risks (Liles 1974; McClelland 1961; Venkataraman 1997), a tolerance for ambiguity (Begley & Boyd 1987; Schere 1982) and a desire for control of their destiny (Begley 1995; Begley & Boyd 1987). They did not overtly identify self-efficacy in responding to this question; however, in their responses to other questions, they identified that, while they encountered several barriers, they had little doubt about their ability to succeed.

While the use of more traditional industry networks was not seen to be important to the agripreneurs, their local community were seen as a support system and they voiced their desire to create employment and other benefits for their local community. What also came out of this research question was the embeddedness in their local community. The agripreneurs did not regard their local community as a network; however, they identified that their local contacts were important in gathering resources for their venture and that these relationships gave more than just economic benefits. Not one of the agripreneurs had considered moving away from their community. This study reinforced the importance of being embedded in a local community if a business is to survive in a rural community.
Finally, this research considered how agripreneurs measure success in their venture. Several identified that traditional farming did not allow them to ‘think outside the square’ and, for that reason, they embraced agritourism. Previous research (e.g. Austin et al. 1996) has identified that farmers do not run their business with the sole objective of profit maximisation and this is consistent with the findings of this research. Their social embeddedness caused them to look for other avenues of income generation to meet lifestyle and family goals.

5.3 Implications for theory

The aim of this research was to add to the literature on rural entrepreneurship that has been described as lacking (Busby & Rendle 2000; Knudson et al. 2004; Richards & Bulkley 2007; Swedberg 2000) and with little emphasis on the role of innovation in agriculture (Blaug 1986; Knudson et al. 2004; Swedberg 2000). Existing literature on agritourism is fragmented, scarce and inconclusive (Barbieri, Mahoney & Butler 2008; Di Domenico & Miller 2011; Tew & Barbieri 2012). There is little attention paid to the theories of entrepreneurship in tourism scholarship with the agripreneurs often the overlooked player in tourism development (Koh & Hatten 2002; Li 2008) and there is a paucity of knowledge about which factors trigger the start-up of entrepreneurial activities amongst farmers (Alsos, Ljunnggren & Pettersen 2003; McElwee 2005).

The findings have identified several areas where the literature fails to provide guidance. These are (a) the self-assessed individual differences of agripreneurs in agritourism; (b) the importance of social embeddedness for this group of agripreneurs; and (c) the role of tourism bureaus in assisting the success of the agritourism venture. As a result, it has contributed to the understanding of rural entrepreneurial community relations and the importance of these relationships. The findings have provided insight into the reasons for entering agritourism ventures. Based on the conceptual framework proposed by Shane and Venkataraman (2000), this study had identified, in the context of a small rural area, the reasons why agripreneurs enter into agritourism and the individual differences that they believe assist them in their venture. Barriers to entry for agripreneurs were also identified and finally measures of success were identified by the agripreneurs.
5.4 Implications for policy and practice

This section will discuss the implications of this research for both policy and practice.

5.4.1 Contribution to practice

This research will be of interest and benefit to various interested parties and stakeholders. They include: existing agritourism entrepreneurs, farmers and others considering agritourism ventures (with and without ancestral lands), consultants in the agritourism sector, policymakers affecting the agritourism sector, and other parties who will either benefit from or be interested in the development of new ventures. These include bankers, community economic developers, local government councillors, and the media. The major contributions of this research for potential agripreneurs in agritourism are: identifying the reasons for taking the step into agritourism, the identification of the individual characteristics beneficial to successfully operate an agritourism venture, the benefits of being embedded in a rural community and the networks this provides, the potential barriers to be encountered, and what constitutes success. While their embeddedness in the community might be seen as detrimental by some, these agripreneurs were able to use that embeddedness to develop opportunities for new ventures. While the majority stated that networks were not helpful for them they failed to view their social embeddedness as a network that provided many opportunities, information and various types of support to their venture.

Rural entrepreneurs face additional complexity on account of their remoteness, limited access to markets and difficulties sourcing capital. Their sense of place and connection to their land forces them to think differently and operate within these constraints. Their knowledge of their region and people in the region allowed them to develop solutions and long-term ventures. Several individual characteristics were self-identified as being different from traditional farmers and important to the ventures being undertaken. These characteristics such as preparedness to take risks, viewing change as positive, need to achieve and personal satisfaction, liking to control their own destiny, constantly scanning their environment for the next innovation or opportunity, self-motivation and extroversion are all characteristics aligned to successful entrepreneurs. Finally, success was identified as more than financial gain. The ability to stay on the property that they had farmed and within the community in which they felt embedded was viewed by the agripreneurs as success. While this is contrary to traditional...
views of success in business, in the rural context it is clear that success is more than financial gain.

For rural extension officers, a new approach to assisting rural business is imperative. Typical measures of performance and evaluation of balance sheets to assess success are not telling the whole story in rural agritourism. In addition, the development of programs to teach rural landholders about the potential benefits if agritourism and train interested parties in how to set up their venture would be beneficial in encouraging new entrants and assisting existing agripreneurs to grow their venture.

While very few government grants exist for rural businesses, it seems counterintuitive when a high level of government unemployment benefits are paid out in rural areas. The region consistently experiences youth unemployment on average 12.5% (Montoya 2014) and there are few prospects for employment in the region. Future research to ascertain the benefit of diverting these benefits to small ventures to employ local people should be undertaken. This research represents a valuable contribution to the development of agripreneurial opportunities in rural tourism ventures.

5.4.2 Contribution to policy

The agritourism ventures were affected by policy generated by government at local, state and federal level. In addition, the rules of industry organisations at times created barriers to their operations. Several barriers were identified in the start-up phase; however, financial concerns were shown to be one of the most important. Many farms were already highly leveraged and banks would not extend any further financial aid to them. Several were able to borrow from family and friends to start their venture, although many had to start in an ad hoc way and build gradually while still working off-farm to supplement income. Government policy with regard to financial support in the initial stages needs to be reviewed. Implementing tax breaks in the early years, and income support in the initial phase, would assist in getting the venture started. There is ample evidence of the benefits of entrepreneurs to regional development but little support to help them gather resources and develop the businesses.

In addition, legislation at local, state and federal levels hindered development of enterprises, as there were often competing demands from different levels of government. Several had lost the ability to farm large swaths of their property owing to changes in zoning after they had been on the property for decades. Given that rural business requires a different approach to urban
business, government policy must be tailored specifically for these rural and regional businesses. Policy makers need to develop policy to encourage rather than deter entrepreneurship.

Finally, there needs to be advisory services and extension programs put in place to assist in the development of rural agritourism business. As this is an emerging industry, incentives for developing new enterprises and the support systems for new entrants would be beneficial. As previously noted, high unemployment in rural areas and the high level of government benefits paid could be diverted to activities to increase employment in these regions.

5.5 Limitations and implications for further research

Limitations

From a methodological perspective, it should be noted that this is a small-scale study constrained to a small geographical region. The research was carried out by one researcher, which limited both the amount of information collected and the geographical area in which it was collected. Therefore the findings have to be considered in the context in which the investigation was undertaken. If the research were carried out in other rural communities, it would provide a greater contribution to academic knowledge on agripreneurs in agritourism. This offers an opportunity for further research.

The industry studied is an emerging one both in Australia and in the Northern Rivers region of New South Wales. This created a limitation in the number of businesses that fitted the criteria outlined in Chapter 3. There is a growing number of businesses that are emerging from rural properties, but many properties were bought explicitly for the venture and had not been held and operated by the venturer prior to this venture.

While all farmers interviewed had started new ventures and could be classed as agripreneurs, this study was qualitative with a small number of cases, therefore the results cannot be held as representative of all agripreneurs. In addition, no traditional farmers were interviewed as a means of comparison. As a result, the results may not be generalisable but could form the basis of further research. The results of this study may be used to compare with further research undertaken with another group of farmers or on a larger scale in the same region, or a comparable region. As this is an emerging industry in the region under investigation, it may be possible in the future to repeat the study with a larger number of cases and compare the results.
Implications for further research

One researcher carried out the research. Future research carried out in several regions by a group of researchers could collect more detailed information. There are several opportunities for further research. This was a small-scale research project undertaken in a confined geographical region. Further qualitative research could examine the applicability of the findings of this study in different regions to develop a more comprehensive understanding of agripreneurs. Future research using a mixed methods approach would present the opportunity to triangulate the results increasing the rigour and reliability.

The study puts new light into entrepreneurship when it comes to measuring success since previous researchers consider this to be a ‘thorny’ issue facing academic researchers (Venkatraman & Ramanujam 1986), while others call for a need for detailed investigation (Baron & Henry 2011). The study has unearthed research opportunities that could materially assist in promoting this industry.

As agritourism is an emerging industry, particularly in Australia, there is potential for further research using a larger sample or several samples for comparison with this study. In addition, the question of why farmers move into agritourism needs to be explored further. Research into the role of tourism bureaus in developing agritourism ventures, the role of networks and embeddedness, measures of success in agritourism, and the role of government authorities will assist future venturers. This is a new field and there is little research available to date. From this research, several additional areas for future research have been identified.

Topics of future research

1. Does embeddedness create inertia and is this overcome by life changing events?
2. What is the regulatory burden carried by agritourism operators?
3. Does tenure on the land affect the propensity to experiment with new ventures?
4. How does the farmer identify the appropriate venture?
5. Does the farmer undertake a structured process to identify the appropriate venture?
6. How important to farming families is staying on the land?
7. Comparison of agritourism ventures set up by farmers as opposed to venturers who bought agricultural land to set up an agritourism venture.
8. How do economic clusters emerge?
9. Can effective community relations to enhance the success of the agritourism business?

10. Is there a lack of public leadership from industry?

11. How important is financial performance to agritourism operators in the region and does diversification aid the financial position of the venture?

12. Should there be government aid for diversification?

13. What processes do farmers undertake to assess the risks of market and climate change?

14. Can a process model be developed to assist future diversifications?

These topics are briefly discussed in the following section.

**Does embeddedness create inertia and is this overcome by life changing events?**

The contrast between life changing events forcing some interviewees to make radical life changes to the concept of embeddedness which has a strong conservation and preservation influence against change present an interesting anomaly in these findings. There must have been trade-offs in the decision making process, but these were not studied in this paper. Possibly the degree of embeddedness is important in helping an entrepreneur understand a market well enough to create successful products, but until a life-changing event occurs, an inertia exists that mitigates against innovation. This puzzle presents another opportunity for future research.

**What regulatory burden is carried by agritourism operators?**

The agritourism ventures were affected by policy generated by government at Local, State and Federal level. In addition, the rules of industry organisations at times created barriers to their operations. Several barriers were identified in the start-up phase; however, financial concerns were shown to be the most important. Many farms were already highly leveraged and banks would not extend any further finance to them. Several were able to borrow from family and friends to start their venture, yet many had to start in an ad hoc way and build gradually while still working off-farm to supplement their income.
Barriers to entry such as finance and government policy are not unique to rural business, but the lack of infrastructure, access to markets and sometimes confusing environmental policies all contribute to make the rural venture not for the faint hearted. Government policy with regard to financial support in the initial stages needs to be reviewed. Implementing tax breaks in the early years, and income support in the initial phase would assist in getting the venture started. There is ample evidence of the benefits of entrepreneurs to regional development but little support to help them gather resources and develop the businesses. This has been identified as an area of future research.

**Does tenure on the land affect the propensity to experiment with new ventures?**

The question of length of tenure leading to willingness to experiment was not explored in this paper. Future research in this area would be valuable as it may assist rural advisors by developing indicators of success in agritourism ventures. The interviewees all had a history on the farm dating back to childhood and had developed a strong knowledge of farming and in particular, farming in their region. They were all part of a multi-generational family living and working on the farm.

A future study would interview the several generations living on the farm with a view to ascertaining how the farm operations had changed over time and whether this change had been incremental based on the external environment or whether the changes had occurred owing to a willingness to experiment.

**Opportunity identification: How does the farmer identify the appropriate venture?**

The broad problem is: how do agripreneurs go about identifying new opportunities? More specifically, future research is needed to investigate and identify the process and determinants of opportunity identification by agripreneurs. Mainstream entrepreneurship research places the ‘opportunity’ centrally, as being able to identify opportunities is the difference between an entrepreneur and a non-entrepreneur (Shane & Venkataraman 2000). The agritourism industry in the Northern Rivers region of NSW is still in its infancy and, to date, there is a paucity of research available on the topic of opportunity identification in agritourism. This is another area for future research. Future research could assess:

1. How important is the degree of embeddedness in helping an entrepreneur understand a market well enough to create successful products?
2. Does the sense of familiarity with the status quo create an inertia that mitigates against such innovation?

3. How does innovation happen in well embedded communities and individuals?

**Does the farmer undertake a structured process to identify the appropriate venture?**

These necessity entrepreneurs have set up their agritourism ventures and formed an emerging industry cluster. It is proposed to undertake further research to identify the process the agripreneurs go through prior to launching their venture.

1. Do they undertake a thorough process of investigation into alternative ventures?
2. Or are they at their wits’ end psychologically and financially, which pushes them into this venture?

**How important to farming families is staying on the land?**

Embeddedness or a sense of belonging to the community in which people live, was one of the unexpected findings in this research. This combined with the fact that, in some instances, a life-changing event pushed the agripreneurs to change direction deserves further research. Embeddedness has a strong ‘conservationist-preservationist’ (Bryant 2005, p. 338) influence against change, while change ‘suggests a radical incentive to change’ (Bryant 2005, p. 338).

1. How important is the degree of embeddedness in helping an entrepreneur understand a market well enough to create successful products?
2. Does the sense of familiarity with the status quo create an inertia that mitigates against such innovation?
3. How does innovation happen in well-embedded communities and individuals?

These are all questions worthy of future research.

**Comparison of agritourism ventures set up by farmers as opposed to venturers who bought agricultural land to set up an agritourism venture**

The researcher plans future research to compare agritourism ventures set up by agripreneurs on traditional farms with new ventures set up on land bought specifically for the purpose. The
reticence of older generation farmers to allow their children, who were managing the farm at the time, to change direction was an underlying cause of tension for several ventures.

Future research could focus on:

1. How the reluctance on inter-generational family-owned ventures is scaled against the perspective of agritourism venturers without strong ancestral tenure on the land?
2. Do agripreneurs who buy land for a venture experience and overcome the inertial factors faced by traditional farmers?

A comparison study with the traditional agripreneurs studies in this research and agritourism operators who had bought farmland specifically to set up an agritourism venture would provide further data on this emerging field of research.

**How do economic clusters emerge?**

While the socio-cultural aspects of embeddedness has been a topic for research in economic geography, to date there has been little coverage of the socio-cultural factors for regional economic development. Theories of economic clusters integrate this embeddedness and link it to economic prosperity (Staber 2007). Future research on the emergence of economic clusters and their relationship to regional economic development is viewed as important in assisting rural extension officers in their role of economic development.

**Can effective community relations to enhance the success of the agritourism business?**

The concept of community relations has been identified as an area for future research. The study found scant research on the understanding of rural entrepreneurial community relations and the importance of these relationships to the development and operations of agritourism ventures. Rural areas are dependent on these types of developments to provide employment and business opportunities; however, at the same time the intent should not be to disrupt the ‘rural idyll’ (Ecker et al. 2010, p. 14).

**Is there a lack of public leadership from industry?**

As part of future training, Rural Extension Officers should be encouraged to undertake an advocacy role. Acting as a conduit between the tiers of government and the agritourism
operator, they are well placed to identify problems and solutions for both parties. Often one or more key individuals with vision drive the collective move towards agritourism activities in a region. Knowd (2006) calls these players ‘champions’ and Ecker et al. (2010) assert that these early movers are important in demonstrating to others, particularly other producers, the benefits of agritourism and food tourism enterprises. While this was not an area that this research sought to cover, it is another area for future research.

At present, there are few advocates or public leaders championing the cause of agritourism operators in the wider forum. Even though it is acknowledged that agritourism brings money to regional areas, funding for tourism tends to be allocated to larger or more prominent regions, not fledgling, unproven, emerging agritourism regions. Little financial help is available for these new ventures, yet in this study they are emerging in an area of high unemployment. In particular, youth unemployment, with its inherent social problems, continues to be troubling in this region.

The agripreneurs stated that they felt isolated when dealing with NIMBYs and others who did not support any change of operations. Further research would be used to ascertain whether the agripreneurs might set up a cooperative venture for marketing and advocacy of their ventures.

Financial outcomes before and after diversification - how important is financial performance to agritourism operators in the region?

This study did not ask any questions regarding the financial performance of the venture. Future research may investigate factors such as:

1. How important is financial performance? Is there a threshold level at which finances are critical, but above which other factors become more important?
2. How important is staying on the land? How do they rank the importance of staying on ancestral lands as opposed to staying on the land?
3. How important is their ability to teach tourists about agriculture?
4. How important is the opportunity to develop their creativity in their venture?
5. Should government aid be made available for diversification?

Little financial help is available for these new ventures, yet this study was undertaken in an area of high unemployment. In particular youth unemployment, with its inherent social
problems, continues to be troubling in this region. Grants are available both these are usually tied to demonstrated performance in a venture, not for new ventures.

A study of the cost of unemployment to the region may provide solid evidence to support the call for unemployment benefits to be converted into grants for agritourism venturers to employ locals.

**What processes do farmers undertake to assess the risks of market and climate change?**

Risks such as changes in government policy are hard to mitigate against, i.e. cessation of live cattle exports, which meant local farmers were now selling stock with farmers from Northern Australia putting downward pressure on stock prices. In the far north of the Northern Rivers region studied, dairy deregulation took a toll, with over 100 dairy farms being reduced to the current number of eight in the region (Dairy Australia n.d.). These are factors that are difficult to predict no matter how careful farmers are in scanning their external environment and undertaking risk assessments. Future research to compare the risk mitigation strategies of these agritourism ventures with those of traditional business may assist agri-business ventures weather the storm more effectively.

**Can a process model be developed to assist future diversifications?**

A process model identifying the processes people use to develop successful agritourism ventures is suggested for future research. The researcher attempted to develop this model by constructing a flow chart with the following information:

• Prior conditions
• Stimuli for change
• Options explored
• Option chosen
• Initial efforts including barriers and accelerants
• Present status
• Business model
• Expected future
While some of the data was available, there was insufficient complete data to construct this model for any of the cases. This is proposed as a follow-up survey with agripreneurs in agritourism.

5.6 Conclusion

The emergence of a new type of rural venture – agritourism – in the Northern Rivers region of New South Wales prompted this research. This industry shows promise as a new economic sector in rural areas and holds potential for positive growth, which will support other values that are becoming more salient in modern Australian society. This growth is particularly relevant in the region studied where there is high unemployment, with a large percentage of the community receiving some level of government support. At the same time, many consumers are seeking to connect with their food, thus resulting in a heightened interest in food production methods and sourcing ‘clean’ food such as organic produce. Like many Australian farming regions, this region has experienced industry restructures, crop diseases, drought conditions and the high Australian dollar, which has made exports uncompetitive and comparable imports relatively cheaper. All of these factors have led some farmers to rethink traditional income producing methods.

Agritourism has a substantial impact on local economies and provides one way to improve the incomes and potential economic viability of small farms and rural communities. The purpose of this study is to identify who takes the step into agritourism, and why. While there have been multiple studies of entrepreneurs and entrepreneurship, a review of extant literature identified that there is a dearth of research on entrepreneurs in agricultural tourism.

On account of the embedded nature of many rural residents and the fact that their capital is tied up in their farm, there is little option to move to an area of greater employment. Many farmers and their families have had to work off the farm to subsidise their farm operations. One solution that has emerged in the region is an increase in the number of agritourism ventures. While this has been shown to be a viable alternative to traditional farming the question remains: why do only some farmers move into agritourism when the information is available to all? In a region lacking in economic development, the ability to identify and assist potential agripreneurs is vital in maintaining rural industries and creating employment.
The research was undertaken in a small area of New South Wales called the Northern Rivers region, which situated in the north-eastern corner of the state. After contact with local economic development officers, two pilot cases were undertaken. By taking care to identify that the cases were consistent with the criteria set, that is, the participants operate a traditional agricultural venture, are a family operation (not corporate) and operate within the specified geographical region, two pilot cases were undertaken to test and refine the design for data collection and interview technique.

The sampling techniques used in the larger study were purposive and snowball, using referrals from existing operators and community members to identify potential cases. Semi-structured interviews were undertaken with one or more key decision makers in the venture. These interviews took approximately one hour and were carried out between August 2013 and August 2013. No interviews were undertaken during the December to February period, this being the peak tourism period in the region. Preliminary research was undertaken online and in print media to collect background information on the ventures prior to the interviews.

For the study interviews were undertaken with 18 farmers on 13 farms within the Northern Rivers region of New South Wales. Ventures ranged from on-farm demonstrations and hands-on experiences, value adding for farm stalls or artisan markets, a cooking school using only farm-sourced ingredients, and farm coffee shops and retail to support the on-farm experience. Agripreneurs ranged in age from 30 to 80 years of age and both genders with five women and 13 men interviewed. Farm sizes ranged from 5.66 to 152.17 hectares. All properties had family workers and they also employed non-related off-farm workers on the properties. The number of non-related employees ranged from one to 30 people. While this sample is relatively small, this is an emerging industry cluster in region which is not densely populated, as is has historically been a farming region.

In this study, the methodology employed sought to obtain explanations and descriptions of the causality of the results obtained. However, opportunities for future research in this area could expand and possibly extend beyond the limits imposed on this empirical study on account of the paucity of available candidates available in the sample of agripreneurs in agritourism.

From the study, it can be concluded that some agripreneurs are pushed into agritourism owing to a life-changing event that forces them to consider alternate ways to produce income. In addition, agripreneurs and their families are embedded in their communities often having been on the property or in the region for several generations. Therefore, selling up and moving to an
area with increased employment opportunities was not an option. Rural entrepreneurs face additional complexity due to their remoteness, limited access to markets and difficulties sourcing capital, however their sense of place and connection to their land forces them to think differently and operate within these constraints. Their knowledge of their region and people in the region allowed them to develop solutions and long-term ventures.

Barriers to entry such as finance and government policy are not unique to rural business, but the lack of infrastructure, access to markets and sometimes confusing environmental policies all contribute to make the rural venture not for the faint hearted. Success was the ability to stay on the property they had farmed and within the community in which they felt embedded was viewed by the agripreneurs as success. While this is contrary to traditional views of success in business, in the rural context success is more than financial gain.

For rural extension officers, a new approach to assisting rural business is imperative. Typical measures of performance and evaluation of balance sheets to assess success are not telling the whole story in rural agritourism. From the outcomes of this study a tool has been developed (Appendix 1) to assist agripreneurs to make the move into agritourism. As this is an emerging industry, advisory services and extension programs are necessary to aid the development of rural agritourism business.

Barriers to entry such as finance and government policy are not unique to rural business, but the lack of infrastructure, access to markets and sometimes confusing environmental policies all contribute to make the rural venture not for the faint hearted. Reduction of red-tape for all small business in the region would be beneficial, but particularly so for this emerging industry cluster. Finally, success was more than about being profitable. Staying on the farm, with their family, in the community in which they were embedded, was identified as the main factor that made the agripreneurs feel successful.

For rural extension officers, there are several practical applications of this research. They must rethink traditional measures of performance with balance sheets not being the only indicator of success in agritourism. While operating a rural business has added complexity to urban business, the problems are not insurmountable. A tool has been developed as a result of this study (Appendix 1) which will assist potential agripreneurs identify whether agritourism is the right move for them. It will also act as a guide for rural extension officers assisting agripreneurs in the development of rural agritourism business. In addition, an indicative training package (Appendix 2) has been developed for those interested in agritourism and this will be run as a
short seminar for agripreneurs. Greater availability of economic support in the early stages of setting up the venture and more rural extension officers are vital. Rural extension officers who can assist to develop a more intentional support network of peers, policymakers, and ancillary services (banking, insurance, angel investment, organic certification, buying coops, lawyers) would provide an invaluable service to this emerging industry.

This study has shown that public support for this socially valuable development could be substantially improved. Agritourism entrepreneurs are creative, resourceful, and socially valuable. They are shining a light on an attractive set of opportunities that could support many more people in coming years. We can aid them in their work, and now is the time to act.
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Appendices

Appendix 1  Information tool for agripreneurs
Appendix 2  PowerPoint presentation for workshops
Appendix 3  Interview questions
Appendix 4  Participant’s package
Thinking of agritourism?  
Is it right for you and your farm?

Changes in industry policy, the green die of many droughts as well as cheap imports have brought many challenges to local farmers. Reduced farm income has left many farmers scratching their heads looking for viable alternatives.

One option is agritourism. Have you considered this?

What can you show visitors?

Visitors are looking to visit your farm to participate in various activities, such as seeing animals, rides and refreshments. Does your farm have these? Are there animals to feed, crops to plant or maybe a petting farm with baby animals? Can visitors pick their own fruit or vegetables?

Are you the right person?

Creating an enjoyable experience for the visitor is quite different to traditional farming activities and responsibilities. Do you like talking to people and sharing your knowledge and experience of farming? Are you prepared to make your visitors welcome, show them the workings of your farm and ensure they enjoy themselves? In short you need to be a great host – every day! If you feel that this is not for you is there someone else on your property who would relish this opportunity?

What permits or licences do you need?

Like any new venture there are set up requirements. Agritourism Advocates P/L can provide you with much of the information and the assistance to get this venture started.

We can help with:
- Permits and licences
- Development applications
- Environmental impact studies
- Risk analyses
- Traffic studies signage requirements and more

How we can help

As with any venture there are pros and cons. Agritourism is one option for increasing on farm income while maintaining farming activities, however it is not for everyone. By assessing your farm potential and your own capabilities you can identify if an agritourism venture is the best one for you. As with any venture, extensive research and a well thought out business plan is a necessary prerequisite.

Please come to one of our seminars or visit our website for more information.

Visit http://www.agritourismadvocates.com.au or call us on 0408 000 000.
Appendix 2 - PowerPoint presentation for workshop

Is agritourism for you?
Food for thought!

Brought to you by
Agritourism Advocates Pty Ltd

Is an agritourism venture right for your farm?

How do you:
- Assess your goals
- Assess your resources and needs
- Undertake a personal SWOT
- Undertake a farm SWOT
What are your goals?

- Why are you considering agritourism?
- What research have you done on this venture?
- Have you talked to others about the change?
- Do other family members support the idea?

Assess your resources

- What unique feature does your farm offer the tourist?
- What aspect of your operations could you showcase?
  - Scenery
  - Farm activity ie milking/shearing?
  - Pick your own fruit and vegetables?
  - Adding value to product?
Who would come to visit?

- Where will your visitors come from?
- Who will they be?
- How will you communicate with your visitor?
- How will you promote your venture?
- Will you charge and entry fee?

Are you the right person for agritourism?

- Do you like meeting and talking to people?
- How would you feel explaining the same thing dozens of times a day?
- Are you happy to share your knowledge of the processes on your farm?
What is required?

- What facilities will be required?
  - Parking
  - Seating
  - Toilets
  - Café
  - Disabled facilities
- Are there any health and safety issues to be considered?
- Will you need extra staff for visitors?

Farm Presentation

- How does the farm look to the visitor?
- Do you need to ‘tidy up’?
- Is there good signage both outside and on the property? How will visitors find you?
- Do you need to do any landscaping?
- Are there safe paths and facilities?
- Can you showcase old equipment?
- Is there a designated children’s play area?
Now to business compliance

- What Council permits and approvals do you need?
- Will you be serving food or alcohol?
- Do you or staff have the appropriate certificates?
- How will the business compliance be managed?

Other things to think about

- Who is taking bookings and managing communication with the visitors?
- Who is managing the accounts?
- How will this venture be financed?
- Do you need additional insurance?
Is your head spinning yet?

Today we have discussed many aspects of developing an agritourism venture.

A checklist has been developed for you to start thinking about what is required. Please take a copy.

Our consultant is available to visit your farm and assist you to develop your business and marketing plan.

We can also assist you with permits and licenses, finance and marketing your venture.

Is agritourism right for you?

QUESTIONS
OR
COMMENTS?
Appendix 3 - Research questions

What external factors trigger individuals to start agritourism ventures when others, under similar conditions, do not?

a) Why did you consider farm tourism as an alternative or addition to your farm operation?
b) When you were considering a change, what would you say were the main things that prompted you to consider agricultural tourism?
c) Why, do you believe, other farmers don’t consider it?

From their perception, what individual differences trigger the transition from farmer to agritourism operator?

a) What individual characteristics do you believe farmers exhibit?
b) Do you consider that any individual characteristics may have helped you through the process of establishing the agricultural tourism operation?
c) Do you believe these are characteristics all farmers possess?

What barriers could make the transition from farming to agritourism difficult? How can these barriers be overcome?

a) What barriers did you encounter during the process of setting up the agricultural tourism operations?
b) What things helped or encouraged you during this time?
c) At any stage, would extra help or guidance have made a difference to your progress in the venture? If so, what type of help or support?

d) Are there things that the Government or similar bodies could have done to make it easier for you to become a successful agritourism operator?

e) Are you a member of any organisations?

f) If so: Which were helpful? How were they helpful?

g) Did membership of any create barriers?

h) What networks do you link in to?

i) If so: Which were helpful? How were they helpful?

j) Do you consider networks important? If so, why?

k) Have your networks changed since you became an agritourism operator?

l) What importance do you place on your networks?

How do farmers measure success in an agritourism venture?

a) Do you believe your venture has been a success?

b) How do you measure your success?

c) Do you measure your success in agritourism differently to when you were a traditional farmer?
**Part B: Demographic Information**

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<th>Comment</th>
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<td>Number of on farm workers:</td>
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<td>Soil type:</td>
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<tr>
<td>Type of traditional production prior to agritourism:</td>
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</tr>
<tr>
<td>Years on the farm:</td>
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</tbody>
</table>

*Source: Developed as part of ethics application*
Appendix 4 – Participant’s package

Invitation Letter

Project Title:
Factors that impact on the transition to
and success of agritourism ventures.

Dear Participant

As a Doctor of Business Administration candidate at Southern Cross Business School, I am undertaking research on the factors that impact on the transition to and success of agritourism ventures. This research will be in the form of interviews with operators of agritourism ventures such as yours.

The interviews will take approximately one hour of your time and will be conducted at your premises unless you would prefer another venue. The information gathered from this research will be used to write recommendations on how agritourism operators can be supported in their ventures by government and the broader community.

The research has Southern Cross University ethics approval number ECN-12-211. All materials collected during the research process will remain anonymous and they will be held securely for a period of seven years before safe disposal.

My contact details are:
Susan Vinnicombe
Email: susan.vinnicombe@scu.edu.au
Phone: 0408 065 409

I invite you to contact me if you are interested in participating in this research.

Yours sincerely
Susan Vinnicombe

Susan Vinnicombe
Participant information sheet
Date information sheet produced: August 2012

Project Title:
Factors impacting the transition to and success of agritourism ventures as perceived by agricultural entrepreneurs.

Invitation
This is an invitation to participate in an ongoing study into the factors that impact the transition to and success of agritourism ventures.

What is the purpose of the study?
The purpose of the research is to identify the triggers that encourage ‘traditional’ farmers to diversify into agricultural tourism projects and become agripreneurs, with a view to developing tools to assist future operators make the transition.

How are people chosen to be asked to be part of the study?
Participants are chosen based on their current agritourism operation. The participants are required to have operated a ‘traditional’ agricultural venture, be a family operation (not corporate) and operate within a specified geographical region.

What will happen in the study?
The participants will be invited to take part in an interview process consisting of about 20 questions to garner your thoughts and views on the factors that led to starting up the agritourism venture and the barriers experienced.

What are the benefits?
Participants will make a valuable contribution to the research project, aspects of which may result in publications and training opportunities. It is hoped the participants will use the process to reflect on their business venture.

How will my privacy be protected?
Individuals will remain anonymous in the final report. No identifiers will be used in any publications without the express permission of the participant. All records will be maintained in a secure location for seven years after the completion of the study.
How will I join the study?
After carefully reading the Participant Information Sheet, please complete the Consent to Participation Form and return to the researcher.

What are the costs of participating in the project? (Including time)
There are no direct costs attached to participating in this project, however the interview will require approximately an hour of your time. In addition there may be a short follow-up time required to clarify any points required.

Opportunity to consider invitation
Participation in this research is optional. If you do not wish to participate in the research process please inform the interviewer at any time prior to or during the interview process.

Opportunity to receive feedback on the research
A copy of the research summary will be made available to all participants.

Participant concerns
Any concerns about the nature of this project should be notified in the first instance to the project supervisor.

Researcher Contact: Susan Vinnicombe, Southern Cross University Business School, susan.vinnicombe@scu.edu.au. Phone: 04099 26567
Research Supervisors: Professor Phillip Neck, Southern Cross University Business School, paneck@bigpond.com
Dr Simon Pervan, Southern Cross University, simon.pervan@scu.edu.au

Complaints about the ethical conduct of this research should be addressed in writing to the following:
Ethics Complaints Officer
HREC
Southern Cross University
PO Box 157
Lismore, NSW, 2480
Email: ethics.lismore@scu.edu.au
All complaints are investigated fully and according to due process under the National Statement on Ethical Conduct in Human Research and this University. Any complaint you make will be treated in confidence and you will be informed of the outcome.

INFORMED CONSENT FORM

Title of research project: Agripreneurs in Agritourism: A regional study
Name of researcher: Susan Vinnicombe
Name of Supervisor: **Professor Philip Neck**

*(Contact details of the researcher and the supervisor are contained in the information sheet about this research)*

NOTE: This consent form will remain with the Southern Cross University researcher for her records.

---

**Tick the box that applies, sign and date and give to the researcher**

I agree to take part in the Southern Cross University research project specified above.

- Yes [ ] No [ ]

I have been provided with information at my level of comprehension about the purpose, methods, demands, risks, inconveniences and possible outcomes of this research, including any likelihood and form of publication of results.

- Yes [ ] No [ ]

*I agree to be interviewed by the researcher*

- Yes [ ] No [ ]

*I agree to allow the interview to be *audio-taped and/or *video-taped*

- Yes [ ] No [ ]

*I agree to make myself available for further interview if required*

- Yes [ ] No [ ]

I understand that my participation is voluntary

- Yes [ ] No [ ]

I understand that I can choose **not** to participate in part or all of this research at any time, without negative consequence to me

- Yes [ ] No [ ]
I understand that any information that may identify me will be de-identified at the time of analysis of any data. Therefore, any information that I have provided cannot be linked to me (Privacy Act 1988 C).

Yes ☐ No ☐

*I understand that neither my name nor any identifying information will be disclosed or published.

Yes ☐ No ☐

I understand that all information gathered in this research is confidential. It will be kept securely and confidentially for 7 years at the University.

Yes ☐ No ☐

I am aware that I can contact the supervisor or researcher at any time with any queries.

Yes ☐ No ☐

I understand that the ethical aspects of this research have been approved by the SCU Human Research Ethics Committee

Yes ☐ No ☐

If I have concerns about the ethical conduct of this research, I understand that I can contact the SCU Ethics Complaints Officer

Yes ☐ No ☐

Participant’s name: ..............................................................

Participant’s signature: ............................................................

Date: _______________________

☐ Please tick this box and provide your email address (or other address) below if you wish to receive a summary of the results:

Email: ...............................................................................

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Contact details for the ethics offices are:

HREC Secretary
Sue Kelly
Tel: (02) 6626 9139
Fax: (02) 6626 9145
Email: ethics.lismore@scu.edu.au

HRESC Secretary Coffs Harbour
Tel: (02) 6659 3924
Fax: (02) 6659 3622
Email: ethics.coffs@scu.edu.au

HRESC Tweed Heads/Gold Coast
Sue White
Tel: (07) 55069303
Fax: (07) 5506 9202
Email: ethics.tweed@scu.edu.au

Source: Developed as part of ethics application