УДК 332:338.246.8:330.131.5
JEL Classification: D1

AZIZOV A.[1], MALIKOV A.[2]

DIRECTIONS FOR INCREASING THE ROLE OF AGROTOURISM IN DIVERSIFYING ECONOMIC DEVELOPMENT

DOI: https://doi.org/10.32620/cher.2026.1.01

Formulation of the problem. In oil-dependent countries, the elimination of this dependence and the changes in the international market situation, the effective adaptation of the country's economy, and the diversification of economic development directly depend on it. In this regard, the development of agrotourism in solving such a complex problem as the diversification of economic development plays an important role in terms of both obtaining additional income and expanding employment. In this regard, *the purpose of the study* is to analyze the specific features of the diversification of economic development and to identify measures aimed at increasing the role of agrotourism in the diversification of economic development. *The object of the study* is the socio-economic relations that arise in the process of transforming the traditional economic system towards a green economy and sustainable development. The subject of the study is the theoretical and methodological foundations, economic instruments, mechanisms of state regulation and institutional conditions that ensure the transition to a green economy. *The methodology of the study* consists of examining the experience of countries around the world in diversifying economic development and, based on these experiences, analyzing issues related to determining the role of agritourism in diversifying economic development. *The main hypothesis of the study*. It is assumed that the transition to a green economy is not only an imperative of environmental safety, but also a powerful driver of long-term economic growth based on innovation, energy efficiency and the creation of new "green" jobs. The effectiveness of this transition depends on the synergy between clear state policy, private investment and civil society activity. *Presentation of the main material*. As a result of the research conducted, the need for diversification of economic development is substantiated and it is concluded that the development of agrotourism plays an important role in the diversification of economic development. *The originality of the work*. The need to increase the place and role of agrotourism in the diversification of economic development has been identified. It has been noted that these impacts have economic, social, strategic and local significance. *Conclusions and prospects for further research*. The changing natural and climatic conditions of rural areas, as well as the geographical conditions and recreational environment in rural areas, encourage these areas to become more attractive for the development of agrotourism. One of the specific characteristics of agrotourism is the production of agricultural products in areas with geographical potential for agrotourism, as well as the participation of tourists in technological processes related to the production of agricultural products in these rural areas, as well as in harvesting.

Keywords:
economic development, national economy, diversification of economic development, tourism, agrotourism, state support, economic growth.

[1] **Азізов Анар Алі огли,** доктор економічних наук, доцент, завідувач кафедри економічної теорії, Азербайджанський університет кооперації, Баку, Азербайджан.
Azizov Anar Ali oglu, Doctor of Sciences (Economic), Associate Professor, Head of the Economic Theory Department, Azerbaijan Cooperation University, Baku, Azerbaijan.
ORCID ID: https://orcid.org/0000-0003-3090-4388
e-mail: azizovanarali@gmail.com

[2] **Маліков Анар Балабей огли,** аспірант, заступник декана факультету інженерії та технологій, Азербайджанський університет кооперації, Баку, Азербайджан.
Malikov Anar Balabey oglu, PhD candidate, Vice Dean of the Faculty of Engineering and Technology, Azerbaijan Cooperation University, Baku, Azerbaijan.
ORCID ID: https://orcid.org/0009-0007-7582-5305
e-mail: malikzadeanar@gmail.com

Creative Commons Attribution NonCommercial 4.0 International

НАПРЯМКИ ПІДВИЩЕННЯ РОЛІ АГРОТУРИЗМУ В ДИВЕРСИФІКАЦІЇ ЕКОНОМІЧНОГО РОЗВИТКУ

Постановка проблеми. У нафтозалежних країнах від усунення цієї залежності та змін міжнародної ринкової кон'юнктури безпосередньо залежить ефективна адаптація економіки країни та диверсифікація економічного розвитку. У зв'язку з цим розвиток агротуризму у вирішенні такої складної проблеми, як диверсифікація економічного розвитку, відіграє важливу роль як з точки зору отримання додаткових доходів, так і розширення зайнятості. У зв'язку з цим *метою дослідження* є аналіз специфічних особливостей диверсифікації економічного розвитку та визначення заходів, спрямованих на підвищення ролі агротуризму в диверсифікації економічного розвитку. *Об'єктом дослідження* є соціально-економічні відносини, що виникають у процесі трансформації традиційної економічної системи в бік зеленої економіки та сталого розвитку. *Предметом дослідження* є теоретичні та методологічні основи, економічні інструменти, механізми державного регулювання та інституційні умови, що забезпечують перехід до зеленої економіки. *Методологія дослідження* полягає у вивченні досвіду країн світу щодо диверсифікації економічного розвитку та, на основі цього досвіду, аналізі питань, пов'язаних з визначенням ролі агротуризму в диверсифікації економічного розвитку. *Основна гіпотеза дослідження*. Передбачається, що перехід до зеленої економіки є не лише імперативом екологічної безпеки, але й потужним рушієм довгострокового економічного зростання, що базується на інноваціях, енергоефективності та створенні нових «зелених» робочих місць. Ефективність цього переходу залежить від синергії між чіткою державною політикою, приватними інвестиціями та активністю громадянського суспільства. *Виклад основного матеріалу*. В результаті проведеного дослідження обґрунтовано необхідність диверсифікації економічного розвитку та зроблено висновок, що розвиток агротуризму відіграє важливу роль у диверсифікації економічного розвитку. *Оригінальність роботи.* Визначено необхідність підвищення місця та ролі агротуризму в диверсифікації економічного розвитку. Зазначено, що ці впливи мають економічне, соціальне, стратегічне та місцеве значення. *Висновки та перспективи подальших досліджень*. Зміна природно-кліматичних умов сільської місцевості, а також географічні умови та рекреаційне середовище в сільській місцевості спонукають ці території ставати більш привабливими для розвитку агротуризму. Однією зі специфічних характеристик агротуризму є виробництво сільськогосподарської продукції в районах з географічним потенціалом для агротуризму, а також участь туристів у технологічних процесах, пов'язаних з виробництвом сільськогосподарської продукції в цих сільських районах, а також у зборі врожаю.

Ключові слова:

економічний розвиток, національна економіка, диверсифікація економічного розвитку, туризм, агротуризм, державна підтримка, економічне зростання.

Formulation of the problem. The integration of our country into the system of international economic relations, in addition to arising from objective necessities, also reflects global challenges. Effective neutralization of the harmful effects of the globalization process, in particular, brings to the fore measures taken to accelerate economic development. Economic development creates favorable conditions for accelerating economic growth in the near and future prospects. There is an urgent need to diversify economic development in order to remove both the level of economic growth and the degree of economic development from the situation of dependence on changes in the world market situation. Diversification of economic development is of great importance, especially for oil-exporting countries. As is known, the world market price of oil currently depends primarily on political factors rather than economic factors. Military factors shape this process. In this regard, changes in the volume of demand and supply for oil and hydrocarbon resources ultimately determine the increase or decrease in the prices of hydrocarbon resources. In this regard, the continued dependence on oil in Azerbaijan, as one of the oil-exporting countries, may limit economic development in the post-oil era. Therefore, in the post-oil era, it is important to diversify economic development in terms of eliminating harmful trends that negatively affect economic development. The development of agrotourism plays an important role in the system of measures taken to diversify economic development. Agrotourism, in addition to reflecting the acceleration of socio-economic development in rural areas, can become an important component of the agricultural sector. One of the important aspects characterizing the development of agrotourism is that agrotourism plays an important role in terms of selling agricultural products and delivering them to numerous consumers.

ЧАСОПИС ЕКОНОМІЧНИХ РЕФОРМ № 1(61)/2026 ISSN 2221-8440

ЧАСОПИС ЕКОНОМІЧНИХ РЕФОРМ №1(61)/2026 ISSN 2221-8440

One of the most important factors determining the role of agrarian tourism in economic development is the increased interest of tourists in this field in recent years. This makes the processes related to people's recreation in a noisy urban environment unbearable and makes rural areas, which are generally free from the burden of the city, more attractive in terms of agrarian tourism. In this regard, one of the factors determining the place of agrarian tourism in economic development is the instillation of traditions and cultural characteristics, as well as rural culture, to foreign and domestic tourists. Ecological conditions are also factors that play an important role in the development of agrarian tourism. Thus, the development of ecologically clean and sustainable rural tourism also creates favorable conditions for the development of "green" rural areas. The sustainability of this process and its important role in ensuring diversification in economic development directly depend on the development of public-private sector cooperation. It should be noted that the acceleration of social development within the framework of state development and policy opens up favorable opportunities for the development of areas that are especially attractive to tourism. In this regard, it should not be forgotten that our Republic, especially the liberated territories, have a wide potential. It should be noted that the Karabakh and East Zangezur economic regions have wide prospects for tourism, especially agrotourism. In conditions where sustainable employment is ensured, especially in those areas, rural areas have a wide and attractive potential for agrotourism.

Diversification of economic development as a global challenge. The globalization process promises its own advantages and disadvantages. Naturally, in modern conditions, the process of integration into international economic relations is inevitable. All this creates the need, first of all, to effectively use the advantages of integration and effectively overcome its harmful manifestations.

Analysis of recent research and publications. The globalization process has created conditions for the formation of a new world order, which has led to the emergence of harmful trends within the economy. Thus, there are even cases where individual sectors of the national economy have been significantly affected by the globalization process, which has led to an unequal distribution of capital and resources in the economy, leading to the weak development of individual sectors and the lagging behind of regions in development [1, p. 57].

Neutralizing the harmful effects of globalization processes on the economy, first of all, makes the process of diversification of economic development an objective necessity. Diversification of economic development is one of the global challenges. Diversification of economic development is the process of expanding the economic structure of a country and a region through the development of various sectors, rather than one or two. The goal of diversification is to reduce dependence on areas of activity - for example, on the export of raw materials - and to create a model of economic development that is more resistant to external shocks and changes in global markets. This primarily implies the process of forming new sectors of economic development. Investment in new areas of the economy, the development of the processing industry, and the creation of a wider range of goods, commodities and services for export are considered one of the most important goals of diversification [2].

The process of diversification of production includes not only the creation of new types of production, but also the expansion of the range of products produced within enterprises and economic entities. Diversification is considered one of the main means of increasing production efficiency, achieving economic benefits and preventing bankruptcy of enterprises. There are many specific types of diversification, and the process of diversification of production is a significant component of these types. In this regard, a certain type of diversification is also a flexible response to changes in market conditions and at the same time eliminating uncertain risks that may arise. Diversification of risks is especially important in the investment process. Diversification of risks is the process of distributing investments between different financial instruments. Diversification reflects a strategy based on investment and risk management, which allows investments to be distributed between different assets and markets in order to reduce potential risks. Diversification is especially relevant in the context of global economic problems and political changes [3].

Wikipedia sources state that diversification reflects change and diversity and is of Latin origin. It refers to the penetration of firms specializing in one or other areas into other areas, increasing the range of products and types of services provided, changing the direction of sales markets, creating new types of production, and increasing efficiency in order to obtain eco-

nomic benefits. The main driving force of diversification is the diversification of production and services [4].

It can be considered that in the global competitive environment, global influences and global shocks bring risks to the fore. The process of insuring against these risks is both a set of measures aimed at preventing the loss of financial resources and a process of effectively neutralizing conjuncture fluctuations that may arise in product sales. It is precisely these various risks that hinder economic development. A characteristic feature of the globalization process is that, along with economic factors, political and military factors also ultimately cause specific shocks in economic development. Especially recently, namely the Russia-Ukraine war and the political processes taking place in the Middle East, have caused specific problems in economic development over a certain period of time, especially the increase in prices for certain types of products, especially grain and meat products, in the international market [5, p. 11].

The purpose of the article is to analyze the specific features of the diversification of economic development and to identify measures aimed at increasing the role of agrotourism in the diversification of economic development.

Presentation of the main research results. As we mentioned above, the diversification of economic development begins first of all with the diversification of the production process. The more new types of products are created as a result of the production process, the more this ultimately leads to the expansion of the export opportunities of these products. In such a situation, when production is diversified, the process of diversification of its exports also takes place. Export diversification is also an important component of the diversification of economic development, and this diversification process is carried out in the form of horizontal and vertical diversification in world practice, as a rule.

Analyzing the above-mentioned processes, it can be concluded that giving greater priority to vertical diversification in both economic development and export diversification may be of great importance. This is especially of greater strategic importance within the framework of Azerbaijani realities. Thus, vertical diversification can be perceived in the simplest way as a chain, that is, expansion in stages. For example, in the realities of Azerbaijan, a significant part of exports is made up of oil and gas products. During horizontal diversification, processes such as producing more products and exporting them to different markets may occur, and this also depends on conjuncture fluctuations. Vertical diversification, in fact, reflects the process of diversification “sideways”, that is, towards other areas. In this case, all stages from raw materials to the production of finished products take place in the sectoral and territorial sectors of the country's economy. Thus, both the flow of currency remains within the country and the employment of the population is ensured. It is also possible to achieve an increase in the incomes of workers working in these areas. Taking all this into account, it can be considered that vertical diversification can actually be characterized as an important global challenge in the post-oil era for countries exporting oil and hydrocarbon resources.

One of the characteristic points of horizontal diversification is that necessary measures are taken to increase the volume of exported products and insure the economy against possible price changes for any product. In horizontal diversification of exports, an increase in the volume of exported products and raw materials should be ensured. In horizontal diversification, a certain diversification is carried out within a specific sector of the economy. For example, an increase in the volume of exported agricultural products may occur, but this type of diversification is considered an ineffective form of economic diversification. Because although it is possible to eliminate dependence on a specific product in the short term during this type of diversification, the added value factor and the increase in added value are not ensured. Therefore, horizontal diversification does not create favorable conditions for economic development within the country and an increase in the volume of production of more competitive products.

Vertical diversification is a type of export diversification in which not only raw materials but also products that have passed all stages of the production process are exported. More precisely, the revival of new areas and the economic modernization of new areas are achieved. With vertical diversification, raw materials involved in export are not exported in the form of raw materials, but in the form of various finished products [6, p. 27]. Naturally, in most cases there are sharp price differences between raw materials and finished products. In order to take advantage of these price differences, the process of vertical diversification is of great importance. The process of vertical diversification

ЧАСОПИС ЕКОНОМІЧНИХ РЕФОРМ № 1(61)/2026 ISSN 2221-8440

means creating new product ranges and creating quality product ranges and directing them to different markets. The difference between vertical diversification and horizontal diversification is that in vertical diversification, the process of economic efficiency and capturing new markets is more realized.

Considering the danger of dependence on international business conditions, vertical diversification actually reflects effective protection for the country's economy from external shocks. Especially during economic crises, the impact of external shocks is inevitable. In order to effectively neutralize such shocks, the process of vertical diversification should be preferred. At this time, it should be taken into account that in fact, the situation in both domestic and international markets is quite unstable, and it is an important necessity to give importance to vertical diversification in terms of eliminating this instability. In addition, the volatility of commodity markets should also be taken into account. In countries that depend on certain commodities, these shocks have a negative impact, and diversification of the economy is actually an objective necessity against the background of the high globalization of financial markets.

In a global competitive environment, economic diversification is also aimed at eliminating the harmful effects of financial crises. The creation of fundamental economic foundations for maintaining macroeconomic stability and sustainable economic growth is based on the diversification process. Diversification is considered an important strategically important measure aimed at preventing the effects of crises and preventing the impoverishment of the population [7].

The process of economic diversification, as one of the global challenges, makes the development of the non-oil sector an objective necessity in the post-oil era. The development of the non-oil sector can be a product of economic diversification. Because in fact, the development of the non-oil sector and its modernization are of great importance in terms of the economy's lateral progress, the creation of new sectors, and the introduction of these sectors to world markets. The development of agrotourism is also necessary against the backdrop of economic development diversification. In the process of economic development diversification, as we mentioned above, the non-oil sector is of great importance and plays an important role in balancing the economy, increasing export revenues, providing employment, and ensuring sustainable economic growth.

As is known, the non-oil sector includes a set of numerous areas, especially those not related to oil. The tourism sector plays an important role in the development of the non-oil sector. The diversity of tourism, especially the so-called agrotourism, is considered an important tool both in accelerating the socio-economic development of regions and in ensuring the sustainable development of the agricultural sector. One of the characteristic points for agrotourism is that in the process of diversifying economic development, agrotourism acts as an important point of diversification of both agriculture and the agro-industrial economy. The process of agricultural diversification should begin precisely with the efficiency of the agro-tourism sector. This primarily implies the acceleration of both the sectoral and territorial segments of the economy, or rather, the agro-food complex and the socio-economic development of the regions.

As is known, 9 out of 11 existing climate types exist in the Republic of Azerbaijan. In addition, the regions of the Republic of Azerbaijan, in accordance with the specific characteristics of the economic sectors, are dominated by both agricultural products and have the same climatic conditions, geographical features and tourism prospects as most regions, especially Baku. All this indicates the attractiveness of the development of agritourism.

The development of agrotourism in the Republic of Azerbaijan is also of strategic importance in terms of economic diversification, as this trend creates favorable conditions for increasing both the state budget and the income of the population. Accelerating the development of agrotourism in regions of our republic with tourist potential promises alternative income for the population, whose income is formed only from agriculture. Although the COVID-19 pandemic has caused significant restrictions in this area, the easing of restrictions related to the COVID-19 pandemic requires increased efforts by the state and private sectors for the development of this area. Since restrictions on the free movement of people have been lifted in our republic since 2022, broad prospects are opening up for the development of agrotourism. The place and role of agrotourism in general tourism in the Republic of Azerbaijan is reflected in the following Table 1.

As can be seen from the table, there have been specific changes in the number of tourists

ЧАСОПИС ЕКОНОМІЧНИХ РЕФОРМ №1(61)/2026 ISSN 2221-8440

visiting the country in 2019-2023. Thus, while 3,170,000 tourists visited the country, these visits were also limited as a result of the COVID-19 pandemic. Thus, the number of tourists visiting the country in 2023 was lower than the number of tourists visiting the country in 2019. All this significantly combines the effects of the pandemic.

Table 1 – Place and role of agrotourism in general tourism in the Republic of Azerbaijan

Years	Total tourists (persons)	Tourism revenue (AZN)	Agrotourism share (%)	Agrotourists (people)	Agrotourism income (thousand AZN)
2019	3 170 000	3 000	15%	475,000	450
2020	795,000	1 300	10%	79 500	130
2021	1 600 000	2 100	12%	192,000	252
2022	1 650 000	2 600	13%	214,000	338
2023	2 000 000	3 400	15%	300,000	510

Source: compiled by the author based on [8-11]

A similar trend was observed in the number of agrotourists. Thus, while 475,000 people visited the country in 2019 for agrotourism, in 2020, at the height of the pandemic, this figure decreased to 79,500 people, in other words, compared to 2019, the number of people visiting the country for agrotourism in 2020 decreased by 83.3%. In 2021-2023, an increase in the number of agrotourists was observed. In 2023, 300,000 people visited the country for agrotourism. However, the number of tourists visiting the country in 2023 had a special weight of 63% compared to 2019. While in 2019, the share of agrotourism in total tourism was 15%, the sharpest decrease occurred in 2020, which led to the share of agrotourism in the structure of total tourism reaching 10%. Until 2023, growth trends in agrotourism in the structure of total tourism were observed. In 2023, the share of agrotourism in the country reached the 2019 indicator. When we pay attention to the income from agrotourism, we can conclude that in 2019 this indicator reached 450 thousand AZN, and in 2020 a sharp decrease was observed, and the amount of income decreased to 130 thousand. In 2023, the income from agrotourism amounted to 510 thousand AZN, which is 13.3% more than in 2019.

There is a fairly wide potential for the development of agrotourism in the regions of the Republic of Azerbaijan. Thus, in addition to the wide opportunities for the development of agrotourism in Sheki-Zagatala, Guba-Khachmaz, Lankaran-Astara, Ganja-Gazakh and the Nakhchivan Autonomous Republic, the specialization areas of these regions also promise to be quite attractive for both domestic and foreign tourists. In this regard, the economic impact of agrotourism on the development of the regions of Azerbaijan is reflected in the following Table 2.

Table 2 – Economic impact of agrotourism on the development of regions of the Republic of Azerbaijan

Region	Regional share (%)	Estimated number of visitors	Estimated income (thousand AZN)	Estimated jobs	The impact of specialization on the development of agrotourism
Baku&Absheron	12%	30,000	7 500	750	Farmers markets, city-village tours
Sheki-Zagatala (including Gabala)	20%	50,000	12 500	1,250	Beekeeping, fruit growing, rural guesthouses
Guba-Khachmaz	12%	30,000	7 500	750	Apple orchards, village festivals
Mountainous Shirvan	8%	20,000	5 000	500	Viticulture, ecotourism, rural life
Lankaran-Astara	15%	37,500	9 375	938	Tea and citrus groves, agritourism
Ganja-Gazakh	10%	25,000	6 250	625	Winemaking, village festivals
Nakhchivan	6%	15,000	3 750	375	Introducing farming
Other regions	17%	42,500	10 625	1,063	Various agriculture

Source: [8-11]

ЧАСОПИС ЕКОНОМІЧНИХ РЕФОРМ № 1(61)/2026 ISSN 2221-8440

ЧАСОПИС ЕКОНОМІЧНИХ РЕФОРМ №1(61)/2026 ISSN 2221-8440

From the analysis of the table, it can be concluded that although the region with the highest place in the development of tourism in our republic in previous years was the Baku-Absheron region, in 2025, rapid growth trends were achieved in terms of the development of agrotourism in Sheki-Zagatala. Thus, the share of the Sheki-Zagatala economic region in agrotourism was equal to 20%. In 2025, the largest tourist influx was recorded in that region, which reflected 50 thousand people. As a result of all this, 1250 new jobs were created.

As mentioned above, the specialization of the region has also played a special role in the development of agrotourism. Thus, the Sheki-Zagatala region, in addition to specializing mainly in beekeeping and fruit growing, also has a fairly large network of restaurants and hotels, as well as village guest houses. In Guba-Khachmaz, the presence of apple orchards and the constant holding of fruit festivals has played a special role in the influx of tourists to this region.

One of the important points that determines the relatively low environmental impact of agritourism is that people involved in tourism in rural areas are also closely involved in other technological processes, such as the production and sale of agricultural products. In many cases, the subtleties of national cuisine are used, and this is continued in their future lifestyle. This is especially attractive for tourists from abroad. The experience of economically developed countries of the world shows that Italy is one of the countries that has gained great experience in this area, namely in the development of agritourism. Thus, agritourism has created a favorable environment for the creation of new jobs in this country, as well as the sustainable development of various sectors of the country's economy. Italy is a country that occupies a leading position in Europe in the development of agritourism, and as a result of the development of this area, more than 350 million dollars are earned annually.

Although agritourism activity gained relevance in the period after the 1950s, especially in European countries, in terms of ensuring the alternative and diversification of economic development, and also reflects one of the priority directions of the state's economic policy, it should be taken into account that the aforementioned concept entered the scientific literature relatively late – in the 1980s.

One of the important points that determines the place and role of agrotourism in the diversification of economic development is that the development of agrotourism is ensured by fairly small investments. That is, the development of agrotourism, unlike other types of tourism, is carried out not by creating large-scale hotels and directing large amounts of funds to this area, but with relatively simple and small financial resources. In the modern international tourism industry, agrotourism is considered a type of tourism with a fairly light, softer impact. In fact, this means that agrotourism has a minimal, that is, gentle and light impact on other areas of the economy, including the environment. Thus, the aforementioned term, i.e. the concept of agrotourism, was first introduced in 1983 by the Mexican economist and ecologist Hector Ceballos-Lascuren. Later, the socio-economic aspects of the aforementioned concept, as well as the role it plays in the economy, were taken into account as being of great importance in terms of diversification of economic development, and it was characterized as an aspect of diversification, of the diversification of tourism itself, against the background of the growing tourism industry in the world as a whole.

One of the characteristics of agrotourism, as well as one of the main aspects that play a role in the diversification of economic development, is that in the regions where agrotourism activities are carried out, rural houses are mainly the subject or object of agrotourism. This practice is especially widespread in the countries of Northern Europe and North America. In our opinion, the development of this practice in our Republic is of great importance. Especially in the regions of our republic that have a tourist attraction, the process of receiving people in separate houses and their settlement in those areas for a certain period of time creates conditions for both taking full advantage of the natural landscape and using the advantages of local cuisine, and also prevents people from taking their funds beyond the borders of the country.

Summarizing all of this, it can be concluded that the place and role of agrotourism in economic development also leads to increased economic development, economic attractiveness, and business and investment attractiveness in that area [9]. As we mentioned above, agritourism performs a unique dual function in the diversification of economic development. One of these dual functions is that agritourism plays an important role in economic development in terms of the creation of an additional new service area and the entry of additional funds into the state budget of the country. The second alternative function it performs is that agritourism simultaneously creates diversification within the

agricultural sector. As is known, in the current conditions and in the past, the main area of employment and income for the rural population has been agriculture. With the exception of agriculture, almost no other areas provide employment and income for the population living in rural areas. In this regard, the development of agritourism can realize the opportunities for the population living in rural areas to obtain income from alternative sources. In this regard, agritourism has unique advantages in terms of economic development diversification, which include the following. These advantages can also play a key component in assessing the place and role of agritourism in economic development:

- Agrotourism has the characteristic of sustainable development, regardless of technogenic interventions;
- It is an environmentally friendly tourism product in the tourism services market and plays an important role in understanding the color of the area and the nation;
- In addition to enabling the rural population to achieve economic benefits, it creates favorable conditions for these benefits to act as a long-term source of income;
- It plays an important role in adapting the population to changing social conditions in rural areas, providing employment and education;
- In terms of physical participation, this type of tourism involves direct participation in the production and sale of agricultural products. In this regard, tourists participate in the collection of products;
- Agrotourism is multifaceted and can effectively adapt to all types of tourism.

Conclusions and prospects for further research. Agrotourism, in addition to constituting a unique type of economic and tourism activity, also has its own specific characteristics. One of these specific characteristics is related to its location in rural areas. The changing natural and climatic conditions of rural areas, as well as the geographical conditions and recreational environment in rural areas, encourage these areas to become more attractive for the development of agrotourism. One of the specific characteristics of agrotourism is the production of agricultural products in areas with geographical potential for agrotourism, as well as the participation of tourists in technological processes related to the production of agricultural products in these rural areas, as well as in harvesting. Supporting the development of agrotourism is able to create favorable conditions for increasing the income of the population in regions with tourism potential, ensuring employment of the population and preventing unemployment.

References

1. Abbasov, A. F. Modern trends in economic development: global challenges, threats and prospects: monograph. Baku, 576.
2. Barry, Ch. B., Peavy, J. W. and Rodriguez, M. (1997). Emerging Stock Markets: Risk, Return and Performance. Monograph.
3. Muriuki, P. (2003). Real Estate Become Part of the Diversification Strategy. Adzo media.
4. Alemu, A. M. (2008). Determinants of Vertical and Horizontal Export Diversification: Evidences from Sub-Saharan Africa and East Asia. *Ethiopian Journal of Economics*, XVII, 2, 1-50.
5. Herzer, D., Nowak, L.D. (2006). What does export diversification do for growth? An econometric analysis. *Applied economics*, 38 (15), 1825-1838.
6. Resilient, stable, sustainable: The benefits of economic diversification (2011). Retrieved from: https://surl.li/ziteig (Access date: 20.12.2025)
7. Choo, H. (2012). Agritourism: Development and Research. *Journal of Tourism research & Hospitality*, 01(02).
8. State Statistical Committee of the Republic of Azerbaijan. Retrieved from: https://www.stat.gov.az (Access date: 20.12.2025)
9. Azerbaijan State Tourism Agency. Retrieved from: https://www.tourism.gov.az (Access date: 20.12.2025)
10. State Tourism Agency (DTA), Retrieved from: https://tourism.gov.az (Access date: 20.12.2025)
11. State Statistical Committee (SSC), Retrieved from: https://www.stat.gov.az (Access date: 20.12.2025)

Стаття надійшла до редакції : 19.01.2026 р.

Стаття прийнята до друку: 11.02.2026 р.

Стаття опублікована: 31.03.2026 р.

Бібліографічний опис для цитування :

Azizov A., Malikov A. Directions for increasing the role of agrotourism in diversifying economic development. *Часопис економічних реформ*. 2026. № 1 (61). С. 6–13.