A Study on Agrotourism Development in Sri Lanka

D.A.C. Suranga Silva
Senior Lecturer. University of Colombo

Kasun Vithana
Visiting Lecturer, Department of Economics, University of Colombo

Abstract
Tourism is one of the largest industries in the world as well as in Sri Lanka and is the fourth largest earner of foreign exchange the national economy with positive and negative aspects. However, agro tourism will not replace traditional tourism but will hopefully introduce a more sustainable form of tourism to the country. Agro based tourism is part of rural tourism and relates to tourism on farms. Agriculture has always been deeply related with the social, cultural and economic aspects of Sri Lankan history.

The study was conducted to estimate supply side as well as demand side feasibility. Supply side feasibility was conducted in Horana destination site. A tourists’ opinion survey was conducted to collect the prospective of tourists at the departure launch of Bandaranayake International Airport. Feasibility of the location was measured by an assessment tool, which was developed by Sustainable Tourism Pty Ltd in Queensland, Australia. Since it is positive, developed the hypothetical sustainable tourism destination with stakeholder analysis. The demand side survey was carried out through face-to-face interview.

As a conclusion Based on the potential index proposed destination falls to the “High potential zone category” but marginally. Stakeholders analysis implies that lot of marketing promotions have to be done, in local as well as international level, for agro tourism development in Sri Lanka. There were significant correlations between willing to pay for the facility with age, nationality, agro tourism familiarity, and experience and education level. Based on the regression can be concluded, willingness to pay has positive significant relationship with education and experience on agro tourism. Sri Lanka has a great potential to the development of agro-tourism, because of natural conditions and different types of agro products as well as variety of rural traditions, festivals.

Key terms: Agro tourism, Supply side feasibility, Demand side feasibility, willingness to pay, Contingency valuation

1. Introduction

Tourism is one of the largest industries in the world as well as in Sri Lanka and is the fourth largest earner of foreign exchange the national economy. (Statistical Report 2007) While traditional tourism provides vital employment and foreign exchange, it does also have its negative aspects. These are, amongst others, an erosion of traditional values, increase in vice. (ECOT 2007) It also exacerbates the drug problem among the youth. This research is going to study a more sustainable form of tourism which is popularly called Agro Tourism. This will not replace traditional tourism but will hopefully introduce a more sustainable form of tourism to the country. Tourism is now well recognised as an engine of growth in the various economies in the world. Several countries have transformed their economies by developing their tourism potential. Tourism has great capacity to generate large-scale employment and additional income sources to the skilled and unskilled. Today the concept of traditional tourism has been changed. Some new areas of the tourism have been emerged like Agro-Tourism. Promotion of tourism would bring many direct and indirect benefits to the people.

Agro-tourism is an innovative agricultural activity related to tourism and agriculture both. It has a great capacity to create additional source of income and employment opportunities to the farmers. Sri Lanka is one of the major tourist centers and there is large scope and great potential to develop agro-tourism.

2. Literature Review

Mathieson and Wall (1982) created a good working definition of tourism as "the temporary movement of people to destinations outside their normal places of work and residence, the activities undertaken during their stay in those destinations, and the facilities created to cater to their needs.” According to Macintosh and Goeldner (1986) tourism is "the sum of the phenomena and relationships arising from the interaction of tourists, business suppliers, host governments and host communities in the process of attracting and hosting these tourists and other visitors.”
2.1 Agro Tourism

The key thing to note in this community-based tourism is the linkage with agriculture through participation in farm activities. It can therefore be referred to as agricultural tourism or agri-tourism or agro-tourism. It differs from the traditional mode of supplying agricultural products to the tourism sector. It is about bringing the tourist to the agriculture sector to experience farm life and participate in activities on the farm. In essence, it is about transforming the farmer into a tourism operator. Whereas this type of linkage does provide some benefit to the national economy and to specific segments within it, it may not contribute to any significant reduction in the high leakage due to imports. This is partly because agro-tourism activities are still in an embryonic stage. However, it could increase the demand for local products and hence stimulate agriculture production and development of the agriculture sector. Bringing tourism to towns and villages can have the positive effect of enhancing the development of the tourism industry as well as community and rural life. (Johnston and Mellor 1961)

Agro-tourism is a product offering that could help to preserve agricultural land as well as spread the benefits of tourism to the rural areas. It presupposes a certain level of development of the agriculture sector and farming areas in particular. Countries such as the United States that have embraced this type of tourism already have reasonably well-developed agriculture sectors and farm areas. In the Caribbean these areas have to be developed. A cluster-based strategy within a competitiveness framework would facilitate identification of the areas within the tourism cluster that need to be developed or strengthened such as infrastructure, supplier industries, human resources and social and cultural capital.

2.2 Agrotourism Activities

Agro-tourism is based upon services, activities and/or products offered by an agricultural producer to the tourist. For the tourist, there is a net gain in that he or she obtains a better understanding and knowledge of the agricultural world; for the farmer, she/he has an opportunity to show an often predominantly urban population an insight into the agricultural way of life and reap some economic benefit in the process. The interaction between the farmer and tourist takes place on the farm or at other venues such as fairs and exhibitions. Facilities which promote and interpret the agricultural industry to tourists such as heritage gardens, agricultural museums and food processing operations may also be considered part of the agro-tourism sector. (Otto Goulding, 2007)

2.2.1 Agricultural Diversification

Agricultural industrialization driven by the changes in consumer demands, profit, and technology has led to increased commercialization of agriculture, decline in the number of farms, lower commodity prices, less flexibility on the part of farmers in selling their crops, and an overall reduction in farm income. The structural change in agriculture stems from industrialization of agriculture and it entails changes in how agriculture is organized as a sector of the economy. Structural compositions like “coordination”, “concentration” and “globalization” directed towards the agricultural sector have direct or indirect effects on farmers’ incomes. Consequently, farmers seek alternative uses of their farm assets by diversifying into non-agricultural activities for the purpose of maintaining a reasonable level of income for survival.

Agricultural diversification is “the development of on-farm, non-food activities” which provides “new sources of income and employment” and are “oriented at newly emerging markets”. This is different from agricultural modernization, which promotes farm enlargement, intensification, and integration. Diversification protects farmers from the disappointment of declining income that results from calamitous effects of agricultural restructuring and industrialization. By diversifying into farm tourism, farmers can mitigate farm income losses and continue to practice farming. Diversification is achieved by selecting and investing in assets in different sectors of the economy that react in a different way to economic conditions in order to make up for losses in one sector with gains in another. Therefore, farmers who diversify will experience less impact from the combined effect of agricultural restructuring, industrialization, globalization, and declining farm income. (Oredugbe, Fadeyibi, 2009)

To survive, farmers have at their disposal two main strategies or approaches of diversification to choose from. The first is that farmers have the option of diversifying their income by engaging in off-farm employment. The second is that farmers can diversify their income by using farm assets alternatively. Farm tourism, which
constitutes non-agricultural practices on the farm, crosses these two frontiers as it provides an attractive business opportunity to augment farm income. Farm tourism activities as identified by OECD (1994), Hall are often characterized by outdoor events, and activities that are of particular appeal. It includes activities like on farm experience, fruit picking, hunting, fishing, horse-back riding, nature study, bird watching, and other adventure activities.

There are three common means of farm diversification. The first is “agricultural diversification” which is the use of farm resources to produce new sources of income (e.g. crop products, animal products, and farm woodland). The second is “structural or business diversification”. In this case, farm households have a variety of income from business activities (e.g. tourism, and value added activities) that are run on the farm or are partly dependent on the farm based land and capital assets. The third is “passive diversification” which includes leasing of agricultural land and buildings.

2.2.2 Sourcing Agricultural Supplies

This section discusses issues relevant to sourcing by reviewing the key literature relevant to this topic. A considerable part of this analysis will focus on inter-sectoral linkages between tourism and agriculture. The reason for doing so is that it is estimated that approx. 30% of all tourist expenditure goes into food and beverages, clearly highlighting the importance of these linkages. The sourcing of food and beverages, and thus the link to the agricultural sector, is particularly important for resorts as much of their costing strategy is based on offering an all-inclusive product, i.e. the combination of accommodation and catering.

By creating linkages between the formal tourism sector (hotels, tour operators, transport providers, restaurants etc) and the local economy, the contribution of tourism to poverty reduction can be increased. If the formal tourism sector sources supplies from local industries, these can be strengthened and thus can provide additional employment and revenue, while at the same time reducing leakages and the high import content of the industry.

National development plans for tourism are often drawn up based on the assumption that the economic benefits of tourism will stimulate other sectors of the economy - most notably agriculture. But despite the popular belief that the agricultural sector can benefit considerably from the development of tourism, evidence often points into the opposite direction. Numerous studies have noted the failure of inter-sectoral linkages to develop. In fact, an alternative scenario is often revealed in which tourism generates increased food imports, which both damage local agriculture and drain foreign exchange earnings (Bélisle 1984 and 1984a).

3. Research Objectives

The main aim of this study is to examine the prospects and potentials for agrotourism in development Sri Lanka, through understand possible backward and forward linkages in order to meet possible challengers and effective strategies.

The objectives set out to explore in this research are to identify the potential for agro based tourism in selected area through potential index, Find the role and contribution of stakeholder, Factors affect to willingness to pay for agro tourism facility, and Examine the future challengers and effective strategies to agro based tourism industry

Research Methodology

Development of Hypotheses

Agro based tourism is part of rural tourism and relates to tourism on farms. It gives farmers options to expand their activities and receive more income. Agro based tourism is a small part of rural tourism and agricultural practice worldwide, excluding in some European countries such as Austria, France, Italy and Switzerland, the number of farms that offer some form of tourism is remarkably large. In some areas and countries, agro tourism forms a large part of rural tourism as a whole.

An agro-tourism is farm based business that is open to the term ‘Agro-Tourism’ is a new face of tourism. These specialized agro-tourism destinations generally offer things to see, things to do, and produce or gifts to buy, and are open to the public. Agro tourism is defined as travel that combines agricultural or rural settings with products
of agricultural operations – all within a tourism experience farm to allow a person to view them growing, harvesting, and processing locally grown foods, such as tea, rubber, paddy, coconuts, pineapple, sugar cane, corn, or any agriculture produce the person would not encounter in their city or home country. Often the farmers would provide a home-stay opportunity and education”. Agro-Tourism and Eco-Tourism are closely related to each other. Eco-Tourism provides by the tour companies but, in the agro-tourism farmers offer tours to their agriculture farm and providing entertainment, education and fun-filled experiences for the urban peoples.

Agro-tourism is a way of sustainable tourist development and multi-activity in rural areas through which the visitor has the opportunity to get aware with agricultural areas, agricultural occupations, local products, traditional food and the daily life of the rural people, as well as the cultural elements and traditions. Moreover, this activity brings visitors closer to nature and rural activities in which they can participate, be entertained and feel the pleasure of touring. (Mariti, 2009). Based on these literature the hypotheses was developed as follows

H1: Whether the agro base tourism is effective tool to diversify the tourist as a niche market while enhance the living stand.

Population, Sampling and Data Collection

Louviere et al., (2000) provide a formula to calculate the minimum sample size. The size of the sample (N), is determined by the desired level of accuracy of the estimated probabilities P’. Let P be a true proportion of the relevant population, a is the percentage of deviation between \( \hat{p} \) and p that can be accepted and \( \alpha \) is the confidence level of the estimations such that:

\[
Pr (|P' - P| \leq a P) \geq \alpha \quad \text{for a given } N
\]

Given this, the minimum sample size is defined as

\[
N \geq 1 - \frac{1}{P \hat{a}} \Phi^{-1} (1 + \alpha)/2
\]

Note that n refers to the size of the sample and not the number of observations. Since each individual makes r succession of choices in a choice experiment, the number of observations will be much larger.

The information was collected from the foreign tourist who completed the tour and planned to departure at Bandaranayake International Airport Sri Lankan. Data were collected from the foreign tourist random sampling method was used to make the sample. Sample size was 53 and out of it 77.4% males and 22.6% were females.

A survey was carried out through face-to-face interview. An interview was designed to get the information including trip characteristics, on the social and economical background of respondents and along with that Choice Experiment (CE) was carried out. Study was targeted to carry out contingency valuation method with identifying the relationship between willingness to pay for proposed destination with demographic and trip characteristics.

Designing of a choice experiment

There are four steps involved in the design of a choice experiment, such as, Definition of Attributes, Assignment of Levels and Customization, Choice of Experimental design, Experimental context and questionnaire development and Choice of sample and sampling strategy.

These four steps should be seen as an integrated process with feedback. The development of the final design involves repeatedly conducting the steps described here, and incorporating new information as it comes along.

Choice of experimental design

Experimental design is concerned with how to create the choice sets in an efficient way, i.e. how to combine attribute levels into profiles of alternatives and profiles into choice sets. The standard approach in marketing, transport and health economics has been to use so-called orthogonal designs, where the variations of the attributes of the alternatives are uncorrelated in all choice sets. Recently, there has been a development of optimal experimental designs for choice experiments based on multinomial logit models.

These optimal design techniques are important tools in the development of a choice experiment, but there are other more practical aspects to consider. An optimal design is developed in two steps: Obtaining the optimal combinations of attributes and attributes levels to be included in the experiment and Combining those profiles into choice sets. A starting point is a full factorial design, which is a design that contains all possible
combinations of the attribute levels that characterize the different alternatives. A full factorial design is, in general, very large and not tractable in a choice experiment.

Therefore a subset of all possible combinations have to be chosen, while following some criteria for optimality and then construct the choice sets. In CE, design techniques used for linear models have been popular.

Reduction of experiment size

After deciding how many attributes, levels, alternatives in the choice set, number of choice sets, it is necessary to design a statistically efficient subset of possible alternative combinations. Four principles were identified for an efficient design of a CE based on a non-linear model (Alpizar, 2002).

- Orthogonally: The combinations chosen should be those where the variations of the levels of the attributes are uncorrelated in all choice sets.
- Level balance: The level of each attribute should occur with equal frequency in the questionnaire.
- Minimal overlap: The attribute level should not repeat itself in the choice sets.
- Utility balance: The utility in each of the two alternatives in the choice set should be set equal.

This to be able to extract the best available information from each choice set. The disadvantage is the increased difficulty that this implies for the respondent (Alpizar, 2002). Although orthogonality is a desirable property in a choice task design, there are practical reasons to depart from it, which was the case in this survey. The levels presented have to be realistic and plausible.

Each choice set included three sets of combinations, creating a total of 27 sets of choice combination for the survey. When creating the choice sets from the attribute combinations, focus was placed on the utility balance, in order to prevent any of the alternatives to become dominant. This property was seen as most important, as the larger the difference in utility between the alternatives, the less information is extracted from the specific choice set (Alpizar, 2002).

Experimental context, test of validity and questionnaire development

In order to extract the maximum amount of information from the respondents, many other issues should be considered. Those issues are to be addressed under this topic.

Task complexity: Task complexity is determined by factors such as the number of choice sets presented to the individual, the number of alternatives in each choice set, the number of attributes describing those alternatives and the correlation between attributes for each alternative. Most of researchers find that task complexity affects the decisions. Task complexity was analyzed by assuming it affects the variance term of the model. The results indicate that task complexity does in fact affect the variance, i.e. an increased complexity increases the noise associated with the choices (Swait and Adamowicz, 1996).

Use of base case scenario or an opt-out alternative: Another issue to consider in the development of the questionnaire is whether or not to include a base case scenario or an opt-out alternative. This is particularly important if the purpose of the experiment is to calculate welfare measures. If we do not allow individuals to opt for a status quo alternative, this may distort the welfare measure for non-marginal changes.

Internal tests of monotonicity: Internal tests of monotonicity can also be implemented in a CE and in a sense tests of monotonicity are already built- in a CE as the level of an attribute changes in an experiment. Comparing the expected sign to the actual sign and significance of the coefficient can be seen as weak test monotonicity.

4. Data Analysis

CE data were analyzed using strata software and all attributes in their levels were included in the analysis using the effect coding. All other socio–economic variables were added as dummy variables. Descriptive analysis was done with the use of SPSS software.
Table 4.1 The effect coding system used in the analysis

<table>
<thead>
<tr>
<th>Level in design</th>
<th>Effect code 1</th>
<th>Effect code 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>-1</td>
<td>-1</td>
</tr>
<tr>
<td>B</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>C</td>
<td>0</td>
<td>1</td>
</tr>
</tbody>
</table>

Descriptive Analysis

The sample consists of 53 respondents and out of all, 77.4% are male and 22.6% were female. Married percentage was 67.9% and unmarried 32.1%. Among the respondents 45.3% are graduates and 41.5% have secondary level education. Out of 53 respondents 39.6% are English nationals while 20.8% belongs to others. Professionally 45.3% of the respondents are technicians while 15.1% of them are scientists.

Potential Index

Potential index measures regional characteristics as well as property characteristics. Add up all the regional sectional scores (Part I) to get a gross total for regional characteristics. This gross total should fall between 0 and 200. Then divide that gross total by 20 to create a standardised regional characteristics score that should fall between 0 and 10.

Table 4.2 Regional characteristics

<table>
<thead>
<tr>
<th>Part I Regional characteristics</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Natural Beauty</td>
<td>19</td>
</tr>
<tr>
<td>2 Cultural and Social Characteristics</td>
<td>16</td>
</tr>
<tr>
<td>3 Sport and Recreational Facilities</td>
<td>12</td>
</tr>
<tr>
<td>4 Shopping and Commercial Facilities</td>
<td>20</td>
</tr>
<tr>
<td>5 Public Infrastructure to Support Tourism</td>
<td>18</td>
</tr>
<tr>
<td>6 Attitudes Toward Tourists</td>
<td>14</td>
</tr>
<tr>
<td>7 Accessibility</td>
<td>18</td>
</tr>
<tr>
<td>8 Existing Tourism Activity</td>
<td>13</td>
</tr>
<tr>
<td>Gross Total</td>
<td>130</td>
</tr>
<tr>
<td>Divide Gross Total by Standardising Factor</td>
<td>20</td>
</tr>
<tr>
<td>NET REGIONAL CHARACTERISTICS SCORE</td>
<td>6.5</td>
</tr>
</tbody>
</table>

Repeat the procedure for the property characteristics assessment, giving a gross total of between 0 and 100. This time divide by a standardising factor of 10 to arrive at a standard property characteristic score. Again, the standardised score should fall between 0 and 10.

Table 4.3 Property characteristics

<table>
<thead>
<tr>
<th>Part II Property characteristics</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Natural Features</td>
<td>15</td>
</tr>
<tr>
<td>2 Built Features and Cultural Artefacts</td>
<td>14</td>
</tr>
<tr>
<td>3 Site Infrastructure</td>
<td>21</td>
</tr>
<tr>
<td>4 Human Resource Features</td>
<td>14</td>
</tr>
<tr>
<td>Gross Total</td>
<td>64</td>
</tr>
<tr>
<td>Divide Gross Total by Standardising Factor</td>
<td>10</td>
</tr>
<tr>
<td>NET PROPERTY CHARACTERISTICS SCORE</td>
<td>6.4</td>
</tr>
</tbody>
</table>

The final standard scores from the previous two tables can now be plotted on the Tourism Potential Grid below. Mark the regional score on the vertical axis and the property score on the horizontal axis. An approximate position of the tourism potential can be obtained by drawing a horizontal line from the regional score point, and a vertical line from the property score point. The intersection of the two lines gives an initial indication of how should be now proceeded. Each square of the matrix has been given an explanation that can be used to help to assess the likelihood of success, and suggestions about next steps in the process.
Based on the evaluation, proposed destination falls to high potential zone. Characteristics are as follows. Property appears to have a reasonable level of tourism potential. The region may already support some degree of tourism, or at least has the potential to attract tourists. The property would also appear to be attractive to tourists, and may be suitable for some form of tourism development.

However above scores falls to high potential region marginally. That means, successfully implemented the project site development and market development aspects have to be considered in detail.

**Trip Characteristics**

Package tourists were 73.6 % and independent were 26.4 %. Total out of that Tour origin, were from UK 39.6%, USA 15.1%, France 3%, German 5%, Australia 3% and other category 24.5%. Most of them organized trip through travel agent, 52.8%, followed by internet 24.5%, direct with hotel and direct airline 1.9% each. Significant promotion factor was internet site 34%, advice from travel agent 17% and tourist brochure, articles magazines, tourist information centre was less than 10%. They came to Sri Lanka 83% as a family, 11.3% as an individual and 5.7% with friends. Cars and taxis was the most preferred local transport mode was recorded as 24.5% each and trains and private coaches followed by 18.9% each, site seeing tours preferred 9.5% and public buses and three wheelers selected only 1.9%. Out of total sample 53, 13 people had come to Sri Lanka before and only a tourist had experienced in twice. Most of tourist (71.2 %) came to Sri Lanka, for leisure.

**Interest on Agro tourism**

Foreign tourist survey only 22.6% knew about the agro tourism and out of that 11.3% had experience. Only 3.8% knew about agro tourism facility in Sri Lanka, from tour operators and tour guide. Agro tourism willingness to allocation %, Out of their total travel budget highest frequency of willingness to pay for agro tourism was 30%. Before come to Sri Lanka allocated budget is range from $80- 4800$. Highest frequent was recorded in $1200, as a percentage of 11.3%. Willingness to pay per was ranged from $20-$80. Mean value was $36.6 and more people mentioned between $30 and $40. For the accommodation type, cottage level was 45.3%, star hotel 20.8% and home stay 9.4%. Almost half of the foreigners (56.6%) were preferred organic product and their willingness allocation in the graph below.

**Relationship with willingness to pay**

After analyzing the descriptive analysis, then search for a correlations as in the below table.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Correlation</th>
<th>Sig. (2 tailed, 0.05)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>.435</td>
<td>.006</td>
</tr>
<tr>
<td>Nationality</td>
<td>-.316</td>
<td>.05</td>
</tr>
<tr>
<td>Familiarity</td>
<td>.371</td>
<td>.020</td>
</tr>
<tr>
<td>Experience</td>
<td>.485</td>
<td>.002</td>
</tr>
<tr>
<td>Education</td>
<td>.468</td>
<td>.003</td>
</tr>
</tbody>
</table>
Based on above figures with the age, familiarity to agro tourism, previous experience, and education level had a positive correlation. Nationality and willingness to pay had negative relationship; order was British, American, French, German, Australian and other. All above five variables were significant then go for multiple regression model but non of variable was significant but $R^2$ was 65.1%. Then run for stepwise regression, only previous experience, and education level was significant but $R^2$ was 36.90%. However coefficient parameter was not significant 0.05 significant level.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>SE</th>
<th>Significant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>11.051</td>
<td>8.471</td>
<td>.200</td>
</tr>
<tr>
<td>Education (E)</td>
<td>8.245</td>
<td>2.985</td>
<td>.009</td>
</tr>
<tr>
<td>Experience (EP)</td>
<td>15.339</td>
<td>5.256</td>
<td>.006</td>
</tr>
</tbody>
</table>

Proposed regression equation is as follows.

\[ \text{WTP} = 11.051 + 8.245 \text{E} + 15.339 \text{EP} \]

5. Conclusion

According to the result and discussion part here can be stated nine conclusions. They are;

- Based on the potential index proposed destination falls to the “High potential zone category” but marginally.
- Stakeholders analysis implies that lot of marketing promotions have to be done, in local as well as international level, for agro tourism development in Sri Lanka
- Based on the cost benefit analysis there is a long term economic viability in agro tourism development in Sri Lanka
- There are significant correlations between willing to pay for the facility with age, nationality, agro tourism familiarity, experience and education level
- Based on the regression can be concluded, willingness to pay has positive significant relationship with education and experience on agro tourism.
- Based on the choice model most relative important factor was number of days, planed to accommodate
- Highest implicit price was found in one to two days accommodation
- Most prefers two packages were one to two days accommodation in star hotel and willing to pay $20-$50. Second best is one to two days accommodation in cottage level and willing to pay $20-$50, both coefficient remaining more or less same.
- Best package was affected by the profession of the tourist

Implication

Sri Lanka has a great potential to the development of agro-tourism, because of natural conditions and different types of agri products as well as variety of rural traditions, festivals. More than 30 percent of population live in the urban areas and they want enjoy rural life and to know about the rural life. It is a good opportunity to develop an agro-tourism business in Sri Lanka. But there is a problem of low awareness about this business in the farmer and problem of the finance and proper view in the farmers of the Sri Lanka.

Hence, the agriculture departments, Agriculture Universities should try to give orientation about it and provide some innovative ideas regarding to the Agro-Tourism. The government should try to provide optimum financial aids to the agro-tourism activities in the Sri Lanka by the grants and institutional finance. Bank should provide optimum financial help for the agro-tourism activities in the Sri Lanka.
Limitations

Causality can not be interpreted from the correlation analysis. Thus direction of relationship could not be intermitted. This research destination was introduces hypothetically to the tourist. That will effect to the final results.

References


Otto Goulding, 2007 Farm Management Specialist Farm Business & Evaluation Division, Agri-tourism in Newfoundland and Labrador

Oredegebe, Fadeyibi, 2009, Diversification into Farm Tourism, University Of Ottawa, Ontario, June
