The New Equine Economy in the 21st Century – bringing new challenges and opportunities

Dr Rhys Evans
Høgskulen for landbruk og bygdeutvikling
Norway
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rhys@hlb.no
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The changing world of horses

- Across history, horses have taken up roles which are produced by the state of human life.

- The history of horses is a history of technological innovation – the bit, the stirrup, the spoked wheel, all the way to the industrial age when there were more horses on the earth than at any other time.

- Changing economies, changing societies and technological change have also changed the predominant roles held by horses in human life.
Where society goes, so goes the role of horses
Horses in Europe

• Ongoing change in the 20\textsuperscript{th} and 21\textsuperscript{st} Centuries

• Precipitous population decline (circa 90%).
• Slow steady re-growth (with dips when economy suffers) from a low level (circa 7 - 8% a year).
• Changing activities in different sectors of economic activity.
• In particular, growth of therapy, tourism, new types of recreation and fitness.
Horses in Europe

- EHN estimates:
  - 6 million plus horses
  - 12% Sport & professional competition
  - 70 – 80% used in leisure and recreation
  - Gender 75 – 80% female
  - Higher educational levels/disposable income

(EHN 2001, 2009)
The changing economy

• Economists speak of ‘sectors’ of the economy:

  ▪ We used to make most of our living harvesting from the environment.
  ▪ Then we made products in factories.
  ▪ Then personal and business services were the greatest part of the economy.
  ▪ Now it is the Knowledge Economy and the Experience Economy which are the greatest generators of growth and wealth.

• These are the Primary, Secondary, Service and Consumer sectors of Economic Activity.
We now live in an economy in which 2 specific areas of economic activity generate the fastest rates of growth and income.

1) The Digital or Knowledge Economy

2) Leisure, Recreation, Tourism, Experience Economy
Leisure activities are highly significant generators of wealth, and people are willing to pay significantly for them, partly because their working and domestic situations generate a need for the things they provide.
Take tourism, for example:

The World Bank consistently lists tourism as the largest economic sector in the world, both in terms of income, and employment.

The fastest growing sub-sectors of tourism are:
- Outdoor adventure tourism
- Cultural Heritage tourism
• What drives this growth in the consumption, especially of outdoor recreation and other similar leisure activities?

• Increasing urbanisation
• Increasing prosperity
• Increasing education levels
• Increasing mobility
• Increasing information
• As society changes, so too does the demands it makes on its horses.

• As society changes, so too changes the rewards it offers, and to those to whom it offers the rewards.

• As society changes, so too do the opportunities it presents for innovation and entrepreneurship.
Horses in Europe in the 21st Century

• Some old uses have declined to the point where they are a small hobbyist activity (heavy haul, plowing, etc.).

• The association of some breeds with activities which have shrunk or disappeared puts those breeds at risk of extinction, especially native breeds.

• The growth in horse riding and overall general growth in riding (± 7% in Northern Europe) is filling a gap left by the replacement of horsepower with internal combustion engine power.
Horses in Europe in the 21st Century

• In Europe, horses were once a *means of production* – of agriculture, forestry, and even industry

• Now, horses are a *means of consumption* – of health and wellbeing, of outdoor recreation, of education and learning, and of tourism
Horses in Europe –
A journey from Production to Consumption

(or *From Work Horse to Hobby Horse?*)
Contemporary horse use in Europe

• Norwegian example:
  • Over 78% of riders and owners are female
  • 48% of those females have higher education
  • Many have professional occupations
  • Only 34% of horses kept on farms
    • Includes larger herds
    • Includes sport horses, esp trav.
  • Major activities divided between leisure riding, amateur competition, education and training.
  • Growing sectors include Health and Wellbeing, Tourism, new services for horses and riders.
  • Challenges include native breeds, decline of trav, increasing concentration in peri-urban areas
Horses in Europe

• Fewer riders coming from agricultural background with early learning about large animals

  • Consequences for riding education
  • Consequences for managing horse welfare
  • New entrants do not have the same background knowledge
  • New entrants do not necessarily have the same aspirations, or desires
Europe and Horses

Social changes that drive horse consumption

- Over half of Europeans live in urban circumstances
- Modern daily life isolates from nature, and other social influences
- Increased income – increased stress
- Rise of outdoor recreation in other fields
- Growing important of active fitness
- Social media access to information previously difficult to access
The ‘old’ equine sector

• Racing
• Other major Equestrian Sports
• Breeding which supports this sector
• Betting and the commercialisation of sport

This is still very significant, especially in terms of economic impact, because of betting
The New Equine Economy

• Leisure uses:
  • Pleasure riding
  • Tourism
  • Urban recuperation/encounters with ‘nature’/fitness and well-being

• New professional uses:
  • Equine Assisted Therapies
  • Equine Assisted Education
‘Modern’ horsekeeping cultures

• In the 21st Century, horses articulate the ‘modern’ urban drive for embodied, ‘authentic’ experiences of outdoor ‘natural’ environments and embodied ineffable contact with other non-human beings in a time of increasing substitution of economic for social relations.
Equine Tourism research

  - Includes Good Practice Guide, Reports from North Norway, Faroes.


  - Scientific Advisor to Conference of the same name, 2012.

- Book co-editor “The New Equine Economy of the 21st Century”
Horse tourism

• Types of horse tourism:
  • Trekking
  • Training
  • Cultural

• Not all involve riding
  • In France, Spain, religious festivals which feature horses and ‘Horse Festivals’ themselves attract a large audience.
  • Travel of education and training is also overnight stay tourism.
Other horse tourisms

• Riding for the Disabled
• Purchasing horses
• Shows/competitions
• Native breeds
horse tourism

• Two main markets:
  • International
  • Domestic

• Majority of equine tourists are domestic.
  • This supports sustainability both in terms of travel, but also in terms of repeat visits
  • Smaller spend but more frequent
It has been suggested that there may be around 20 million active recreational horse riders in developed nations (Lancaster, 2004).
The International horse trekking industry

Horse treks of this kind are offered in a wide range of nations, but especially in Europe, sub-Saharan Africa, temperate and montane areas of North and South America, and in the arid and montane regions of central Asia.

From Ollenberg 2005.
In some countries, notably the USA and Canada, many horse treks operate in national parks. In others, national parks are closed to horses, and tours operate in other public or private land areas.
Whilst commercial horse treks of this type are offered at an enormous range of sites worldwide, the majority are managed or brokered through a relatively small number of retail-level equestrian tour operators. References to these 15 operators reoccur repeatedly in websites, magazines and advertising materials.
Whilst commercial horse trekking destinations are distributed globally, commercial horse trekking clients are almost all from Europe and North America.

Accordingly, most specialist international horse tourism agencies are also based either in Europe or the USA.
Ollenberg reports that her respondents indicate that there is an ongoing need to keep identifying both *new destinations* and *new clients*.

A second major issue for most respondents is that their clients routinely *over-estimate their fitness* and *riding skills*; that riding styles, riding tack, and horse breaking and training techniques can differ widely in different parts of the world; and that many clients are uncomfortable with unfamiliar equipment.
Lessons from research

The horse tourism sector has a particular characteristic which is both an advantage and a problem.

That is, that most horse tourism enterprises are family businesses and are run like that. In Iceland, for example, research suggests that the proprietors prefer to treat their customers like family guests.
• The benefit of this is that guests receive personal service, and are usually made to feel welcome, and to at least an extent, their needs accommodated.

• Also, it means that they build a personal relationship with the service providers and are more likely to return.
This also causes problems for the sector, however. The same respondents indicate that they are suspicious of become ‘tourism professionals’ because they worry they will lose the personalized family feel of their business which is possibly even more important to them, than it is to their customers.

This lack of professionalization can be seen as a serious challenge to the industry, and can be seen in every region horse tourism is offered.
• What are the three most important things to the success of a tourism business?

• Tourism professional response?

• Horse tourism operator response?
• One solution is collaboration with tourism marketing professionals, who can, for example implement and maintain quality assessment standards and certification.

• Collaboration with professional tourism marketing boards (often member organisations) can bring better quality control, more effective marketing, and better generation of income.
Q: Marketing: Personal/emotional drives for clients?

• Urge for novelty
• Satisfaction of fantasies
• Rewarding personal interactions (with riders and with horses)

• Very often, horse tourism marketing does not reflect these drives – we tend to market features (the type of horse, the route, the services offered) rather than the fulfillment of clients emotional desires.
Q: What is actually on offer? What are our clients actually purchasing?

• Assets for horse tourism go far beyond just horses(!)

• Scenic assets
• Culture products/culture heritage/local food
• Specific activities
• Weather
• Transport links – external and internal
• A culture of service
Equine tourism

• Current research into equine tourism indicates that there are both opportunities and challenges to its growth.

• Opportunities:
  • Increasing interest both in horses and in nature-based outdoor recreation
  • Increased interest and spend on unique natural destinations
Equine tourism

• Challenges:
  • Requires strong focus on marketing and customer service
  • Managing horse welfare
  • Setting appropriate price points

• The greatest challenge is the need to increase quality in line the rising expectations in the tourism sector more generally.
• In particular there is a need to foster collaboration between tourism and marketing experts, and equine experts.
A Challenge!

- We need to build a horse tourism sector which is aware of the real reasons that drive its customers. In other words, we need to know our customers better!

- We need to increase the service quality of our horse tourism sector in parallel with the increase of quality service in other tourism sectors.

- The horse world has changed, and riders have changed with it. We need to be sure that the services we offer reflect those changes.
The Opportunities!

• We can *increase* the number of horses in work, and humans too, if we develop the horse tourism sector.

• The sector offers excellent opportunities for *female entrepreneurship* and for keeping people living and working on the land.

• Horse tourism offers excellent opportunities for small farms in terms of multifunctionality and innovation.

• We can offer our customers a superior experience that brings them back again and again.
Horse tourism in the 21st Century

• We have the opportunity to bring professional practice to a sector which has historically been amateur.

• New opportunities exist for collaboration between different suppliers in the tourism sector – for example, marketing, catering, transport, enactment and interpretation, etc.

• There is a need for horse tourism to ‘join up’ – to an extent – with other tourism organisations to support increasing quality standards and delivery.

• With the continuing increase in global mobility and urbanization, demand can only grow!
Takk!

Dr Rhys Evans
Norwegian University College of Agriculture and Rural Development,
www.hlb.no
Vice President, European Assn of Animal Sciences, Horse Commission
www.horse-web.net
Convenor, Equine Research Network (EqRN)
www.eqrn.net
rhys@hlb.no
Horse Work in the 21st Century

“Arbeidshest” = a horse which pulls heavy objects, skilfully.

In 21st Century, *Arbeidshest* represent a very small percentage of European horses.
The vast majority of horses in Europe serve in the service sector. They provide humans with:

- physical exercise,
- access to nature,
- companionship,
- self-growth,
- education,
- sport and competition.
The human economy considers these as economic sectors, and humans ‘work’ to provide these services.

Why do we not see horses this way?
• Extensive medical research into the health implications of service sector work in humans suggest that the work conditions create a special set of occupational health hazards.

• Most of these are based around the stress generated by what is called “emotional labour”.
Recent research into stereotypies, gastric response to stress in dressage horses, and other similar topics suggest that there may be lessons to be learned from scientific advances in human epidemiology which is driving new science in equine health.
• If the trainer at your gym is working, then so is the horse at the riding centre!
• If your teacher is working, then so is the horse being used in schools!
• If your therapist is working, then so is the horse used in therapy!
• We need to adopt this attitude as we increasingly use our horses to help us enjoy better lives.

• So often, the questions are about what horses bring to us. There also should be questions about what it brings to them.

• In particular, we can learn from the new ethology (i.e. Lucy Rees) about how best to understand our horses’ behaviours and needs.
Work horse?

Just like humans, horses work in the service or consumption sector.

The implications of this can be profound!