

AGRITOURISM CASE STUDY:

BoxGrove



BoxGrove

Location: Bathurst

Owners: Melissa Atkins, and Kayla and Ben Fry

Farm produce: Cattle and wine grapes

Size of farm: 69 hectares (170 acres)

Website: boxgrove.com.au

How we started our agritourism business

Fifteen years ago my sister Melissa and I (Kayla) inherited our grandparents' farm. Our mother, a sheep and cattle farmer with an adjoining farm, manages the farm's livestock.

At that time we had just completed apprenticeships in hair and beauty so we started a salon together on the farm.

"By providing hair and makeup services for weddings for years in wedding venues as far away as the Blue Mountains, we identified a gap of local, quality wedding venues that were not corporate venues."

Agritourism offering



Agritourism activities

- Weddings
- Guided tastings of local wines, gins and beers
- Events (food events with live music)
- Local produce packs for guests (for self-cooking)
- Guided farm tours
- Guided regional tours (food and wine, and 4WD)



Accommodation

Accommodation to sleep 60 (ideal for weddings):

- 6 luxury eco-studios
- 1 luxury three-bedroom villa
- 4 cabins
- 2 glamping tents

Building a wedding venue

From all that we had learned by spending time with bridal parties, we believed we could host weddings that avoided the issues that cause stress. We hosted friends' ceremonies on our farm, and we thought, 'We could do this'.

Initially we thought we could use our hay shed as a wedding venue but it doesn't have air-conditioning or toilets or running water – and that level of rustic does not appeal to brides.

“We developed a business plan and had an accountant undertake financial analysis to enable us to secure a loan to construct a wedding venue.”

We then purpose-built a barn as a wedding venue with a commercial kitchen. Everything is professionally done, and the venue is comfortable for guests, such as with air-conditioning.

Our venue attracts weddings of around 80-120 guests (up to 190) who come from Sydney.

Adding luxury accommodation

Later, we added luxury accommodation as there is not enough such accommodation locally to meet the demand from the destination weddings we host. Our farm already had four cabins which our grandparents had built to rent out for holidays, but these didn't provide enough accommodation, and are not luxurious enough for a wedding party.

We knew we had a captured market for accommodation during the August to April wedding season, and knew that people from Sydney love to come to Bathurst in winter to cozy up to a fire, so we believed there would be strong demand for luxury accommodation for most of the year. We sense-checked this with Destination NSW, the state tourism organisation.

Initially we looked at buying the type of modular cabins that are often used for farm stays nowadays, but when we were developing our luxury accommodation there weren't attractive options on the market.

Though our accommodations themselves aren't unique in how they look, what is unique about BoxGrove is the combination of being close to Bathurst – just ten minutes from dining and wineries – and that we have many accommodations, not just one or two cabins as is common for farm stays. This allows us to make more income per night. The cabins aren't far apart but they feel private due to landscaping (the feeling of privacy is often mentioned in guests' reviews).

Our accommodation occupancy is good because we sit in a niche luxury market where there isn't much local supply – we are full on weekends, and do well on weekdays for a market (luxury travel to Bathurst) that isn't that mature yet. Though our average nightly rate is quite high, it is still affordable for regular short breaks, not only for very special occasions.

Adding other experiences

We find our guests prefer not to leave the farm while they are here.

“We provide multiple ways they can spend their money with us...”

including local produce dinner packs they can cook in their accommodation, an on-farm guided tasting of locally produced beverages, and guided tours of the farm and of the region.

Challenges

We built from scratch instead of buying modular cabins. This meant costs were higher, and went higher than we expected as the build went over budget, and took longer than planned, and we couldn't lock in our loan's interest rate until they were completed, and over this period of time interest rates increased by 3%.

How our agritourism business is growing – adding a cellar door

Today we are in a real growth phase. To support our growth, I would love to learn from a business coach, ideally someone familiar with the size and style of our tourism business. We'd also love to have two additional staff but the economy doesn't allow it – today weddings are smaller in size and budget due to the increased cost of living.

“A few years ago we planted a vineyard in part because wedding couples often mentioned that they love the wedding photos taken at Mudgee wedding venues in front of the vines.”

The idea of becoming winemakers came about as my husband Ben took a viticulture course out of a personal interest in wine. We had an agronomist check our soil, which it turns out is perfect for vineyard. A close friend is a winemaker and will guide us.

We will have a captured market for our future wine sales as we will include our wines in our wedding packages. We plan to open a cellar door soon as about 20% of our accommodation guests ask if we offer wine tastings. For the cellar door, we are converting an existing (and beautiful) machinery shed.

We will use our commercial kitchen to provide catering in the cellar door, and we are turning an electric tuk tuk into a type of coffee van, as getting development approval for a coffee van is a lot less work and cost than for a café.



Advice for farmers looking to diversify into agritourism

RESEARCH AND PLAN

- **When developing a new business it's common sense to research to understand what will appeal to future customers, do rigorous financial planning, and develop a business plan.** Sometimes I visit a hospitality business, and it feels like the owner hasn't thought through or tried to understand what the market wants.
- Identify a town or businesses similar to what you aspire to achieve, and chat with the business owners there.
- Instead of only trusting accountants, build your basic knowledge of accounting and tax so you can't be steered in the wrong direction, and be creative in finding solutions.
- **You can have a free meeting with Council's Planning Officers to pick their brains.** I've heard of people who have spent \$60,000 on drawing up plans for a development without checking if what they want to develop is even permitted on their property.



BE COMPLIANT

I'm surprised by farmers who try to avoid Council knowing that they are doing events such as weddings on their farm. If the way you do things is not legal, eventually you will get a fine, and will have to pay to remedy what is not compliant, or even lose the business.

BE UNIQUE, AND DO THINGS PROPERLY AND WELL

People think there is a lot of money in weddings but there is also a lot of work. **You can't charge a good venue fee if your venue is a blank canvas.** To do things well, so guests are comfortable and things run smoothly, can cost a lot, and budget for development doesn't go very far anymore. Things like changing a driveway or adding landscaping can add up, but if you don't invest in these, it can cause further damage, such as from wet weather and mud.

WEDSHED IS AN EASIER WAY TO PROMOTE A WEDDING VENUE

WedShed is like an Airbnb for wedding venues. Farmers can list their wedding venues on the WedShed website and couples come to the website to find their perfect venue. This is easier than doing all the promotion of your venue by yourself.

