

Farm holidays in Austria – strategy & contributions towards sustainability

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From the total Austrian tourist supply, some 9.900 farmers offer 114.000 tourist beds (in bedrooms or in apartments), this means that app. 8 % of all Austrian farmers offer tourist accommodation. They represent 1/5 of all tourist enterprises and 1/7 of the total Austrian supply of tourist beds. Of all farmers involved in tourism about two third are farmers in mountainous regions. Therefore farm holidays are an important economic segment in agriculture and tourism and predominantly in the economy of rural regions.

Membership

To become member of the farm holidays organisation the provider has to run a "living farm" which means he/she has to be member of the chamber of agriculture and guest-rooms or appartements and farm have to be at the same location. Besides the farmer have to offer at least 5 home made farming products to their guests. In addition the farm has to reach at least the 2-flower-standard in the farm holidays-grading.

The membership-fee is calculated according to the number of guest-beds. An average tourism-farm with 12 guest beds pays a membership-fee of app. € 150,- per annum to the organisation. This allows him to use the farm holidays-brand but does not include marketing instruments like the brochure or the internet.

At present of all tourist farms some 2.500 (with 33.000 tourist beds, 50 % in rooms mainly with b&b, 50 % in self-catering appartements) are members of the Austrian farm holidays organisation (legally they are members of the provincial farm holidays association). It may be assumed that these "members" on average put more emphasis on tourism than the other farmers who rent out rooms to tourists (at least they use more marketing channels than the others). Members' research shows that the members of the organization on average have a higher load factor and achieve higher prices than the average farm holidays enterprise.

Organisation

In 1988 the Austrian agricultural minister formulated the so called "eco-social way" for the Austrian agriculture in which for the farm holidays-sector as one pluri-activity for farming families one coherent strategy has been developed. This strategy included besides marketing activities the creation of an organisational structure for the marketing of farm holidays in Austria. In 1991 the structure of 8 Provincial farm holidays associations (the first one has been founded as early as 1972 in the province of Styria) has been completed and subsequently the Austrian farm holidays association as the coordinating body was established.

In the marketing task there is close coordination and cooperation with the tourism organisations on all levels, in individual consultancy (for the farmers) training and education the competent partners are the chambers of agriculture on all levels and on the Federal level the ministry of agriculture, forestry, environment and water management. With these partnerships the limited resources of the farm holidays organisation can be used in the most efficient way.

Market chances / potential

In total 60 % of all farm holidays-bednights are by guests from Germany, 30 % from Austria, mainly from the Vienna-region. Some 5 % are generated from the Netherlands, 5 % from the “rest of the world”, whereby the neighbouring CEE-Countries are considered as markets with growth-potential. About 1/3 of the bednights are registered in the winter-season, predominantly in the regions which are popular for skiing.

Research showed that there is considerable market potential for the farm holiday-product: in Germany some 6.9 mio. adults state their interest in farm holidays “in the next three years” (source: German Travel Analysis 2013, NIT-Institute, Kiel/Germany). In Austria additional 3.2 mio. persons are generally interested in this form of vacation (IGF, Salzburg/Austria 2012).

Elements of the farm holidays strategy

- **Branding**

”To become an internationally well known brand in the field of rural tourism” is the top goal of the organisation. The branding strategy has been found as the most promising way to achieve the development and marketing objectives under the given conditions (many small enterprises with limited financial resources).

- **Quality classification**

Every holiday farm has to be quality controlled. The quality grading is based on a system with 3 standards (with the categories 2, 3 and 4 flowers). The farm has to provide top quality in every one of the three areas of “farm quality”, “facilities quality” and “service quality” (which are specified in 150 detail-criteria) in order to achieve the top level of four flowers.

- **Special interest products**

Besides the fully worked farms (the “classical” farm holiday-product) with animals there are also

- * wineries

- * alpine pasture huts

- * country holidays

in the portfolio of the farm holidays organisation.

The wide farm holidays product in Austria is differentiated in various special interest products, for which special criteria have been worked out. If a farmer wants to present himself as a “specialist” in a certain theme he has to be checked by a commission according to these criteria for

- * farms for families with babies & children
- * horse riding farms and farms with horse riding possibility
- * holidays on an organic farm
- * health vacations of a farm
- * farms for handicapped persons (mainly persons in a wheel chair)

Marketing

The definition of key markets (Germany, Austria, The Netherlands) plus developing markets Poland, Czech Republic and Hungary, key target groups and key products has helped to concentrate the limited resources.

By pooling the limited financial resources now promising marketing tools like television promotions, poster campaigns in the Austrian cities, naming of a train - in Austria it is possible to take the patronage of a train - etc. are affordable. All these activities resulted in a strong increase in personal enquiries to the office of the Federal association.

On the enterprise-level the internet, repeat visitors and the farm holidays brochures are the most important sources of enquiries and bookings. On average the farmers spend an amount of € 105,-- per tourist bed/year on marketing. Thus an average farm with 12.5 beds has an annual marketing budget of app. € 1.300,--.

- **Brochures**

Every one of the 8 provincial associations has its own brochure with its member farms. On the federal level there are 5 brochures for the special interest themes mentioned above. The organisation produces and markets a total of some 450.000 brochures per annum.

- **Internet**

The 2.500 member-farms are presented on one internet-plattform since 1998.

The internet has become the most important information channel and some 1.000 holiday farms are online bookable. The organisation is mainly positioning the common plattform www.farmholidays.com on the strongest tourism-plattformen but also actively promotes the site on the search engines.

On the plattform the user can

- ⇒ order free brochures
- ⇒ find a farm in a region (from a map) and contact it directly
- ⇒ give in his holiday dates (desired date of arrival and departure, b&b or appartement, grade of farm, etc.) and ask for offers from the providers which fulfill the criteria
- ⇒ make an online booking using his credit card

On average the members receive some 500 page views per month through the internet. The member survey shows that the providers achieve 1 booking out of app. 4 enquiries. Thus the internet proves to be a very effective marketing instrument.

- **Training & education**

As the sector is highly competitive there is a high need for information, training and education. The contents range from a basic certificate for beginners to specific trainings for special internet applications.

- **Organisation / service-centres**

In order to concentrate the available human resources for major parts of our work so-called service-centres have been formed. This means that 3-5 persons from the Federal and provincial Associations work on a special task and develop this area for the whole organisation. The results are finally presented to the decision-making body and made available (or compulsory) for the whole organization. The following service-centres have been created

* brand service / * e-service / * training & education service /
* member service / * quality service / * booking service

This strategy has dramatically increased the efficiency of the organisation. Before all instruments have been developed by all (Federal organisation together with all provinces) – often the Federal association became the bottleneck as it was impossible to achieve all required tasks and developments at the desired high quality.

How about sustainability?

As early as 1991 the Swiss tourism icon Jost Krippendorf said „The symbiosis of agriculture and tourism in the form of holidays on the farm may be seen as the core of a sustainable and socially responsible, but also economically interesting tourism development.“

Which contributions can holidays on the farm provide towards a sustainable (tourism-)development in rural regions?

- **Farm holidays as a valuable part of the Austrian tourism product.**

Holidays on the farm offer the guests a chance to get to know nature, the region as well as local people in a usually small scale enterprise. Here the visitors experience a good deal of „everyday culture“ of the region.

- **Farm holidays as a contribution to make a living for many farming families**

The small scale structure is a very important element of Austrian landscape and agriculture – even more so in mountain-regions. To date this structure has had a considerable effect on the maintenance of the attractive landscape in many regions. That these farms will still be worked in the future is – especially in the generations to come – in danger. In the long run this may threaten the essential basics of the Austrian tourism industry.

For many, especially smaller, agricultural businesses farm holidays is often a second (or third) form of pluri-activity, which allows them to remain self-employed (this is an important element of farming identity)

and does not force them to follow a job outside the farm or even outside the village or region.

- **Farm Holidays as a link between tourism and agriculture**

A great deal of tourism activities in the Austrian holiday regions happens on farmers' land. Therefore a good atmosphere between tourism and agriculture-representatives is a major element of a healthy tourism development.

The holiday farmers are familiar with both segments and can provide a crucial "communication role" between the industries.

Furthermore close cooperation between agriculture and tourism in the culinary field via the offer of regional agricultural produce by the tourism enterprises can underline the special character of a region. This makes the region different, more "distinguished" from other regions or destinations (which is in turn of vital importance for tourism marketing).

- **Farm Holidays as a contribution towards sustainable tourism development**

Farm Holidays is an organically grown holiday offer, usually typical for the region or the province, which needs little purpose-built touristic infrastructure. The offer is based on natural resources and builds on already existing elements. Farm Holidays also contributes to a regional de-congestion of holiday-flows as most of the holiday farms are not located in touristic hotspots.

- **Farm Holidays as a socially desirable, valuable source of education**

A great deal of (young-) children's books plays on the farm. However in everyday life most children who grow up in cities have little or no contact with farming life, with the planting, growing and harvesting of food.

Research, which show that many children believe that cows are predominantly lilac, confirm this growing estrangement.

Results

On average the members of the farm holidays-organisation reach a load factor of 106 days (on bed-basis) per year, thereof 60 days in summer, 46 days in the winter season. The average price is about € 32,-- per person/night bed & breakfast (summer 12), and about € 75,50 for a self-catering appartement for 4 persons/night. The member farms achieve about 50 % of their annual bednights with repeat business (and earn on average app. 1/3 of their family income via farm holidays). This is an important basis as these guests are in general more loyal in times of fluctuating demand eg. due to economic problems in the regions where the visitors come from.

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