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Research on the Progress and Risk Management of Innovation and Entrepreneurship Projects Integrating Agriculture, Culture, and Tourism in China

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Abstract

The integration of agriculture, culture, and tourism, serving as a pivotal strategy for rural revitalization, has observed a significant proliferation of innovative projects in recent years. Nevertheless, the rate of project failure remains notably elevated. Grounded in project life cycle theory, this study constructs a four-phase analytical framework encompassing the "planning, construction, operation, and iteration periods," systematically delineating the core progress management and critical risk nodes at each stage. Methodologically, this research adopts a dual-case comparative analysis approach, contrasting successful and failed cases. Successful cases include Shaanxi Yuanjia Village, Yushang Rice Village in Hangzhou, Pastoral Oriental in Wuxi, Sichuan Mingyue Village, Henan's "Only Henan · Drama Fantasy City," Yucun Village of Anji, LiZu Village of Yiwu, and Mogan Mountain in Deqing. Failed cases include Chengdu Longtan Water Town, Bailu Plateau Folk Culture Village in Shaanxi, Fengdu Ghost City Cultural Tourism Complex in Chongqing, and Idealent, Dali in Yunnan." This comparative analysis elucidates the key risk factors and their transmission mechanisms within agriculture-culture-tourism integration projects from both positive and negative perspectives. The findings indicate that failed projects commonly exhibit four prevalent issues: "overemphasis on construction to the neglect of planning, prioritization of hardware over operational management, focus on investment attraction without fostering symbiotic relationships, and reliance on replication without necessary adaptation." Fundamentally, these issues reflect an insufficient comprehension of the complexity inherent in the integrated "agriculture-culture-tourism" business model. Consequently, this paper proposes a suite of systematic risk management strategies, including "advance planning depth positioning, contractual benefit distribution mechanisms, light-asset rolling verification, and digital risk early warning," aiming to provide practical references for entrepreneurs and project managers within the agriculture, culture, and tourism sectors.

Keywords

Integration of Agriculture, Culture, and Tourism; Innovation and Entrepreneurship; Progress Management; Risk Management; Case Comparison Analysis

I. Introduction

Against the backdrop of the Chinese government's initiative to "comprehensively promote rural revitalization," the in-depth integration of agriculture, culture, and tourism (hereinafter referred to as "the integration of agriculture, culture, and tourism") has emerged as a crucial path for rural industrial revitalization. According to data from the Ministry of Culture and Tourism of China, in 2025, rural tourism across the country received 3.157 billion person-times, a year-on-year increase of 9.3%, and the annual business revenue reached 1.81 trillion RMB with a year-on-year increase of 9.6%. [4] Zhejiang Province, the author's hometown, which is the birthplace of the "Ten-million Project" and the concept that "lucid waters and lush mountains are invaluable assets," has witnessed the emergence of a number of benchmark projects with national influence in the integration of agriculture, culture, and tourism, such as Yucun Village in Anji, Lizu Village in Yiwu, Mogan Mountain in Deqing, and Yushang Rice Village in Hangzhou.

However, beneath the surface of prosperity, the incidence of failed cases is notably substantial. According to an internal survey conducted by the Rural Industry Development Department of the Ministry of Agriculture and Rural Affairs, approximately 40% of entrepreneurial projects within the agriculture-culture-tourism integration domain have encountered losses or stagnation within three years of operation. Certain projects attained peak performance shortly after inauguration but subsequently underwent rapid decline. These unsuccessful endeavors have consumed significant social capital and policy resources, while also inflicting considerable detriment to the land rights and livelihoods of local farmers.

The predominant body of existing research focuses on extracting insights or classifying models from successful cases, with a relative dearth of systematic analyses addressing failed instances. Nevertheless, from a risk management perspective, failed cases often possess greater pedagogical value than successful ones, as they elucidate the factors that precipitate a project's transition from feasibility to infeasibility. This paper employs a comparative analytical approach centered on dual cases of success and failure. Within the framework of the project life cycle, it aims to systematically identify the core risk factors at each stage of agriculture-culture-tourism integration projects and derive actionable management strategies.

II. Literature Review and Analysis Framework

2.1. The unique characteristics of agricultural-cultural-tourism integration projects

Compared with ordinary cultural and tourism projects, the agricultural cultural tourism integration projects exhibit the following three distinct characteristics:[2]

①The asynchronous nature of the industrial rhythm. Agricultural activities are constrained by natural cycles, cultural elements need to go through the processes of content accumulation and community cultivation, while the tourism industry pursues rapid iteration and continuous attraction. The three industries coexist within the same project, leading to significant difficulties in coordinating the progress.

②The diversity of interest entities. Such projects usually involve multiple entities, such as the government, village collectives, farmers, external investors, and operation teams. The interests of each entity vary significantly, and frequent conflicts arise.

③The lock-in effect of resource endowment. Agricultural cultural tourism projects highly rely on local resources. Once the project location is determined, the correction cost is extremely high. Therefore, risk assessment at the planning stage is of crucial significance.

2.2. Analysis Framework: Four-Phase Project Life Cycle

This paper modifies the life cycle of agricultural-culture-tourism integrated projects into four stages:

- Planning Phase: From concept proposal to successful completion of the feasibility study
- Construction period: from commencement of work to trial operation
- Operational Period: From the official opening of the park to achieving stable profitability
- Iteration Phase: From the stabilization phase to product upgrades or model replication

2.3. Case Selection Explanation

This article selects the following cases as the subjects of analysis: [11]

Table 1. List of study subjects

Type	Case	Location	StartTime	CoreFeatures
success	Yuanjia Village, Shaanxi	Liquan, Xianyang City	2007	Guanzhong (Local) Folk Culture + Food Safety
success	Pastoral Oriental	Yangshan, Wuxi City	2013	Water Melon Peach Industry + Parent-Child Educational Tour
success	Yushang Rice Village	Yuhang, Hangzhou City	2019	Development of eight village clusters + Digital Agriculture + Brand Management
success	Mingyue Village, Sichuan	Pujiang, Chengdu City	2015	Cultural and Creative Artists in Rural Residency + Agriculture
success	Yucun Village	Anji, Huzhou City	2005	The Two Mountains Theory + Regional Cluster Development + Four-Season IP
success	Lizu Village	Yiwu, Jinhua City	2020	Rural CEO + International Entrepreneur Village

success	Mogan Mountain	Deqing, Huzhou City	2007	High-end homestays + Western-style local cuisine + industrial cluster
success	Only Henan · Drama Fantasy City	Zhongmu, Zhengzhou City	2021	Immersive Theater + Local Culture
be defeated	Chengdu Longtan Water Town	Chenghua District, Chengdu City	2013	Historic Water Village District
be defeated	Bailu Plateau Folk Culture Village,	Lantian, Xi'an City	2016	Guanzhong Folk Culture + Film & TV IPs
be defeated	Fengdu Ghost City Cultural Tourism Complex	Fengdu, Chongqing City	2015	Mythical IP + Theme Park
be defeated	Idealent, Dali	Dali City	2017	Santorini Style + Vacation Properties

III. Progress Management and Risk Management during the Planning Phase

3.1. Successful Case Study: Pastoral Oriental in Wuxi – A meticulously planned 18-month period

Prior to launching the Pastoral Oriental project in 2013, the team conducted an in-depth 18-month research study on the land use classification of Yangshan Town, the preferences of local villagers, and the consumption capacity of surrounding cities. The founder, Zhang Cheng, proposed a development timeline of "developing the industry first, then developing real estate": the first phase focused on upgrading the water peach industry; the second phase introduced parent-child educational tours and boutique homestays; and the third phase only commenced with the launch of sellable properties. This phased approach enabled the project to achieve break-even status in its inaugural year, 2015.

3.2. Successful Case Study: Yucun Village in Anji – A Strategic Transformation from "Selling Stones" to "Selling Scenery"

Yucun Village in Anji is the birthplace of the concept that "lucid waters and lush mountains are invaluable assets," and serves as a classic example of how the "strategic positioning during the planning phase determines the success or failure" of an integrated agriculture–culture–tourism project.

In the 1990s, Yucun Village rapidly amassed wealth through mountain blasting for mining and the construction of a cement plant; however, this came at an extremely severe ecological cost, as the green mountains were leveled, the streams were polluted, and the villagers lived under constant exposure to dust and noise. In 2003, as Zhejiang Province launched its comprehensive initiative to build an Ecological Province, Yucun Village resolved to shut down all mines and cement plants, causing the income of the village collective to plummet from over 3 million yuan to less than 200,000 yuan. Yucun Village faced a classic "dilemma": should it prioritize ecology or pursue economic growth?

On August 15, 2005, Xi Jinping, then Secretary of the Zhejiang Provincial Party Committee, during an inspection tour of Yucun Village, explicitly pointed out that "lucid waters and lush mountains are invaluable assets," thereby charting the course

for Yucun Village.[1] Since then, Yucun Village has established three core strategies during its planning phase:

3.2.1. Prioritizing ecological restoration

Over the past decade, a systematic effort has been made to restore the greenery of the mines, improve the river courses, and cultivate the bamboo forests. The once desolate mining areas have been transformed into an ecological landscape featuring continuous bamboo forests. This is not "construction", but "restoration" - it does not aim for immediate visual impact, but rather lays an irreplaceable ecological foundation for subsequent cultural and tourism development.

3.2.2. Spatial Reconfiguration and Regional Cluster Formation

Yucun Village did not confine itself to the original 4.86 square kilometers of the village area. Instead, it took itself as the core and radiated to the surrounding Tianhuangping Town, Shanchuan Town, and Shangshu Town, covering a total of 24 administrative villages. This formed a "large Yucun Village" cluster area of 245 square kilometers. Through an "aerial corridor" cableway connecting Yucun Village and the Anji Cloud Grassland Scenic Area. The journey that originally took over an hour was shortened to just six minutes, achieving the integration of the two scenic areas and facilitating the exchange of tourists.

3.2.3. The three parallel of "New Economy, New Agriculture, and New Cultural Tourism"

Yucun Village clearly defined that during the planning stage, it would not follow the traditional path of merely "agritourism + homestay," but would instead set the goal of "high-level, modern, and international," and systematically layout various business models such as digital culture creation, smart agriculture, rural music festivals, and skiing competitions, to create a "Yucun Village for You All Year Round" full-season IP.[3]

Achievements: In 2025, the large Yucun Village area received 1.6983 million tourists, an increase of 16.58% compared to the previous year, with the total tourism revenue exceeding 10 billion yuan. The exposure rate on major media outlets exceeded 500 million times. It became a national benchmark for rural tourism and was selected as one of the "Best Tourist Villages" by the United Nations World Tourism Organization.

Insights from progress management during the planning period: From 2005 when the direction was set until around 2015, Yucun Village went through nearly a decade of "slow planning and long cultivation". This "strategic patience" is precisely what most agricultural and cultural tourism projects lack the most—too many projects rush to start construction before the ecological restoration, villagers' consensus, and business model planning are fully established, resulting in unstable operational foundations.

3.3. Failure Case: Chengdu Longtan Water Town – The lesson learned from a 2-billion RMB project lacking proper planning

Project Overview: Longtan Water Town is located in Chenghua District, Chengdu, with a total investment of approximately 2 billion yuan and an area of approximately 146.67 hectares; it opened to the public in April 2013. The project aimed to create a traditional-style water town architectural complex.

Surprising success: Over 130,000 visitors flocked to the venue in the three days preceding its opening.

Rapid collapse: Just three months after opening, foot traffic plummeted dramatically. By 2014, the vacancy rate for commercial spaces had exceeded 80%; by 2023, these venues had almost completely become "empty cities."

Root Cause Analysis:

3.3.1. Critical site selection flaws

Longtan Water Town is located within an industrial park, surrounded by factories and logistics bases; it does not follow a traditional tourist route, and there are no surrounding tourism resources that can create synergistic linkages. In contrast, although Yucun Village is situated in a mountainous area, it has transformed its "remote" status into "scarcity" and its "isolated" position into a "hub" through coordinated regional clustering and the integration of cableway systems.

3.3.2. Floating Theme Positioning

The water town in Chengdu" concept is entirely divorced from local cultural heritage. While Chengdu boasts rich local cultural resources, including Western Sichuan-style dwellings, tea-house culture, and Shu embroidery and bamboo weaving, Longtan Water Town has opted for an "Ancient China water town" style approach, which bears no connection whatsoever to Chengdu's indigenous culture.

3.3.3. Lack of industrial logic

Longtan Water Town is essentially a commercial real estate project. It lacks an agricultural foundation and no real cultural content producers have settled there. The core of integrating agriculture, culture, and tourism is "agriculture as the foundation, culture as the soul, and tourism as the body." However, Longtan Water Town lacks all three elements.

3.3.4. The feasibility study is merely nominal

The project feasibility study report predicted an annual passenger flow of 5 million people, but in the most prosperous year, the actual figure was less than 1 million. This "optimistic bias" serves the purpose of financing and approval rather than an objective assessment.

3.4. Insights from Case Comparisons

Table 2. Comparative Analysis of Risk Management Cases during the Project Planning Phase

Dimension	Yucun Village, Anji (Success)	Chengdu Longtan Water Town (Failed)
Planning Cycle	The Past Decade of Ecological Restoration and Strategic Planning	Less than 6 months
Site Selection Logic	Leveraging the bamboo forest ecosystem to foster coordinated development among regional clusters.	Within the industrial park, there are no designated tourist pathways.
Theme Source	Ecological Restoration + The Two Mountains Concept (locally unique)	Ancient Water Towns (non-local)
Industrial Foundation	Ecology → Leisure Industry → Digital Cultural Creativity	Lacking industrial support, purely commercial real estate
Strategic patience	Ten years of dedicated effort to hone a sword: first restoration, then development.	Overemphasis on quick results; planning is merely a means to facilitate project commencement.

Theoretical foundation: Risks during the planning phase often possess an "irreversible" nature. The 2 billion yuan investment in Longtan Water Town had already sealed its failure even during the planning stage. In contrast, the success of Yucun Village lies in its ability to maintain strategic patience throughout the planning phase when 'slow' approaches are most critical, by taking a decade to complete a cognitive transformation from a "stone-based economy" to an "ecological economy," carry out ecological restoration, and build consensus among the villagers; these "slow efforts" ultimately evolved into irreplaceable competitive barriers.

3.5. Progress and Risk Management Strategy

3.5.1. Progress control :

①A "Planning Freeze Period" must be established; construction may only commence after the completion of three core deliverables: the Resource Assessment Report, the Competitor Analysis Matrix, and the Customer Persona.

②Perform reverse schedule derivation to reserve sufficient time for ecological restoration and agricultural base development;

③Implement pre-investment promotion by completing preliminary intent-based agreements for core business formats prior to the construction phase.

3.5.2. Risk management :

①Three-tier competitor analysis: using the project location as the center and defining radii of 30 minutes, 1 hour, and 2 hours based on driving time, this approach enables a stratified identification of competitive and complementary relationships;

②Theme Differentiation Validation: Testing the market appeal of a theme at minimal cost;

③Pre-approval review for land compliance: Before signing the investment agreement, a joint preliminary review shall be completed with the natural resources, ecological environment, and cultural heritage authorities;

④Feasibility Study "Red vs. Blue Exercise": Establish an independent "Red Team" specifically tasked with challenging and refuting various assumptions, thereby mitigating the "optimistic bias."

IV. Project Implementation Schedule and Risk Management

4.1. Successful Case Study: Hangzhou Yushang Rice Village – A model for village cluster development driven by digital empowerment

"Yushang Rice Village," located in Yuhang District, Hangzhou City, represents one of the most representative innovative cases in the field of agricultural, cultural, and tourism integration in Zhejiang Province in recent years. The project spans 8 administrative villages, including Yong'an and Xita, covering a total area of 71.8 square kilometers; leveraging over 2,000 hectares of high-quality farmland, it has centered its industrial development around rice cultivation, forging a distinctive path toward shared prosperity through the deep integration of agriculture, culture, and tourism.[5][6]

Background of Construction: Yong'an Village is a typical economically underdeveloped village in Yuhang District. 97% of its land is restricted by the permanent basic farmland red line, resulting in significant constraints on industrial development and land development activities. In 2019, Yuhang Street, taking Yong'an Village as the core, integrated 8 administrative villages north of the Tiaoxi River, and initiated the "Yu Shang Rice Village" project.

Core innovations during the construction period:

4.1.1. The "Five Unifications" model breaks down administrative barriers

During the construction phase, the primary challenge faced by the eight villages is not funding, but rather coordination, as each village possesses distinct resource endowments, varies in its development aspirations, and has different interest demands. Yushang Rice Village has innovatively established a "Five Unifications" model: unified planning, unified branding, unified standards, unified marketing, and unified distribution; The unified operation entity is Hangzhou Yushang Daoxiang Management Co., Ltd. The 8 villages contribute their resources to form a common interest group. This institutional design was completed during the construction period, avoiding "disjointed actions" during the construction process and "interest disputes" after completion.

4.1.2. "Rural Professional Manager" System

During the construction phase, Yushang Rice Village introduced the professional management team led by Liu Song. Addressing the challenge of "village officials lacking business management skills while business professionals are reluctant to work in rural areas," the township established a governance structure characterized by village collective ownership and professional team operation. This model significantly enhanced decision-making efficiency during the construction period by assigning specialized tasks to specialized personnel; it avoided schedule delays and cost overruns resulting from "laypeople directing experts."

4.1.3. Synchronization of Digital Agriculture with Infrastructure Development

Yushang Rice Village is not only promoting the construction of traditional infrastructure such as roads and water conservancy facilities, but also simultaneously developing the smart management system for farmland. This has enabled the simultaneous construction of digital farmland and physical infrastructure. This has laid a technical foundation for the subsequent operation stage of smart agriculture and digital tourism, thereby avoiding the need for additional digital renovations later on and thus avoiding duplicate investments.

4.1.4. Batched Construction and Rolling Operation

The eight villages did not progress in a uniform manner; instead, Yong'an Village served as the "model hub," taking the lead in achieving breakthroughs, developing replicable best practices, and then promoting these experiences in a phased manner across the remaining seven villages. Once the first batch of projects, such as the Yong' an Village Cultural Hall, shared rice fields, and the "Locomotive" Café were completed, trial operations were immediately launched, using market feedback to guide subsequent construction efforts.

4.1.5. Project Outcomes

In 2025, Yushang Rice Village achieved annual revenue of 35.2389 million yuan, driving the collective operational income of the villages within the district to exceed 31 million yuan; the township was honored with numerous awards, including "National Rural Revitalization Typical Case," "Zhejiang Province Beautiful Village Typical Case," and "Provincial Future Village." At the beginning of 2026, Hangzhou Yushang Rice Village Operation and Management Co., Ltd. distributed 2 million yuan in operational profits directly to eight villages. More notably, its "Yuhang Model" has been extended to Chao'an, Guangdong, marking a leap from "project construction" to "model export."

Insights from construction period progress management: The most critical innovation of Yushang Rice Village lies in its ability to address two risks that are most likely to emerge during the later stages—profit distribution (through the "Five Unifications" and the pre-established equity structure) and talent shortages (through a professional manager system)—right during the construction phase. This approach stands in stark contrast to the failure of the Bailuyuan Folk Culture Village.

4.2. Failure Case: Bailuyuan Folk Culture Village – The Escalation of Construction Mismanagement and Interest Conflicts

4.2.1. Project Background and Overview

Baolongyuan Folk Culture Village is located in Lantian County, Xi'an City, Shaanxi Province. Its construction is based on the cultural IP of the novel "Baolongyuan" by writer Chen Zhongshi. The total investment of the project is approximately 350 million yuan. The planned area is about 1,200 acres, and it was officially opened and operated in May 2016.

4.2.2. Highlight Performance in the Early Stage of Operation

In the initial stage of the project's opening, it benefited from the popularity of the same-named TV series, achieving significant crowd gathering. The peak daily visitor count once exceeded 80,000 people. In 2017, the cumulative number of visitors exceeded 3 million.

4.2.3. Challenges and Decline Trajectory:

Since 2018, the project's visitor flow has experienced a cliff-like decline. By 2019, there was a large-scale withdrawal of merchants within the park. In 2020, this project was listed as a "zombie scenic spot" in Shaanxi Province. Finally, it was closed in 2021.

4.2.4. Analysis of failure causes:

①Uncontrolled construction pace

To align with the popularization window period of the TV series, the construction period was compressed to less than 18 months, resulting in a significant decline in building quality. The tourists' evaluations were generally consistent, pointing out that there was a considerable gap between the appearance of the scenic area and expectations, and the actual construction quality was poor.

②Lack of villagers' benefit distribution mechanism

The lack of a villagers' benefit distribution mechanism was the core factor for the failure of the project. During the construction phase, a large amount of land was forcibly expropriated from the villagers, with a low compensation standard, and no clear agreements were made regarding villagers' employment placement, business participation, and profit distribution, leading to a conflict between the project party and the local villagers. In contrast, the Yushang Rice Village project achieved the coordinated integration of eight villages rather than a scattered state through the "five unifications" model and an equity structure, completing the contractual arrangement for benefit distribution during the construction period.

③IP dependence issue

The project party overly relied on the intellectual property effect of "White Deer Plain," mistaking brand awareness for direct conversion into visitor flow. However, the intellectual property failed to effectively enhance the value of the tourist experience.

4.3. Insights from Case Comparisons

Table 3. Comparative Analysis of Schedule and Risk Management Cases during the Project Construction Period

Dimension	Hangzhou Yushang Rice Village (Success)	Bailuyuan Folk Culture Village (Failed)
Construction Pace	Yong'an Village serves as a pilot demonstration site for phased implementation.	Full-scale implementation and accelerated project completion
Village relations	Hachimura Equity Partnership: Joint Development and Shared Benefits	Land expropriation compensation disputes and conflicts

managerial hierarchy	Professional Managers + Village Collective Ownership	Unilateral control by the investor
Construction Period	Flexible governance and synchronized digital infrastructure development	Less than 18 months: rigid compression
cost control	Phased implementation and rolling validation	Exceeded by 40%, compressing the operating budget

Theoretical foundation: The success of Yu Shang Rice Village can be attributed to the fact that during the construction phase, it solidified core issues such as decision-making authority, income distribution mechanism, and responsibility delineation through institutional design. In contrast, the failure of Ba Lu Yuan Folk Culture Village lies in postponing the handling of these issues until the operation stage, resulting in the accumulation of problems that became extremely difficult to solve.

4.4. Progress and Risk Management Strategy

4.4.1. Progress control

①For natural-sensitive processes such as agricultural landscape creation and ecological restoration that are significantly influenced by natural conditions, an elastic schedule mechanism should be incorporated, with a 20%-30% buffer zone reserved for the schedule.

②The project implementation can adopt a model combining phased delivery and rolling operation. That is, the trial operation begins once the core functional area construction is completed, and the subsequent construction contents and pace are dynamically optimized based on the initial market feedback.

③To avoid resource waste and repeated investment caused by "building first and then making up for it," a synchronous implementation strategy for digital infrastructure and traditional infrastructure should be adopted.

4.4.2. Risk management

①Construction standards locking and change management: The construction standard list needs to be signed and confirmed by three parties. Any changes must be evaluated for their potential impact on the project duration and cost;

②Pre-investment benefit distribution system: Drawing on the "five-unification" model of Yushang Daoxiang, the contractual design of the equity structure and benefit distribution mechanism for each village should be completed before the construction starts;

③Professional manager system: Introduce professional operation teams to participate in the decision-making during the construction period to avoid risks of non-professional decisions;

④Monthly cost deviation monitoring: Establish a monthly cost deviation analysis mechanism. When the deviation exceeds 10%, a special audit will be initiated.

V. Project Progress and Risk Management during the Operation Period

5.1. Successful Case Study: Yuanjia Village , Shaanxi – The Interest Distribution Mechanism and Commitment to Cultural Integrity

The core competitiveness of Yuanjia Village lies not only in its Guanzhong folk culture theme but also in its unique operational mechanism—the "Three Unifications and One Separation": [9]

- Unified Brand: All merchants shall conduct their business under the "Yuanjia Village " brand, with unified quality standards;
- Unified Management: The village collective operating company shall uniformly manage business layout planning, food safety, and environmental sanitation;
- Unified Cash Handling: All sales revenue is uniformly recorded in the accounts and distributed according to the agreed ratio;
- Separate business operations: Each merchant operates independently and assumes full responsibility for its own profits and losses.

The core of this mechanism lies in "unified cashier services," which ensures transparent profit distribution, while the "secondary distribution" (returning a portion of management fees to merchants with lower operational performance) helps maintain business diversity. At the entrance of each shop, an assurance sign reading "If adulteration is detected, compensation of 10,000 yuan will be provided" is displayed, establishing food safety as an unbreachable baseline. The annual number of tourists at Yuanjia Village has grown from 30,000 in 2007 to over 7 million in 2019, with annual turnover exceeding 1 billion yuan.

5.2. Successful Case Study: Lizu Village, Yiwu — The Operational Miracle of a Rural CEO and an "International Entrepreneur Village"

Li Zu Village is located in Houzai Sub-district, Yiwu City, Zhejiang Province. The administrative area of the village is 1.09 square kilometers. Historically, this village was known as "Water Buffalo Horn Village" by the local people due to its lagging development, severe population outflow, and deteriorating architectural style, indicating a bleak future. However, since 2020, this village has achieved remarkable transformation and development: a total of 271 agricultural innovators have been gathered, and 73 rural innovative business models have been formed; by 2024, the total sales of the business models exceeded 70 million yuan, and the annual tourist reception volume exceeded one million people.

The core innovative measures during its operation stage are as follows:

5.2.1. Introduction and Practice of the "Village CEO" System

In August 2020, the professional manager Jin Jing (an 80s person) who entered Li Zu Village as a "Village CEO" and her team systematically explored and sorted out the village's cultural resources, and extracted the dual themes centered on "pear" (material product) and "ritual" (cultural core). Based on this, they created the "Respectable Zuyu" rural brand, and the design iteration plans of the brand reached

over 5,600. This professional manager model effectively solved the common predicament in grassroots governance where "village officials lacked market-oriented management capabilities, while market management talents were unwilling to stay in the village for a long time." It formed a "Village CEO" exploration pattern that echoed north and south with other similar practices in Zhejiang Province (such as Liu Song's team of Yu Shang Rice Village).[13]

5.2.2. Three-Dimensional Talent Strategy of "Attracting, Cultivating, and Integrating"

The operation team focused its talent work on building a long-term mechanism of "attracting, retaining, and developing well". Through a combination of measures such as implementing a three-year rent-free policy, providing professional operation incubation services, and establishing a mutual assistance mechanism for the creative community, they successfully attracted a wide range of young creative groups. The resulting business forms presented a highly diversified feature, covering "Equatorial Village Coffee", "Spanish Ham" theme stores, "Pipi General Store", "Zhang Da Su" Chinese pastries, and many other distinctive projects.

5.2.3. Progressive Four-Stage Operating Model

Based on the established four-stage operating plan of "Younger Rural Construction - Brand Operation - Diversified Business Models - Platform for Innovation Incubation," Li Zu Village abandoned the traditional "Farmhouse Accommodation + Homestay" development path and clearly anchored the strategic positioning of "International Cultural Creative Village." This model stimulated internal growth momentum through "Crowdsourcing," enhanced brand value and user stickiness through "Cultural Innovation," and gradually constructed a regular and sustainable rural operation mechanism of "Government policy support, village collective organization collaboration, new and old villagers community symbiosis, and creative entity autonomous growth."

5.2.4. Zone Linkage and Scale Effect Expansion

Li Zu Village formed a "Big Li Zu" development zone by uniting surrounding villages and implemented a cooperation strategy of joint planning formulation, resource integration sharing, and brand collaborative shaping. This zone has gathered 73 creative business entities, with an annual tourist reception volume exceeding one million people, and the annual sales total of the zone's business forms exceeded 40 million yuan.

Insights from the progress management during the operation period: The operation practice of Li Zu Village embodies a "Progressive Incubation" logic. Its specific path is: first, attract the first batch of core creatives through initial preferential policies; then, use the successful cases of the first batch of creatives to form a demonstration effect, attracting subsequent creatives to gather; finally, through self-organization

and collaboration within the creative community, form an endogenous growth momentum. This seemingly "slow incubation" strategy may initially show less obvious input-output efficiency in the early stage, but it exchanges for the high rooting of the creative group and the long-term sustainability of business development.

5.3. Successful Case: Deqing Mogan Mountain - A Twenty-year Evolution from "Foreign-style B&Bs" to a B&B Industry Cluster

Mogan Mountain , located in Deqing County, Huzhou City, Zhejiang Province, is the birthplace of China's high-end B&B industry. In 2007, Gao Tiancheng, an entrepreneur of South African origin, established the first "foreign-style B&B" (i.e., boutique B&B) named "Naked Stables Resort" in the Sanjiuwu area of Mogan Mountain . This move marked the start of a nearly twenty-year rural industrial transformation process. Currently, nearly 900 compliant B&Bs have clustered around Mogan Mountain , achieving a transformation from a single accommodation service to a comprehensive lifestyle experience and forming the most influential B&B industry cluster in the country.[12]

Core Experiences during the Operation Period:

5.3.1. An Industrial Ecosystem with Symbiotic Multiple Entities

The development process of the Mogan Mountain B&B industry can be divided into three stages: "led by foreign investment - participated by local residents - guided by government regulations". In the initial stage, brand B&Bs (Homestay) such as Naked Stables Resort, Xipo, and Great Leap Wilderness successfully explored the high-end B&B market. Subsequently, local villagers developed characteristic B&Bs by renovating idle old houses. Finally, a diversified industrial ecosystem covering "foreign-style B&Bs," local B&Bs, boutique hotels, and theme workshops was formed. This dual-drive model combining foreign capital and local resources effectively avoids the structural risks arising from over-reliance on external investment or spontaneous operation by villagers.[14]

5.3.2. The Industrial Integration Path of "B&B +"

Mogan Mountain is not limited to providing accommodation functions but actively promotes the in-depth integration of the B&B industry with ecological tourism, rural culture, health and wellness sports, and creative agriculture. For example, the "Cave Coffee" in Hecun Village was transformed from an ancient Han Dynasty copper mine site, retaining thousands of years of mining marks. Its average consumption reaches 68 yuan, and it drives a 30% increase in the operating income of 3 surrounding B&Bs and 5 farmhouses. The unit price of dried bamboo shoots and yellow tea produced by villagers has increased by 20% through the exhibition and sales channels of the coffee shop. This "B&B +" integration model has promoted Mogan Mountain 's upgrade from a single accommodation destination to a comprehensive

rural lifestyle experience area.[7]

5.3.3. Rational Development from "Hard to Book Rooms" to "Quality Differentiation"

The Mogan Mountain B&B industry has gone through a process from explosive expansion during the rapid growth period to market screening during the mature period. As the market situation has changed from supply falling short of demand to supply-demand imbalance, each B&B has adopted differentiated competition strategies. Naked Valley has extended the average stay of family tourists from 1.5 days to 2.5 days by upgrading its forest cabins and private hot spring facilities. "One Thousand and Seven Nights" has gained wide attention through short video platforms and has become the preferred destination for tennis enthusiasts in the Yangtze River Delta region. "Shanshan You Shi" has transformed from a B&B business to a catering service, with a daily average reception of over 500 people during the "May Day" holiday and ranking first on the list of new private-cuisine restaurants in Huzhou City.

Enlightenment on Progress Management during the Operation Period: The twenty-year evolution of Mogan Mountain reveals a core law: the operation stage of agricultural, cultural, and tourism projects is not a static maintenance but a dynamic and continuous innovation process. From the "Foreign-style B&B 1.0" stage to the "B&B Cluster 2.0" stage, and then to the "B&B + 3.0" stage, each round of evolution continuously expands the industrial boundaries. Projects that stop innovating during the operation period will ultimately face market elimination.

5.4. Failure Case: Chongqing Fengdu "Ghost City" Cultural Tourism Complex – Loss of Operational Control and Collapse of Public Reputation

Project Overview: The Fengdu "Ghost City" Cultural Tourism Complex is located in Fengdu County, Chongqing. Leveraging the national-level intangible cultural heritage IP of the Fengdu Ghost City, the project was launched in 2015 with a total investment of approximately 800 million yuan.

Operational History: During the trial operation period in 2016, the daily average number of visitors was approximately 3,000. However, starting in 2017, the number of tourist complaints surged dramatically, accompanied by a flood of negative reviews on social media. In 2018, the project received a public reprimand from the Ministry of Culture and Tourism. In 2019, the investor announced the withdrawal of investment, leading to the suspension of the project to this day.

Table 4. Progress Schedule and Root Cause Analysis of the Operation Period

Core Failure Dimensions	Specific manifestations of the issue	Industry Benchmarking	Core negative impacts

The quality experience has completely spiraled out of control.	The ticket prices are excessively high (combination tickets cost 298 yuan), with minor attractions within the scenic area subject to duplicate charges; there are instances of forced consumption and solicitation of "offerings," constituting unfair business practices, while the overall service quality falls far short of standard requirements.	Yuanjia Village upholds its quality baseline through a "Food Safety Commitment," while Lizucun strengthens its service foundation through a "Maker Quality Self-Driven Approach"; in both cases, quality is treated as the core lifeline of their respective projects.	The project's reputation has completely collapsed, its repeat purchase rate has dropped to zero, foot traffic has experienced a precipitous decline, and its short-term profitability has eroded its long-term growth potential.
The vulgarization of cultural themes	The Fengdu Ghost City cultural IP has undergone superficial and vulgarization processes, reducing its cultural core—which embodies profound folk traditions and a philosophical tenet of "punishing evil and promoting good"—to mere sensory stimulation based on "horror + curiosity," thereby severely undermining its cultural value.	All high-quality cultural and tourism projects in China adhere to their cultural core, conduct in-depth exploration and positive transformation of folk culture, and leverage cultural value to build their core competitiveness.	The core customer segment has been completely excluded, making it impossible to establish a stable customer base; the company cannot attract customers seeking in-depth cultural experiences nor retain curiosity-driven traffic, ultimately failing to gain favor from either side.
Completely opposing stakeholder positions	Failure to fulfill promised employment positions, the forced closure of small roadside stalls operated in compliance with villagers, default on land transfer compensation payments, and the establishment of a zero-sum game dynamic with local villagers.	Li Zucun implements the "Symbiosis between New and Traditional Villagers" philosophy by transforming makers and villagers into "Co-Prosperity Partners"; through interest alignment, it fosters a collective drive for development and achieves mutual empowerment between the project and the villagers.	Villagers shifted from potential supporters of the project to staunch opponents; as a result, the project lost its local grassroots support, experienced frequent operational conflicts, faced obstacles in implementation and advancement, and consequently faced severe risks to grassroots collaboration.
Lack of a mechanism to handle peak and off-peak seasons	The business traffic is highly dependent on holidays; the establishment of non-seasonal business models, such as educational study tours, team-building activities, and wellness tourism that is lacking; there are no targeted off-season operational strategies; and the organization's risk resilience is extremely weak.	All mature industry projects employ a diversified business mix to balance traffic volumes between peak and off-peak seasons, utilizing non-seasonal business activities to fill the revenue gap during the off-season, thereby ensuring overall operational stability throughout the year.	During the off-season, revenue falls severely short of expectations, resulting in immense cash flow pressure that cannot cover daily operating costs; consequently, the project remains in a state of long-term loss, significantly increasing the risk of a cash flow rupture.

5.5. Insights from Case Comparisons

Table 5. Comparative Analysis of Progress Tracking and Risk Management Cases during the Operation Period

Dimension	Yuanjia Village / Lizu Village / Mogan Mountain (Success)	Fengdu Ghost Town (Failure)
Profit Distribution	Transparent Formula, Joint Equity Development, and Mutual Prosperity	Unfulfilled promises and an adversarial relationship
Cultural Quality	Safety as a bottom line, maker-driven initiative, and continuous quality evolution	Vulgarization and excessive commercialization
Experience Management	Traffic throttling to ensure product quality and brand-driven operations	Forced consumption, secondary charges
Village relations	Integration of new and long-standing villagers: Partners for Shared Prosperity	Oppositional conflicts and villagers' proactive negative reviews
Operational Evolution	Continuous iteration, Homestay+, and Maker Incubation	No response mechanism

Theoretical foundation support: Risks during the operational phase exhibit an "acceleration effect"—once reputation is damaged, the crisis will spread at an exponential rate. The shared experience of Yuanjia Village, Lizu Village, and Mogan Mountain is to treat the "quality baseline" and "shared benefits" as the cornerstone of operations, and to continuously iterate and evolve upon this foundation.

5.6. Progress and Risk Management Strategy

5.6.1. Progress control

① Shift from a "construction pace" to an "operational pace," replacing a "overnight success" approach with a phased cultivation strategy;
② Drawing on the "restraint period" strategy adopted by Mingyue Village and Lizu Village, we will not pursue scale expansion until content quality has stabilized.[10]

5.6.2. Risk management

① Standardization and formalization of profit distribution: Drawing upon the "Three Unifications and One Division" model from Yuanjia Village and the "Five Unifications" model from Yushang Rice Village, the profit-sharing ratios among all parties shall be formally established in writing via a contract and publicly disclosed prior to the commencement of the operational period;
② Cultural Quality Red Line System: Establishment of a Cultural Review Committee composed of makers, village representatives, and the operator;
③ Peak-to-Off-Season Smoothness Mechanism: Addressing the revenue gap during off-seasons by leveraging non-seasonal offerings such as educational study tours, team-building activities, and online agricultural product sales;
④ Real-time reputation monitoring and rapid response: Establish a social media public opinion monitoring system to respond to and address negative reviews within 24 hours;
⑤ Safety Emergency Response Plan: Establish systems for food safety traceability, daily equipment inspections, and fire drills; assign specific responsibilities to individual personnel.

VI. Progress Management and Risk Management during the Iteration Phase

6.1. Successful Case Study: Only Henan · Theater Fantasy City – Content is continuously updated

"Only Henan · Drama Fantasy City" maintains a rhythm of "adding 1–2 new plays each year and updating each play within a cycle of 12–18 months," ensuring that "new productions are introduced every year." Additionally, certain outdoor spaces are designed as "variable scenarios," allowing themes to shift according to the seasons and festivals. As of 2024, the venue has welcomed over 4 million visitors, demonstrating the pivotal role of continuous content iteration in extending the lifecycle of agricultural, cultural, and tourism projects.[8]

6.2. Successful Case Study: Yushang Rice Village – An Iterative Leap from "Project Development" to "Model Export"

After entering the stable operation phase, Yushang Rice Village swiftly initiated an iterative upgrade process: on the one hand, it established the Deep Processing R&D Center of the Zhejiang Rural Construction Promotion Association to create an innovation platform that integrates the three sectors—production, deep processing, and cultural tourism—thereby extending the industrial chain from "rice

cultivation–rice sales" to "deep processing–brand products–educational experiential programs"; on the other hand, it systematically implemented the "Yuhang Model"—which encompasses a full industrial chain enterprise cluster spanning planning, design, training, and operations (with 19 enterprises clustered together)—thereby establishing a "one-stop" service system covering everything from top-level design to practical implementation. By 2025, this model has been successfully replicated in Chao'an, Guangdong, where it has served as a tailored rural operational empowerment center integrating "industrial cultivation" and "talent incubation."

Insights from iterative project management: The iterative approach adopted by Yushang Rice Village follows a "vertical deepening + horizontal expansion" model—vertically, it delves deeply into the rice industry chain to achieve comprehensive mastery; horizontally, it transforms operational methodologies into standardized, replaceable products. This "dual-wheel iteration" approach provides a sustainable pathway for the long-term viability of agricultural, cultural, and tourism projects.

6.3. Success Story: Mogan Mountain – A 20-Year Evolution from "Selling Rooms" to "Selling Lifestyle"

The iterative evolution of Mogan Mountain can be regarded as the most successful case with the longest iterative cycle among China's agricultural tourism projects. Its iterative path exhibits distinct phased characteristics:

① Stage 1.0 (2007–2012): The "bare heart village" model featuring foreign homestays emerged, with its core product positioning as "the Chinese rural experience from an outsider's perspective";

② Stage 2.0 (2013–2018): Local boutique homestay clusters such as Xipo and Dalie Zhiye rose, with the supply shifting to "agricultural lifestyle dominated by designer concepts";

③ Stage 3.0 (since 2019): The industry form has transformed from a single accommodation service to a "homestay+" comprehensive industrial cluster. For instance, Naked Stables Valley has been upgraded to a comprehensive resort, while new business models such as cave coffee, rural music festivals, and outdoor sports keep emerging. The essence is to provide "a comprehensive rural lifestyle solution for urban audiences."

Nearly 900 homestays in the region have formed differentiated survival and development paths in the market environment of structural differentiation. This phenomenon itself confirms its remarkable iterative ability—market entities have not been limited to homogenized competition but have achieved coordinated evolution by deeply specializing in their respective market segments.

6.4. Failure Case: Idealent, Dali – The mismatch between the model and local conditions during model replication

Project Overview: The "Ideal Island" resort in Dali is located in Haidong Town, Dali; it was launched in 2017 with the positioning of "China's Santorini," featuring blue-and-white architectural complexes, an endless swimming pool, and cliffside hotels as its core selling points; it was initially completed in 2019.

Operational History: Between 2019 and 2020, the venue rapidly became a popular spot for social media check-ins thanks to its viral appeal on social platforms. However, after 2021, foot traffic declined significantly; in 2022, some hotels and commercial facilities faced operational difficulties; and in 2023, it was questioned by multiple media outlets as an "unfinished project under the influence of internet influencers' filters."

Root Cause Analysis:

6.4.1. The Unsustainability of the "Check-in Economy"

The core appeal lies in the appropriateness of its visual presentation. However, the act of photography is essentially a one-time consumption activity - after tourists make their first visit, complete the photography, and share it on social media, they usually lack the motivation to revisit. In contrast, the "homestay+" model in Moganshan effectively stimulates tourists' desire to return by continuously providing novel experiences.

6.4.2. Suspension of Local Culture

Building a "Santorini"-style project in the Dali area essentially adopts the "cultural enclave" strategy. The architectural form and cultural symbols of this project are significantly disconnected from the local Bai ethnic culture and the natural landscape of the Cangshan and Erhai Lake. This strategy may attract attention in the short term with its exotic charm, but from a long-term perspective, projects lacking a foundation in local culture are difficult to build sustainable brand competitive advantages.

6.4.3. Incorrect Iterative Direction

When the visitor flow shows a downward trend, the response strategy adopted by Idealbang focuses on increasing marketing investment, such as inviting online influencers for promotion and expanding the scope of social media publicity. However, the root of the problem is not insufficient marketing, but rather the flaws in the product itself. With increased marketing investment, the initial number of visitors may increase, but the poor product experience leads to a decline in tourist satisfaction, an increase in negative reviews, and thus a vicious cycle where resource consumption accelerates the project's decline.

6.4.4. Path Dependence in Mode Replication

The project operator, based on previous experience in operating similar projects in Southeast Asia, directly replicated the "Mediterranean style" model to the Dali area,

ignoring that Dali is a tourism destination with strong cultural symbols, whose appeal stems from local characteristics rather than foreign themes. This situation contrasts with Yushang Riuxiang's "mode output": Yushang Riuxiang focuses on outputting methodologies (including operation systems, talent incubation mechanisms, and brand strategies), rather than specific architectural forms; while Idealbang only outputs superficial elements (such as the blue and white architectural style), lacking the transmission of core connotations.

6.5. Lessons from Yuanjia Village's Expansion: The Boundaries of Replicating a Successful Model

Even though Yuanjia Village stands as a successful case, it still encounters numerous challenges during the process of replicating its model. The expansion projects implemented by Yuanjia Village in places such as Qinghai and Shanxi have failed to effectively replicate the success it achieved at its headquarters in Shaanxi. The primary reason lies in the fact that Yuanjia Village 's core competitiveness is rooted in "the villagers' sincerity"—this trust relationship is jointly formed by the regional culture of the Guanzhong area, the long-standing authority of the Guo family, and the continuous integration within the villagers' community, making it difficult to achieve standardized replication like that of industrial products. In the expansion projects, the so-called "villagers" are actually hired employees rather than an internal community of shared interests, resulting in the inability to replicate the "sincerity" embedded in the services.

6.6. Insights from Case Comparisons

Table 6. Comparison of Progress Tracking and Risk Management Cases during the Project Iteration Phase

Dimension	Yushang Rice Village / Mogan Mountain (Success)	Liangshibang/Yuanjia Village External Expansion (Failure)
Iterative Direction	Deep vertical specialization + horizontal methodology delivery	Marketing-driven, superficial renovation
Cultural Foundation	Local Culture (Rice Farming / Bamboo Forests / Homestays)	Cultural Suspension (Santorini / Off-site Replication of Guanzhong Culture)
Copy Strategy	Methodological Output and Operational System Empowerment	Unmodified architectural forms
Early Warning Response	Data-driven iteration	Wrong attribution: burning cash accelerates death

Theoretical foundation support: Risks during the iteration phase exhibit a "bias toward attribution"—when a project shows signs of decline, the project manager often attributes the cause to "insufficient marketing" rather than "product obsolescence." The correct direction for iteration should focus on content updates, experience deepening, cultural enrichment, and refining successful experiences into actionable methodologies (rather than simply replicating architectural forms).

6.7. Progress and Risk Management Strategy

6.7.1. Progress control

①Rhythm of institutional content updates (e.g., "at least one new core experience product per year");
②Design certain spaces as "variable scenarios" to reduce update costs;
③Establish a dual-wheel iterative approach of "deep vertical cultivation + horizontal expansion."

6.7.2. Risk management

①Repeat visit rate and NPS dynamic monitoring: set an early warning threshold (e.g., a consecutive two-quarter decline in the repeat visit rate exceeding 15%), which triggers an iterative mechanism;
②"Methodological Output" rather than "Architectural Replication": drawing upon the Yushang Rice Village model, we aim to deliver operational standards, talent incubation systems, and brand strategies—rather than simply replicating architectural forms or business formats;
③Core Talent Equity Incentive Program: Implement equity-based incentives or partner arrangements for key positions such as Creative Director and Rural CEO;
④Correct Attribution Diagnosis: When a product exhibits signs of decline, the first step is to determine whether the issue lies in "product quality" or "marketing strategy," thereby avoiding the vicious cycle where marketing efforts obscure product deficiencies;
⑤Policy risk hedging: During the planning phase, one should consider a "policy-neutral" scenario—assuming that all subsidies and preferential policies are withdrawn—and assess whether the project can still operate sustainably under such conditions.

VII. Conclusion and Recommendations

7.1. Core Conclusions

This paper is grounded in the Project Life Cycle Theory and employs a "success–failure" dual-case comparative analysis approach to conduct a systematic study of the progress and risk management aspects of agricultural-cultural-tourism integration innovation and entrepreneurship projects. Regarding successful cases, this paper focuses specifically on the Zhejiang experience, conducting an in-depth analysis of four representative benchmark projects from Zhejiang—Yushang Rice Village, Yucun Village in Anji, Lizu Village in Yiwu, and Mogan Mountain in Deqing which combining these with national-level cases such as Yuanjia Village in Shaanxi, Tianyuan Dongfang in Wuxi, Mingyue Village in Sichuan, and Only Henan to form a matrix of successful cases. The main conclusions are as follows:

7.1.1. "Four Common Issues" in Failed Projects

- Overemphasis on construction at the expense of planning: insufficient investment during the planning phase, with the feasibility study reduced to

merely an "approval-ready study";

- Overemphasis on hardware at the expense of operations: substantial funds are invested in construction and landscaping, yet the operational budget is severely constrained;
- Overemphasis on investment attraction at the expense of symbiosis: prioritizing the introduction of external merchants while neglecting the establishment of a community of shared interests with local villagers;
- Overemphasis on replication at the expense of adaptation: when expanding across different regions, building projects often blindly replicate architectural forms while neglecting local resource endowments and cultural differences.

7.1.2. The "Four Major Institutional Innovations" in Zhejiang's Successful Cases

The Zhejiang Case Studies (Yushang Rice Village, Yucun Village, Lizu Village, and Mogan Mountain) collectively reveal the underlying logic behind the success of agricultural-culture-tourism integration projects—not merely through "good ideas" or "high-quality resources," but through systematic institutional innovation:

- District-cluster mechanism: The "Eight Villages, Five Unifications" initiative in Yushang Dao Township and the "Greater Yucun Village" collaborative model involving 24 villages in Yucun Village have transcended administrative village boundaries, thereby achieving resource integration and economies of scale;
- The Rural CEO System: Liu Song from Yushangdao and Jin Jing from Lizucun represent the institutionalized exploration of Zhejiang's "Rural Professional Manager" model, effectively addressing the core bottleneck where business professionals are reluctant to work in rural areas;
- Maker Incubation Ecosystem: Li Zucun's "three-year rent-free policy + professional incubation + community symbiosis" model has elevated "investment promotion" to "incubation and business cultivation," thereby fostering an endogenous entrepreneurial force rooted in rural areas;
- The evolution of industrial clusters: Over the past two decades, Mogan Mountain 's transformation from a single homestay business to a "Homestay+" industrial cluster has demonstrated that the vitality of agricultural-cultural-tourism projects lies in their continuous expansion of industrial boundaries.

7.1.3. Risk Transmission Chain

Planning phase: misaligned positioning → Construction phase: rushed execution and quality defects → Operation phase: collapse of reputation and conflicts of interest → Iteration phase: erroneous attribution and accelerated failure

The core insight from this chain is that the risks associated with agricultural-cultural-tourism projects are not discrete or isolated, but rather continuously propagate and accumulate throughout the project lifecycle. Risks at

the upstream stage (such as a misalignment in positioning during the planning phase) possess the greatest destructive potential.

7.2. Practical Recommendations for Entrepreneurs

7.2.1. The allocation ratio shall not be lower than that of construction

15%–20% of the project's total budget is allocated to the planning phase. The decade-long ecological restoration efforts in Yucun Village and the 18-month research conducted for "Pastoral Orient" both demonstrate that every ounce of "slow work" invested during the planning phase is building the momentum necessary for subsequent "rapid growth."

7.2.2. Prioritization of Profit Distribution Mechanism

Drawing upon the "Five Unifications" model of Yushang Rice Village and the "Three Unifications and One Division" model of Yuanjia Village, during the planning phase, written benefit-sharing agreements should be signed with the village collective, individual farmers, and partner organizations. The lessons learned from the Bailuyuan Folk Culture Village demonstrate that an agricultural, cultural, and tourism project lacking a shared interest community is equivalent to building a castle on shifting sands.

7.2.3. Introduction of a professional operations team

Zhejiang's "Rural CEO" system (Yushang Rice Village, Lizu Village) has demonstrated that professional operational talent is a critical factor for the success of agricultural, cultural, and tourism projects. It is recommended to introduce an operational team to participate in decision-making during the construction phase, rather than waiting until after construction is complete to seek external management.

7.2.4. Light-asset-based pilot validation

Before committing to heavy capital investment, prioritize testing the market appeal of the theme at the lowest possible cost to mitigate the risk of sunk costs.

7.2.5. Establish a "Red vs. Blue" simulation-based decision-making mechanism

At critical decision-making points, establish an independent "Red Team" specifically tasked with challenging and refuting various assumptions to mitigate the "optimism bias."

7.2.6. Digital Risk Early Warning

Integrate metrics such as customer traffic, average order value, repeat visit rate, Net Promoter Score (NPS), and social media sentiment analysis into real-time monitoring systems, set appropriate alert thresholds, and thereby implement a "data-driven" rather than an "experience-driven" risk management approach.

7.3. Research Limitations and Future Directions

This study primarily employs a case-based comparative analysis approach and lacks support from large-scale quantitative data. Future research could further utilize questionnaires and econometric analyses to verify the probability of occurrence and the degree of impact of risk factors at each stage, thereby constructing a quantitative risk assessment model for agricultural-cultural-tourism integrated projects. Additionally, it is worth conducting further in-depth research to determine to what extent the successful experiences observed in Zhejiang's case cluster can be replicated in the central and western regions of China.

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