

ANALYSIS OF THE PERCEIVED ECONOMIC IMPACT OF AGRITOURISM ON FARMERS' LIVELIHOOD

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Abstract

South African farmers' population is declining while those in business are struggling to remain economically viable due to the prevailing economic realities, which include the confluence of global market dynamics, and rising input costs that exert negative impact on the farmers' income. Agritourism is becoming an increasingly popular alternative form of agricultural enterprise development designed to expand farm income through better and more intensive utilization of existing farm resources. Three hundred questionnaires were distributed to selected farmers obtained from a population of 3,500 using Cochran's sample size formula. Multiple linear regression was used to analyze the relationships between the characteristics of the farmers' household and farm business as independent variables. Majority (70.9%) of farmers shows positive interest in offering agritourism because of its ability to stimulate local economic activities and the perceived economic benefits of increased revenues and farmer's livelihood. The study underscores the potential of agritourism justifying the urgent need to formulate valuable guidelines for the protection and development of the enterprise.

Key words: agritourism, global market dynamics, local economic growth, farm income, multiple linear regression

INTRODUCTION

South African farmers' population is declining while those in business are struggling to remain economically viable due to the prevailing economic realities, which include the confluence of global market dynamics, and rising input costs that exert negative impact on the farmers' income. Agritourism is becoming an increasingly popular alternative form of agricultural enterprise development designed to expand farm income through better and more intensive utilization of existing farm resources. It increases supplemental income and the diversity of agricultural products (Barbieri and Mshenga, 2008; Schilling *et al.*, 2012; Tew and Barbieri, 2012) [6, 45, 54].

Agritourism is a form of tourism that emerged in the last century to become an increasingly viable sector for the tourism industry worldwide (Sadowski and Wojcieszak, 2019) [42]. According to Nguyen, Suwanno and Thongma and Visuthismajam, (2018) [33], many studies has been carried out on the

development of agritourism enterprises and its impacts in many parts of the world.

Most studies on agritourism were done in developed countries such as Australia, New Zealand, North America, and Europe (Barbieri and Mshenga, 2008; Schilling *et al.*, 2012; Tew and Barbieri, 2012; Flanigan *et al.*, 2014; Petrović *et al.*, 2018) [6, 45, 56, 16, 37]. Limited research has been done in developing countries.

Viljoen and Tlabela (2006) [58] indicate that in South Africa, research regarding agritourism only gained significant attention within the last ten to fifteen years. The first agritourism activities to take place in South Africa were the ostrich farm in Oudtshoorn farm in the southern Cape and wildlife as game farms were added in the normal farming activities with the sole purpose of hunting (Grillin, Sacchi, Chase, Taylor, Van Zyl, Van der Merwe, Streifeneder and Fischer, 2022) [21]. The Cape wine route developed from three farms recorded fewer tourists in over 300 farms with up to 500,000 visitors per year. Saayman, Van der Merwe and Saayman, (2018) [41] found that agritourism is regarded as a important part of the agricultural

economy by 52.5% of farmers in the southern Cape Garden Route. Furthermore tourism activities recorded up to 30% of overall income for 60% of farming businesses (Saayman, *et al.*, 2018)[41].

Although most of the farmers adopting agritourism looks for economic benefits of agritourism activities, the actual increase of revenues is not universal, rather it is specific to characteristics of the individual farms (Veeck *et al.*, 2006) [57]. The regional effect influencing the revenues derived from agritourism are mostly economical successful agritourism operations generating revenues by offering multiple activities which are often located near other attractions (Saxena *et al.*, 2007; Veeck *et al.*, 2006; Fleischer and Tchetchik, 2005) [44, 57, 17]. Different farmers perceive the economic benefits of agritourism differently. For example, farmers with greater hectares of land may perceive agritourism as a convenient economic tool as these activities can alleviate management costs (Nickerson *et al.*, 2001) [34]. The main purpose of the study is to analyze the perceived economic impact of agritourism on farmers' livelihood.

Definitions of agritourism

The term agritourism is often used instead of the term rural tourism to describe any form of tourism in rural areas (Demonja and Bacac, 2012)[14]. Definitions of agritourism are many in literature, reflecting the disagreement surrounding its meaning (Arroyo, Barbieri and Rich, 2012) [2]. According to Demonja and Bacac, (2012)[14], agritourism is an agricultural farm where the host family (owners of households) engage mainly in agriculture and dispose of extra living space and products in their farms which can be offered as tourist services.

According to Evans and Ilbery (1992) [15], tourism literature defines agritourism as the process of attracting tourist to the farm while sociology literature explain agritourism as one type of entrepreneurial venture developed to enhance farm revenue or value (Che, Veeck, and Veeck 2005, Barbieri and Mshenga 2008) [10][6]. Thus, the tourism perspective takes agritourism as a unique entrepreneurial venture while the sociological perspective

views it as a component of the entire farm structure.

Arroyo, Barbieri and Rich, (2013) [2] highlighted the type of setting where agritourism activity occurs as a major discrepancy of agritourism definitions. Studies state that agritourism must be carried out on a farm (Carpio, Wohlgenant and Boonsaeng., 2008) [8]. The UC Small Farm Program (2012) narrate agritourism as a commercial enterprise at a working farm for the enjoyment of education of visitors that eventually generates supplemental income for the owner of the business.

Importance of domestic tourism

Tourism is important to the economy of South Africa (Robbins, 2017) [39]. The economic potential of tourism, as a catalyst for growth and development in South Africa, is based on the competitive advantages of the country's natural and cultural resources (Viljoen and Tlabela, 2006) [58]. Many of the tourism types such as eco, cultural and adventure tourism are ideally suited for developing tourism in rural localities with the necessary environmental qualities.

According to Mazimhaka (2007) [28] the development of domestic tourism can bring stability to a volatile industry and create a more sustainable path for tourism development. Robbins (2017) [39] found that in 2014, "1 in 25 individuals work in the tourism sector". The sustainability of tourism relies heavily on domestic tourism (Qin, Wall and Liu, 2011) [38]. According to Mustafa (2012) [32] domestic tourism has a significant contribution to the development of any nation, and it contributes to an improved balance of the national economy through a redistribution of the national income.

Economic significance of agritourism in Mpumalanga Province

Mpumalanga's tourism attractiveness lies in its diversity. Some of the features which make the country beautiful and incredibly attractive for tourism include accessible wildlife, varied and impressive scenery, unspoiled wilderness areas, diverse cultures (in particular traditional and township cultures) as well as a generally sunny and hot climate (Department of Finance, 2010)[12].

Tourism carries the potential to create opportunities for the entrepreneur and breed a unique informal sector. Tourism helps to save the environment and creates unique economic linkages with amongst others agriculture, light manufacturing (arts, crafts and souvenirs) and the services sector (health and beauty, entertainment and banking). Very importantly for South Africa, tourism creates decent work, is labour intensive and presents relatively low barriers to entry for entrepreneurs in terms of skills (Department of Finance, 2010) [12].

According to Busby and Rendle, (2000) [7] and Streifeneder, (2016) [53], the reason for farmers to adopt agritourism is the low agricultural income and the high income possibilities from tourism. Farmers are able to access extra income through farm diversification such as agritourism by delivering services to rural communities as well as to the society (Grillini, Sacchi, Chase, Taylor, Van Zyl, Van Der Merwe, Streifeneder and Fischer, 2022) [21].

Job creation

Tourism creates employment and through many activities are involved in travel. According to Msibi (2010) [30] tourism provides better opportunities, empowerment and security for the poor. Meyer and Meyer (2014) [29] point out that tourism plays a vital role in the employment creation process, particularly in developing countries. According to Keyser (2002) [23] entrepreneurs are aware that there is the potential to make money out of large numbers of people attending and visiting various tourism facilities and that tourism can increase the disposable income of people in local areas. Samini and Sadeghi (2011) [43] indicate that tourism creates employment opportunities, stimulates the growth of the tourism industry and triggers overall economic growth. Goods and services used by tourists are mostly labour intensive, leading to the creation of many jobs that are primarily low skilled (Adamou and Clerides 2007) [1].

The number of jobs created by tourism in many different areas is significant. These jobs are not only part of the tourism sector but may also include the agricultural sector, communication sector, health sector and the

educational sector. Many tourists travel to experience the hosting destination's culture, different traditions and gastronomy. According to South African Tourism (2019) [50], Travel and Tourism accounted 1 in 4 of all new job created across the world. Figure 1 shows that tourism industry employed roughly 4.5% of the entire workforce in South Africa in 2018 (Grillini, *et al.*, 2022) [21].

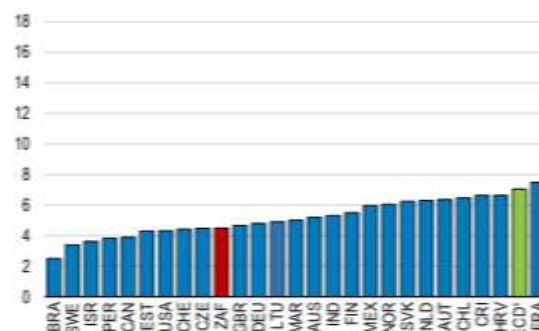


Fig. 1. Tourism employment is below the OECD average

Source: OECD Tourism Database [35].

The employment effect of a sustainable increase in the number of domestic as well as international tourists is therefore noticeable. For provincial economies to benefit most from employment opportunities created by tourists visiting the province, leakages to other provinces and the rest of the world should be minimised, and backward and forward linkages should be established within the boundaries of the province (Saayman, Saayman and Rhodes, 2001) [40].

Earnings from tourism

International tourism is often promoted in developing countries for its positive effect on the balance of payments and much-needed foreign exchange earnings (Williams and Shaw, 1992) [59]. One of the reasons for this is that the marketing of South Africa internationally is properly funded and organised by the South African Tourism Board, while the marketing of domestic tourism is undertaken by the nine provincial authorities (Saayman, Saayman and Rhodes, 2001) [40]. Meanwhile, in 2019 tourism recorded US\$ 1.8 trillion (6.8% of the total exports) from the international visitor spending (Glocker and Haxton, 2020) [20].

Tourism is the third-largest sector in the world, contributing 10% of the world's GDP (Linderová, Scholz and Almeida, 2021) [27]. In 2021 the travel and tourism increased by US\$ 1 trillion after the loss of almost US\$4.9 trillion in 2020 (Glocker and Haxton, 2020) [20].

According to Statistics South Africa (2018) [51], tourism directly contributed 2.8% (2017) to the overall GDP of South Africa which is an increase of 1.8% (1995) and around 9% when taking into consideration the estimated indirect impacts (World Travel and Tourism Council, 2018) [60]. According to Statistics South Africa (2021) [52], tourism sector contributed R 130.1 billion to GDP which account roughly 3% of the total GDP [48]. The contribution of wine tourism to South Africa's GDP was R 2.4 billion in addition to 5.809 permanent employees and 4.414 casual employees during peak season (Back, Tasci, and Milman, 2020) [4]. While wine tourism remains an important segment of agritourism, many South African wine farms have added their tourist product offerings by developing services that enable them to compete (Back, Tasci, and Milman, 2020) [4].

Hunting tourism mostly trophy hunting contributed R 3.8 billion per annum to the country's economy, and created more than 17,000 job opportunities, thereby playing an important role in the country's rural tourism sector (Saayman, Van der Merwe and Saayman, 2018) [41].

The contribution of tourism to South Africa's economy is below the OECD average of 4.7% as compared to countries such as Sweden, the Czech Republic and Colombia.

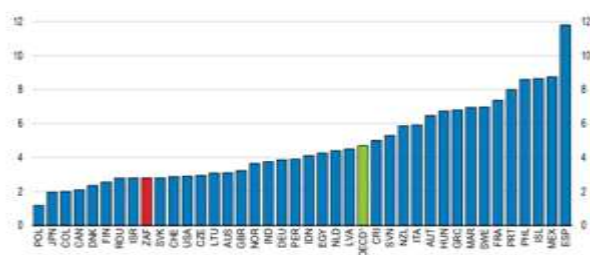


Fig. 2. Direct contribution of the tourism industry to the economy
 Source: OECD Tourism database [35].

When South Africa is compared to other emerging countries such as India, Indonesia, Mexico and the Philippines, the contribution of the tourism sector to the economy is relatively small indicating the potential for a greater role as depicted in Figure 2 (Glocker and Haxton, 2020) [20].

Domestic trips in South Africa

According to South African Tourism (2012) [49], the total domestic trips undertaken in 2012, for VFR travel accounted for 72.3 percent, leisure travel 11.6 percent, religious travel 7.7 percent, business travel 6.7 percent and travel for medical purposes 0.5 percent (Figure 3). It is estimated that the volume of visit a friend and relative (VFR) account for 82 percent of domestic bednights which occurs outside the formal accommodation sector (South African Tourism, 2012) [49]. In South Africa the overwhelming majority of VFR tourism is an unpaid accommodation or the low income market segments in South Africa. For VFR tourist, the availability of friends and family is a key determinant of choice of domestic destination and length of stay; the most important activities are "socialising and family time, followed by shopping and opportunities to enjoy night life" (Mthente Research and Consulting Services, 2013) [31]. The growth of domestic tourism is a function of economic growth in the country (Henama and Sifolo, 2015) [22].

In both international and domestic tourism the second most important expenditure item is shopping, following accommodation (Turner and Reisinger, 2001) [55]. Although shopping is seldom mentioned as a primary reason for travel, it is perhaps the most universal of tourist activities, and of great economic importance to local merchants (South African Tourism, 2012) [49].

According to Chase, Stewart, Schilling, Smith and Walk, (2018) [9] agritourism is the core of on-farm experiences deeply connected to agricultural production. According to Kreag (2001) [25], tourist expectations can advance services, such as local shops, restaurants, and other commercial operators. Tourism products need to be unique to attract attention from tourists. Most tourism products offer experiences that cannot be duplicated and thus

attract customers utilizing relatively limited promotion (Keyser, 2002) [23]. Furthermore businesses must come up with innovative activities to prove the uniqueness of their products (Meyer and Meyer 2014) [29]. Innovation is important due to similar products and considerable competition in the tourism industry. For example, innovation includes product novelty through the introduction of fresh products and processes and the enhancement of exiting products (Meyer and Meyer 2014) [29]. Agritourism takes a different form that fall into five overlapping categories: direct sales of farm products, education, hospitality, outdoor recreation, and entertainment. Examples of direct sales on the farm includes tourist picking their own fruit as well as farm stands selling local products.

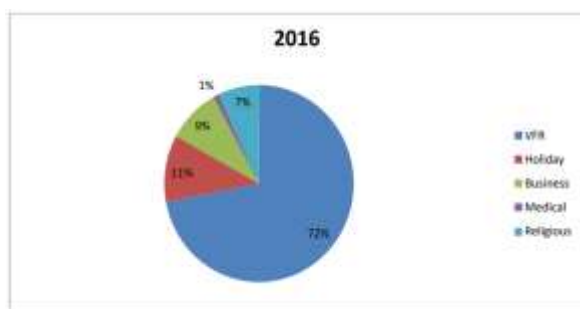


Fig. 3. Primary Purpose of Domestic Trips in SA (2016)

Source: TKZN, 2017 [51].

Agritourism products pricing

Price is a measure by which industrial customers judge the value of an offering and it strongly impacts on brand selections among competing alternatives (Avlontis and Indounas, 2007) [3]. Furthermore, pricing is the only element of the marketing mix that brings in revenue for the farm business, while it is also the most flexible element of the mix because pricing decisions can be implemented relatively quickly.

The farms that are closely located to the CBD are highly priced than those located far afield (Lee and Jang, 2012) [26]. During high demand season proximity to the CBD allows hotels to enjoy a high room rate premium. In low demand season proximity to the CBD forces hotels to discount the room rates in

consideration of the actions of adjacent properties (Lee and Jang, 2012) [26].

The setting of prices according to market demand and price sensitivity is very important. Lower prices are normally charged to price sensitive segments and higher prices to those segments that show a greater willingness and ability to pay (Forbes, Berthur and Sebastian, 2014) [18]. As a result farms are able to maximise revenues from the available capacity (Selmi, 2010) [46]. According to Christie and Crompton (2001) [11] pricing of hotel rooms is aggressive and both sophisticated and opportunistic. Each hotel room within the same hotel sells for a different price depending on its location, view and size. According to Mazimhaka (2006) [28], most developing countries' tourism is focused primarily on the international market and this has caused prices to increase beyond the affordability of most domestic tourists. In this context, the purpose of the paper is to analyze the perceived economic impact of agritourism on farmers' livelihood.

MATERIALS AND METHODS

Study design, study area and sampling

South Africa had nearly 96.34 million hectares of agricultural land in 2020, which corresponded to around 79 percent of the country's total land area. The Mpumalanga Province, is the second smallest of the nine provinces in South Africa, occupying almost half of the country's high potential arable land (Simpson, Badenhorst, Jewitt, Berchner and Davies, 2019) [47]. The population is predominantly rural with those living in rural areas depending entirely on land as the natural resource for farming and economic purposes. The study was conducted in Ehlanzeni District municipality of Mpumalanga province (Figure 4). A purposive sampling technique was used to sample farmers who are linked to the Department of Agriculture, Rural Development, Environmental Affairs (DARDLEA).

Figure 1 shows the map of Mpumalanga province with its district municipalities (Demarcation Board, 2011) [13].



Fig. 4. Map of Mpumalanga Province with the District Municipalities.
Source: Demarcation Board, 2011, Data collection [13]

Data were collected in 2022 from a sample of **86 respondents** across the Mpumalanga province. A total of 300 questionnaires were distributed farm to the respondents and 29% of the respondents completed the questionnaires. Around 30% of the questionnaires were no usable to analyze the results while 41% of the respondents did not return the questionnaires citing that they are busy with the planting season and meetings. Using a pre-tested structured questionnaire. The questionnaire included three categories of socio-economic information, demographic characteristics (age, gender, level of education, employment status and annual turnover of the farm business and percentage of annual turnover from agritourism). Farm characteristics (employment from agritourism, Source of funding for the business, Source of information about agritourism, Willingness to participate in agritourism, perception about government support for agritourism). Farm visits were conducted for face-to-face interviews.

Analytical model used in the study

Descriptive statistics by way of frequencies to summarize the data using Statistical Package for the Social Sciences (SPSS). Multiple linear regressions were utilized to analyze the farm resources (independent variables) associated with the economic factors of the farm business and the farmer' turnover derived from agritourism activities (dependent

variables). Independent variables included in the models were: farmer's location as descriptors of physical resources; operator's off-farm employment, level of education, agritourism contribution to the farmers income, farmers turnover received, source of information and type of ownership as indicators of managerial resources. Source of funding for the business, their willingness to participate in agritourism and whether the support from government is enough.

RESULTS AND DISCUSSIONS

Demographic characteristics of respondents

From the data collected, 54.7% (47) were males and 45.3% (39) were females. A total of 31.4% of the respondents were aged between 31 to 45 years, followed by 29% aged between 46 to 59, 25.6% aged between 60 to 70years and 12.8% for ages between 18-30 to 60 years and lastly, 1.2% aged at 74 plus years. The demographic data seems to indicate that a greater percentage of the population in Mpumalanga province is young and energetic and below 50 years of age. The type of land tenure system for most respondents was inherited for 41.1%. The others 21.1% indicated their land were bought through government initiatives and 7.8% got their leasing while 6.7% "acquired permission to occupy"(PTO) from traditional leaders.

Socio-Economic data analysis

The socio-economic factors analysed included gender, age, employment status, level of education, annual turnover, percentage annual turnover from agritourism, been familiar with agritourism, employment through agritourism, source of funding, source of information about agritourism, willingness to participate in agritourism and perceived government support. The attributes listed in Table 1 had a potential in influencing economic impacts of Agritourism practice in Mpumalanga province. With the engagement of the local community in Agritourism, this may improve socio-economic status.

Farmers are likely to supplement their income supplying farm products and offer home stay services to tourists on their farms. In

Mpumalanga province, farmers make their living by having their farms diversified into several farming operations which agritourism is one of them. That has multiplier effect that impact on the entire community and country at large thereby improving livelihoods. Majority of the respondents (43%) indicated having attained only matric school level of education, 32.6% of the respondents had no formal learning and 9.3% obtained grade 11 while 12.8 obtained tertiary education (college education and above). The results shows that the literacy levels in Mpumalanga province are still low. Their agreement with the government statistics that shows that in Mpumalanga province statement 10% of the provincial population is illiterate (Khuluvhe, 2022) [24]. Literacy is the ability to identify, understand, interpret, create, communicate, and compute, using printed and written materials associated with varying contexts (OECD, 2017) [35].

A larger proportion of households are practicing farming for a livelihood at 96.5 % as fulltime farmers, followed by 1.2% unemployed in a formal work environment, 2.3% employed as managers on behalf of private companies trading as agricultural business. The farmers that are familiar with the concept of Agritourism are 61.6%. Some of the reasons given why Mpumalanga province had a potential for Agritourism development included the strategic geographical positioning of the country such that tourists en route to the tourist attraction sites such as National Kruger Park and Panorama road pass through the province by road. There are other tourist attractions in the study area including Sudwala Curves which is located a few kilometers from the Nelspruit city center. The country has arable land suitable for farming activities and fresh water available from the Sabie River and several rivers traversing the province of Mpumalanga including Komati River making irrigation very feasible for farmers. Matsamo Cultural Village offers age-old folk songs, rhythmic dance performances, including the famous Rain Dance, music with authentic African instruments, as well as traditional Swazi cuisine. Tourists takes a tour through the

village with its many huts and spaces, interacting with the villagers as they go about their daily activities such as cultivating their crops, preparing traditional food and fashioning beautiful craft.

Majority 72.1% (n=86) of the respondents are not practicing agritourism on their farms due to their business not catering for agritourism. Meanwhile 70.9% of the respondents are willing to venture into agritourism in order to take advantage of the additional income opportunities agritourism provides.

Even though agritourism is perceived to be catalyst for improving farmers' livelihoods, 33.7% of the respondents raised concern about government lack of support when it comes to agritourism in the country. any value addition and for those who did, 2.57% did Jams and 1.03% juices. The statistics indicates a gap which is an opportunity that can be exploited on various on-farms to promote growth of Agritourism and improve farmers' incomes.

The development of agritourism offers an important opportunity to South Africa to grow agritourism sector as route tourism is the best way to achieve sustainability in travel and tourism. Over a third (34.9%) of the agritourism farms and non-agritourism farms included in the study had an annual turnover of less than R30,000, another third (34.9%) had an annual turnover of R50,000–R100,000 and about 14.0% of the respondents earned an annual turnover of R30,000- R50,000 whereas 12.8% earned around R 100,000- R500,000, the last group earned 3.5% which is over R500,000 annual turnover. Simtowe (2010) [48], found that high-income earners can easily mobilize productive resources and are more diversified than low-income earners. However, Beyene (2008) [8] argues that the majority of farmers receiving off-farm income utilize their income for their consumption, while few farmers use the off-farm income to invest in their farms. Farms (82.2%) are operating from agriculture land that are mostly not far from towns. The proximity to towns suggests good accessibility to the farms, indicating superior access for tourists. variables included in the regression tests.

Table 1. The results show the profile of Mpumalanga province farmers who responded to the questionnaires

Variable	Category	Frequency	%
Gender	Female	39	45.3
	Male	47	54.7
Which age group do you belong to?	18-30yrs	11	12.8
	31-45yrs	26	31.4
	46-59yrs	25	29
	60-70yrs	22	25.6
	74+yrs	2	1.2
Employment status	Full time farmer	83	96.5
	Unemployed	1	1.2
	Manager	2	2.3
Level of education	None	28	32.6
	Grade 8	37	2.3
	Grade 11	8	9.3
	Matric	3	43.0
	M+3	8	9.3
	M+4	2	3.5
Annual turnover	Less than R30,000	30	34.9
	R30,000-R50,000	12	14.0
	R50,000 – R100.000	30	34.9
	R100,000 – R500,000	11	2.8
	Over R500,000	3	3.5
% Annual turnover from agritourism	0-5%	62	72.1
	6-10%	8	9.3
	10-20%	6	7.0
	20-50%	10	11.6
Are you familiar with agritourism	Yes	53	61.6
	No	33	38.4
Employment through agritourism	1-5	71	82.6
	Greater than 5	9	17.4
Employment of family members	0	73	84.9
	1	3	3.5
	2	7	8.1
	3	2	2.3
	More than 5	1	1.2
Agritourism activities	None	64	74.4
	Accommodation	4	4.7
	Birding	11	12.8
	Farm stall	7	8.1
Source of funding for the business	Personal savings	41	47.7
	Loan	17	19.8
	Household money	21	24.4
	other		8.1
Source of information about agritourism	Family/Friend	5	5.8
	Web search	43	50.0
	Agritourism service provider	2	2.3
	Route marketer	1	1.2
	Not aware	34	39.5
	Other	1	1.2
Willingness to participate in agritourism	Yes	61	70.9
	No	25	29.1
Do you perceive government support as enough?	Agree	0	0
	Neutral	29	33.7
	Disagree	57	66.3

Source: author.

The operating age of the majority (41.2%) of the farms is more than 5 years and the number

of full-time employees per farm was an average of three employees. Most of the owners (54.7%) were men and 45.3% are female. Farm owners (30.2%) are aged between 31 and 45 years and 43% of the respondents are having matric certificates. Almost fourth-quarters (96.5%) reported that farming is their main occupation. Most the farmers belonged to close corporative (61.8%) that get assistance from the government in terms of agricultural inputs. Tests revealed no collinearity issues among the independent Half of the respondents (50%) received the information about agritourism through internet while 39.5% acquired the information through route markers, 1.2% from service providers and 1.2% of the respondents are not aware of agritourism. The findings are not consistent with the findings of Fotisa *et al.* (2012) [19] who found that recommendations about the destination from friends and relatives are the most trustworthy source of information used, closely followed by reviews and information provided by visitors on various websites and social media are regarded as trustworthy. The reason for the contradiction has to do with the fact that 43% of the respondents have matric and are familiar with technology. A similar finding was confirmed by Pabel and Prideaux (2016) [36], when they found that family and friends are the most widely used information sources regarding travel and tour, followed by previous experience at the destination.

The regression analysis

Below the correlation coefficient both the significance value of the correlation and the sample size (N) on which it is based are displayed Table 2. Each variable is perfectly correlated with itself (obviously) and so $r = 1$ along the diagonal of the table. The age of the farmer is positively related to the level of education of the farmer with a Pearson correlation coefficient of $r=.290$ and the significance value is less than 0.05 (as indicated by asterisk after the coefficient). The significance value of the study shows the probability of getting a correlation coefficient in the sample of farmers if the null hypothesis were true (there was no relationship between these variables) is very low (close to zero in

fact). Hence, there is a genuine relationship between age of the farmer and the level of education. The output shows that age of the farmer is positively related to the percentage of the annual turnover of agritourism, with a coefficient of $r = .232$, which is also significant at $p = .031$. Finally, the question of whether the farmer is familiar with agritourism appears to be positively related to the level of education, $r = .326$, $p = .002$. The output shows that willingness to adopt

agritourism is negatively related to the level of education of the farmer, with a coefficient of $r = -.386$, which is significant at $p < .001$. The willingness to adopt agritourism by the farmer appears to be negatively related to the level of education of the farmer, $r = -.455$, $p < .001$. Finally, the level of education of the farmer appears to be positively related to the annual turnover agritourism of the farmer, $r = .546$, $p < .001$ as depicted in Table 2.

Table 2. Correlation analysis output

Correlations							
		Age	Annual turnover	Familiar with agritourism	Willingness adopting agritourism	Education level	% Annual turnover from agritourism
Age	Pearson correlation	1	.081	.037	-.128	.290	.232*
	Sig. (2-Tailed)		.458	.738	.239	.007	.031
	N	86	86	86	86	86	86
Annual Turnover	Pearson correlation	.081	1	.079	-.130	.056	.076
	Sig. (2-Tailed)	.458		.470	.233	.606	.489
	N	86	86	86	86	86	86
Familiar with agribusiness	Pearson correlation	.037	.079	1	-.189	.326**	.211
	Sig. (2-Tailed)	.738	.470		.081	.002	.051
	N	86	86	86	86	86	86
Willingness adopting agritourism	Pearson correlation	-.128	-.130	-.189	1	-.386**	-.455
	Sig. (2-Tailed)	.239	.233	.081		<.001	<.001
	N	86	86	86	86	86	86
Education level	Pearson correlation	.290**	.056	.326**	-.386**	1	.456**
	Sig. (2-Tailed)	.007	.606	.002	<.001		<.001
	N	86	86	86	86	86	86
% Annual turnover from agritourism	Pearson correlation	.232*	.076	.211	-.455**	.456**	1
	Sig. (2-Tailed)	.031	.489	.051	<.001	<.001	
	N	86	86	86	86	86	86
**Correlation is significant at 0.01 (2-tailed)							
* Correlation is significant at 0.05 level (2-tailed).							

Source: Author's results.

CONCLUSIONS

The tourism sector contributes significantly in the economic growth of the Mpumalanga province particularly in terms of revenue, GDP, employment creation and economic

growth. Mpumalanga province is a popular tourist destination due to the whole range of natural beauties, including traditional cultural heritage which plays a vital role in the further development of the tourism industry.

Findings about gender, education level and annual turnover of farmers can all be useful in assessing the potential for successful agritourism program design. For example, the level of education and their willingness to diversify their farms through agritourism can encourage other farmers to establish agritourism in order to increase their farm turnover.

The results revealed a very small proportion of farmers adopted in agritourism in Mpumalanga province. Majority (70.9%) of farmers shows positive interest in offering agritourism because of its ability to stimulate local economic activities and the perceived economic benefits of additional revenues and farmer's livelihood.

Results also support agritourism as not being greatly important for providing employment for family members (Barbieri and Mahoney, 2009) [5], a result that was not expected considering the desires of farmers to maintain their rural and agricultural lifestyle for themselves and family.

The study underscores the potential of agritourism justifying the urgent need to formulate valuable guidelines for the protection and development of the enterprise.

About 66.3% of the respondents disagree with the statement that says government support for agritourism is enough.

The respondents ascertain that the state of the agritourism in the province is not at the level it should and there are challenges that must be addressed for progress to be realized in terms of agritourism.

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