

# THE ECONOMIC EFFECTS OF AGROTOURISM IN RURAL AREAS

## ЭКОНОМИЧЕСКОЕ ВЛИЯНИЕ АГРОТУРИЗМА НА РАЗВИТИЕ СЕЛЬСКИХ ТЕРРИТОРИЙ

**Abdullaeva Khamidakhon Rustamjon kizi**

Researcher at the Department of Geography, Fergana State University

**Абдуллаева Хамидахон Рустамжон қизи**

Исследователь кафедры географии Ферганского государственного  
университета

***Abstract.** This article analyzes the economic effects of agrotourism in rural areas and its role in regional development. The study highlights the importance of agrotourism in ensuring employment, diversifying household incomes, promoting local entrepreneurship, and increasing the added value of agricultural products. It also examines the multiplicative impact of agrotourism on the local economy based on scientific sources and international experience. Based on the findings, priority directions for the development of agrotourism in the Fergana region have been identified and practical recommendations have been developed.*

***Аннотация.** В данной статье анализируются экономические эффекты агротуризма в сельских районах и его роль в территориальном развитии. В ходе исследования освещается значение агротуризма в обеспечении занятости населения, диверсификации доходов, стимулировании местного предпринимательства и повышении добавленной стоимости сельскохозяйственной продукции. Также на основе научных источников и международного опыта исследуется мультипликативное воздействие агротуризма на местную экономику. На основе полученных результатов определены приоритетные направления развития агротуризма в Ферганской области и разработаны практические рекомендации.*

***Keywords:** agrotourism, rural tourism, rural areas, sustainable development, employment, household income, local entrepreneurship, multiplier effect.*

***Ключевые слова:** агротуризм, сельский туризм, сельские территории, устойчивое развитие, занятость, доходы населения, местное предпринимательство, мультипликативный эффект.*

**Introduction.** In recent years, interest in agrotourism as one of the innovative directions for the economic development of rural areas has been growing. By integrating agricultural and tourism activities, this direction serves to diversify the incomes of the rural population, create new jobs, and ensure the stability of the local economy. According to international analyses, the global agrotourism market was valued at USD 8.1 billion in 2024 and is projected to maintain an average annual growth rate of 11.9% until 2030 (Grand View Research, 2025). The experience of leading countries demonstrates the important role of agrotourism in generating additional sources of income in

rural areas, increasing the competitiveness of farms, and supporting regional development.

In Uzbekistan, too, the tourism sector is developing rapidly, and the issue of making use of the tourism potential of rural areas is becoming increasingly relevant. The country has favorable natural and geographical conditions, rich agrarian resources, and the opportunity to create tourism products based on the national rural way of life for the development of agrotourism. In particular, the prospects for the wide introduction of agrotourism as a factor of economic development are considered high in the Fergana region, where agricultural sectors are well developed.

Agrotourism is a form of tourism based on visiting areas associated with agricultural activity and becoming acquainted with rural life, local products, and agrarian activity. Its main feature is the direct connection of tourism activity with operating farms and *dehqan* (peasant) holdings. The aim of this study is to analyze the economic effects of agrotourism in rural areas, to determine its impact on employment, incomes, entrepreneurship, and the development of the local economy, and to develop scientific and practical proposals for the development of this direction in the Fergana region.

**Main part.** There are various scientific approaches to explaining the factors behind the formation of agrotourism activity. While some researchers link the development of this activity to the surplus of labor resources arising as a result of technological modernization in agriculture, others explain it by the need to diversify farm incomes and increase the level of profitability. In some studies, one of the main reasons for the formation of agrotourism activity is interpreted as the reduction of jobs resulting from the science-driven innovative development of agricultural branches and sectors, and the involvement of the labor resources released from the sector in agrotourism activity, which is considered an adjacent field of the sector (Nikitina and Kushnarenko, 2010).

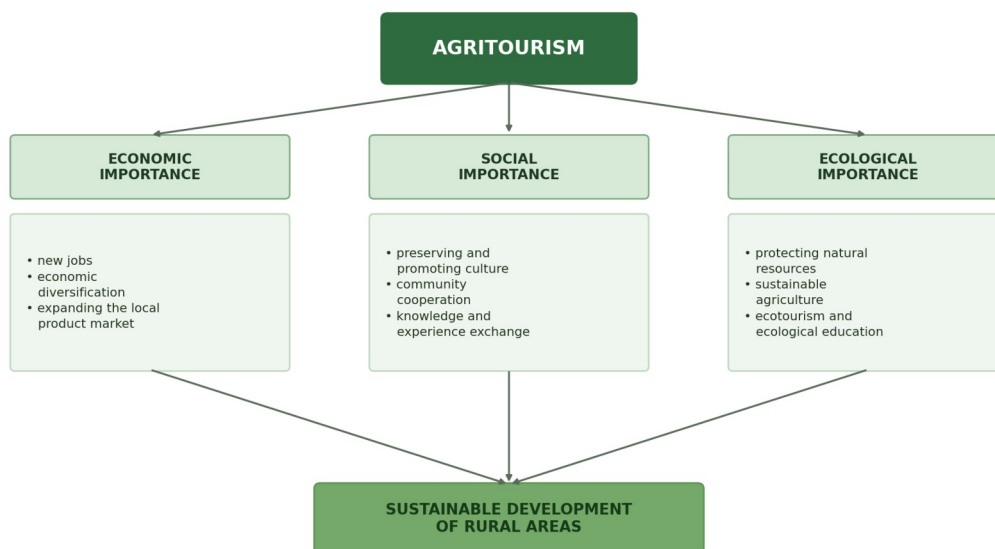
A number of other studies point out that one of the main factors in the formation of agrotourism is the low level of profitability, which reflects the

effectiveness of the production activity of agricultural enterprises (farms), and the improvement of the overall effectiveness of their activity through agrotourism, which is considered an adjacent field (Busby and Rendle, 2000).

The above approaches show the importance of agrotourism not only as a source of additional income but also as a means of the comprehensive development of rural areas. Therefore, it is expedient to consider the economic, social, and ecological functions of this field in their interrelationship (Figure 1).

Figure 1

The importance of agrotourism in the sustainable development of rural areas



*Source: developed by the author.*

The economic dimension is manifested through the creation of new jobs, the diversification of the local economy, and the expansion of the market for local products. By supplementing the income derived from agricultural production with additional sources, agrotourism serves to increase the economic stability of agricultural entities.

The social dimension is manifested in preserving and promoting local culture and traditions, developing community cooperation, and strengthening the exchange of knowledge and experience. As a result, favorable conditions are created for ensuring the employment of the population in rural areas, reducing migration processes, and developing human capital.

The ecological dimension is associated with protecting natural resources, supporting sustainable agricultural practices, and developing ecological education and ecotourism. A distinctive feature of agrotourism is that its economic efficiency depends directly on the degree to which natural and cultural resources are preserved, because the main factors attracting tourists include the natural landscapes, ecological condition, and local distinctiveness of an area. Therefore, the economic, social, and ecological components form an integrally interconnected system, and the weakening of any one of them has a negative impact on the overall efficiency of development.

In our view, agrotourism is a multifunctional type of activity that converts the natural, cultural, and agrarian resources of an area into economic value and ensures the sustainable development of rural areas. Its long-term economic efficiency is fully manifested only when it develops in harmony with social interests and the principles of ecological sustainability.

The economic effects of agrotourism have been studied by many foreign researchers. Busby and Rendle (2000), assessing agrotourism as an alternative activity that serves to diversify farm incomes, emphasize its importance in increasing the economic stability of agricultural entities. Barbieri (2013), in turn, notes that agrotourism is an effective entrepreneurial direction that ensures the long-term development of farms and generates additional sources of income.

According to the research of Tew and Barbieri (2012), one of the main economic advantages of agrotourism is attracting new consumers and creating an additional market for agricultural products. Schilling et al. (2012), substantiating the multiplicative impact of agrotourism on the local economy, have shown that it also stimulates economic activity in the transport, trade, and service sectors.

Summarizing the above scientific approaches, it can be stated that the economic effects of agrotourism are manifested mainly through increasing farm incomes, creating new jobs, developing local entrepreneurship, and diversifying the economy of rural areas. In order to illustrate this situation in practical terms,

it is important to analyze the experience of agrotourism development in various countries and its economic results.

International experience clearly demonstrates the positive impact of agrotourism on the economy of rural areas. Although the level of development and the organizational model of the sector differ from one country to another, commonality is observed in its main economic results — generating additional income, increasing employment, and stimulating local economic activity.

Italy is one of the countries where agrotourism is most developed, and here the sector has taken shape as an effective model of the integration of agriculture and tourism. The experience of the USA shows that agrotourism is an important means of diversifying farm incomes. While in Spain the high demand for rural tourism serves to increase the economic activity of rural areas, in Poland agrotourism is emerging as an effective means of forming new entrepreneurial activities in rural localities and ensuring the employment of the population. In Uzbekistan, the rapid development of the tourism sector creates favorable conditions for expanding agrotourism and broadens the opportunities for the effective use of the economic potential of rural areas.

Table 1

Indicators of the economic efficiency of agrotourism in various countries

Country	Number of agrotourism entities	Economic results	Impact on employment	Main economic effects
Italy	≈26,000 agrotourism enterprises	≈EUR 2 billion in revenue (2023)	High	Income diversification, development of gastronomic tourism, expansion of the sale of local products
USA	≈28,600 farms	USD 1.26 billion (2022)	Additional employment in many rural areas	Increasing farm incomes, developing the local services sector
Spain	A large number of rural tourism facilities	High tourist demand and volume of overnight stays	Supports seasonal and permanent employment	Strengthening the economic activity of rural areas, expanding the market for tourism services

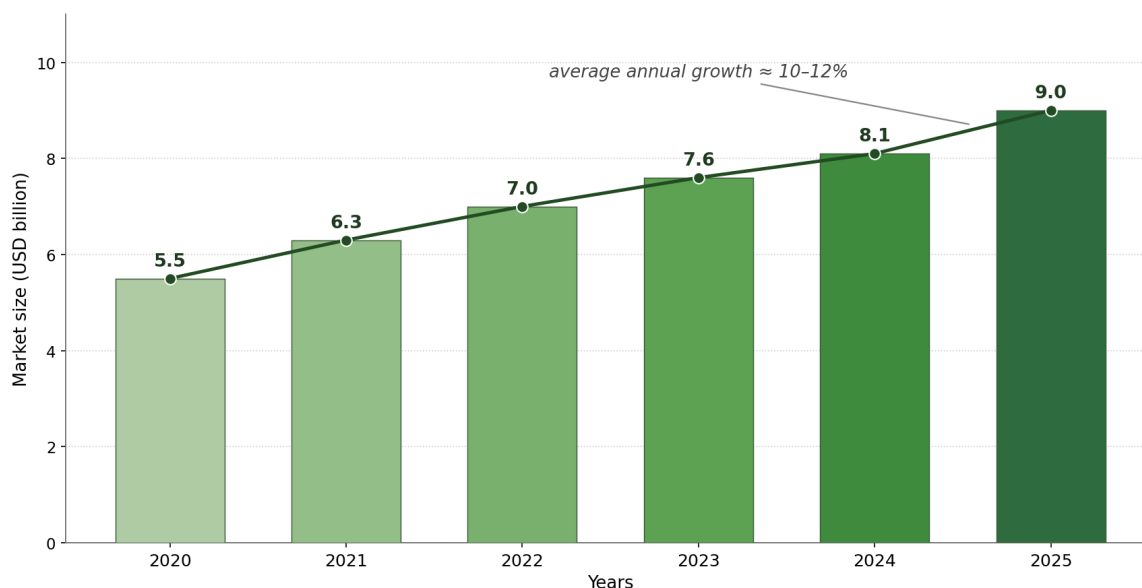
Poland	Several thousand agrotourism farms	An additional source of income for farms	Ensures family employment	Development of small business, stimulating entrepreneurship in rural areas
Uzbekistan	At the formation stage	Rapid growth of the tourism sector is observed	New jobs are being created	There is significant economic and resource potential for developing agrotourism

*Source: compiled by the author based on ISTAT (2024); USDA ERS (2024); USDA NASS (2024); INE (2025); FAO (2021); WTTC (2025).*

An analysis of the table data shows that, although agrotourism manifests itself in different organizational forms in developed and developing countries, its main economic results are similar in nature. In particular, agrotourism serves to diversify farm incomes, create new jobs, develop local entrepreneurship, and strengthen the economic stability of rural areas. This experience shows that in Uzbekistan, too, agrotourism can be turned into an important factor of regional development through the effective use of existing agrarian and tourism resources.

According to the chart data below, in 2020–2025 the global agrotourism market size demonstrated a steady upward trend. In particular, it increased from USD 5.5 billion in 2020 to USD 9.0 billion in 2025, expanding by approximately 63.6% over this period. The analyses show that demand for agrotourism is growing and that it is increasingly becoming an important source of income in the economy of rural areas. The average annual market growth of around 10–12% confirms that agrotourism is one of the promising directions in the global tourism industry. This trend creates favorable conditions for developing new business models based on the integration of agriculture and tourism, increasing employment in rural areas, and diversifying the local economy.

### Growth dynamics of the global agrotourism market size in 2020–2025 (USD billion)



*Source: compiled by the author based on data from Grand View Research (2025).*

The Fergana region, with its agricultural potential and the development of the fruit-and-vegetable growing, horticulture, viticulture, and beekeeping sectors, is considered a favorable area for organizing agrotourism. In the region, there is an opportunity to diversify the incomes of the rural population, create new jobs, and expand the market for local products through the integration of agricultural and tourism activities. International experience shows that the effective use of existing agrarian resources can turn agrotourism into an important factor in the economic development of rural areas. From this point of view, the development of agrotourism in the Fergana region serves to increase the economic potential of the area and to ensure the sustainable development of rural localities.

**Conclusion.** The results of the conducted research led to the following main scientific conclusions:

- Agrotourism, while preserving agricultural activity, serves to diversify the incomes of the rural population and increase their economic stability.
- Agrotourism has a positive impact on creating new jobs in rural areas, developing local entrepreneurship, and activating the service sectors.

– Through the development of direct links between farms and consumers, the opportunity to increase the added value of agricultural products expands.

– The economic efficiency of agrotourism is manifested not only by an increase in incomes but also through the multifaceted multiplicative impact that arises in the local economy.

Based on the research results, it is expedient to designate as priority directions the comprehensive development of rural tourism infrastructure in the Fergana region, the expansion of the scope of agrotourism services on the basis of farms, the formation of local agricultural products as a regional tourism brand and the increase of their competitiveness, as well as the improvement of the institutional and economic mechanisms for supporting agrotourism entities. Through the designation and practical implementation of these directions, the opportunity arises to fully realize the agrotourism potential of the Fergana region, strengthen economic stability, create new jobs, increase the incomes of the rural population, and significantly enhance the tourism attractiveness and competitiveness of the area.

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