

PEAK SEASON 2010

In 2010, online efforts again meshed with traditional elements and unique new ideas. With the 2010 Initiative always top of mind, the Office of Tourism continued its march toward doubling visitor spending.



MARKETS

The 2010 peak season campaign continued with its three-tiered approach in trusted markets. Research continued to show strength in Minnesota, Nebraska, South Dakota and Wisconsin. As a result, the Office of Tourism focused on these markets with both traditional and online media. The office also had advertising in Winnipeg, Canada, and the suburbs of northern Chicago.

FISHING NICHE

In 2010, the Department of Game, Fish & Parks approached the Office of Tourism to ask if we could help them market to in-state fishermen. Utilizing GF&P's database of license holders, the Office began a targeted email campaign to both in-state and out-of-state fishermen. The emails encouraged fishermen to "Get Hooked on South Dakota Fishing," and reminded them that water levels across South Dakota were optimal and the fish were biting.

The targeted emails were both informational and educational, offering tips for finding and catching certain species, as well as educating the reader on how to get kids interested in the outdoors. The Office also placed advertisements in various outdoors media outlets to complement the fishing message.

ONLINE MEDIA

The Office of Tourism continued to market heavily online with a niche-focused pay-per-click campaign, as well as banners placed on Trip Advisor and Orbitz to target avid travelers, families and adventure travelers. The banner campaign performance was tracked by

Exact Drive. The industry average for banner ad click-through rates is .08%. The Office of Tourism banners averaged .13%.

VRM TRIGGERED MESSAGING

Visitor Relationship Management has been an on-going goal of the South Dakota Office of Tourism for the past three years. As we continue to learn more about our visitors and their online and travel planning behavior, we can better understand what type of marketing content is relevant to them. We now have the ability to provide specific sales- and service-oriented messaging based on content they have viewed, information they've requested, or online actions they've taken.

The VRM program provides consumers with relevant information exactly when they would expect it, and the open rates on these triggered emails show that the program has been effective thus far. A typical open rate is 15%. The VRM emails have been reaching a 33% open rate.

SOCIAL MEDIA

The Office of Tourism began their social media usage in April 2009. In 2010, the Office knew it was time to take social media to the next level. Utilizing Facebook ads, postcards and two contests to boost fan development, social media became a larger part of the marketing mix.

5,000 Fan Contest

A giveaway contest began in August on the South Dakota Tourism Facebook page in an effort to increase the number of fans that follow the page. Facebook members were encouraged to "like" our page and share our page with their

Facebook friends. Promotional posts regarding the contest were sent on Twitter, Facebook, and blogs. After reaching 5,000 fans, Facebook friends were able to comment on a celebratory wall post stating we had made it to 5,000 fans. The first five fans to comment received a free South Dakota Tourism backpack and the next five people obtained a free South Dakota coffee tumbler.

BLACK HILLS DIGITAL STRATEGY GIVEAWAY

Vacation Makeover

For peak season 2010, the Black Hills Digital Strategy Group and Kodak sponsored a contest called "Vacation Makeover: Destination Mount Rushmore." Entrants were encouraged to tell their best vacation tale – it could be funny, touching, adventurous or amusing, and from anywhere at all. Entrants posted their stories, along with photos and video, at the Vacation Makeover website, www.blackhills.travel.

Online voting determined the four best vacation stories. These winners, plus a sweepstakes winner, received a free trip to South Dakota's Black Hills during summer 2010. They were also given a Kodak Zx1 Pocket Video Camera, which they used to film their Black Hills adventure. Back home, the winners edited their Black Hills videos and posted them on www.blackhills.travel.

Following are a few results from the Vacation Makeover promotion and Digital Strategy efforts:

- * Story entries: 235
- * Voter sign-up: 7,403
- * Votes (engagement): 60,238
- * Entries browsed: 24,996
- * Total leads generated in 2010: 24,627
- * Website visits: 31,852
- * Average time on site: 00:03:09
- * Page views: 372,828
- * Pages per visit: 8.02

GIANT STEP MAGAZINE CO-OP PROGRAM:

In 2010, the Giant Step magazine program got a slightly updated look, but stayed with the two-page and six-page ads in national publications.

- * Thirty-nine Giant Step partners were included in two- and six-page ads that ran in national magazines, including *Better Homes & Gardens*, *Family Circle*, *Ladies Home Journal*, *Midwest Living*, *Parents*, *Guideposts*, *O Magazine* and *Travel 50 + Beyond*. Circulation for these publications totaled 6,611,428, with total impressions reaching nearly 79 million.
- * These nationally-known magazines were complemented by advertising in niche publications. These included *Budget Travel*, *National Parks* magazine, *Wild Blue Yonder* magazine, the *Trailer Life Directory*, *Woodall's Directory*, and an insert in the Midwest Vacation Guide.

PEAK SEASON CO-OP MAP



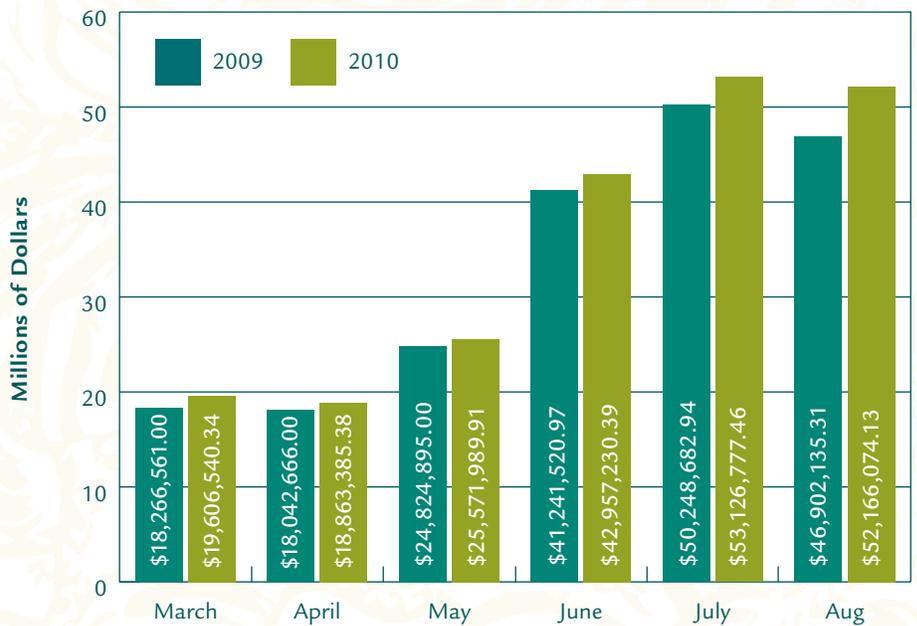
GREAT GETAWAYS NEWSPAPER INSERT

- * Fifty-nine Great Getaways partners participated in this magazine-style marketing piece that was inserted into newspapers in Colorado, Iowa, Nebraska, North Dakota, Minnesota, South Dakota and Wyoming.
- * Total circulation was 701,148

PARTNERSHIPS:

The 2010 peak campaign included cooperative partnerships with the Aberdeen Convention and Visitors Bureau, Black Hills, Badlands & Lakes Tourism Association, Custer BID Board, Custer State Park, Deadwood Chamber and Visitors Bureau, Rapid City Convention and Visitors Bureau, and Visit Spearfish.

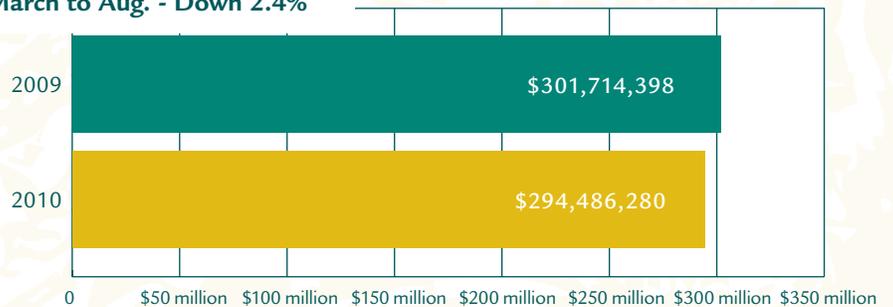
PEAK - HOTEL REVENUE



Source: Smith Travel Research

PEAK SEASON TOURISM TAXABLE SALES

March to Aug. - Down 2.4%



Source: Dept. of Revenue



SHOULDER SEASON 2010

Continuation of the Rooster Rush, a promotion to celebrate the pheasant hunting tradition, dominated shoulder season 2010. The campaign was promoted through traditional outdoor media outlets as well as online and social media.

ROOSTER RUSH

In 2009, the Office of Tourism introduced the Rooster Rush, a celebration of South Dakota's pheasant hunting tradition. Building on the success of the 2009 promotion, the Office made the Rooster Rush an annual event, continuing to market to out-of-state visitors as well as encouraging South Dakota communities to get involved in the Rooster Rush in their own unique way.

For the 2010 campaign, the Rooster Rush again featured a sponsorship with the Minnesota Vikings. The Office sponsored a football game during opening weekend of pheasant hunting. It featured in-stadium banners, videos, a tailgating tent, halftime promotion and a special message from Governor Mike Rounds that encouraged hunters to come to South Dakota. The winner of the halftime contest won a two-day pheasant hunt for two at the Cogan House Lodge near Springfield, SD.

In addition to the Vikings game sponsorship, the Office of Tourism partnered with Big Shot Pheasant Fields near Aberdeen for a pheasant hunt giveaway. The winner was awarded a two-day, three-night pheasant hunt for four, as well as upland outdoor gear from Cabela's and a Ruger Red Label shotgun from Pheasants Forever.

The Office of Tourism also partnered with several communities across South Dakota to promote Rooster Rush. The Office was able to provide limited funding for businesses and communities wanting to develop a Rooster Rush celebration of their own. Activities included welcoming events at airports, street banners, posters, door clings, pheasant feeds, street dances and

other activities that welcomed hunters to South Dakota communities. The Office of Tourism also provided design templates for posters, door clings, T-shirts, banners and advertisements.

Rooster Rush results:

- * New email leads – 9,821
 - * Top states were Minnesota, Wisconsin, Iowa, South Dakota and Michigan
- * Total impressions from the sponsorship and marketing – 111,787,645

TAKE ME HUNTING

The print and television ads used for the Rooster Rush campaign took on a new perspective in the 2010 shoulder season. The ads focused on the hunting dog's perspective, asking the reader to "Take Me Hunting." The ads resonated with hunters whose hunting dogs are their best friends.

After an overwhelming amount of positive feedback on the "Take Me Hunting" ads placed in magazines, it was clear that there was room for some great interaction with our social media followers. The "Take Me Hunting" Facebook photo contest began on October 3. The eight week contest received 369 photo entries and the number of followers to the page increased by 612.

A prize package, including dog treats, a collapsible water dish, a plush bird, a "Take Me Hunting" orange collar, and a letter from the Governor's dogs, Baby and Brandy, was sent to each weekly winner. One of the weekly winners won a \$100 gift card to Cabela's.

MACY'S

The Office of Tourism strives to think outside of the box in terms of new and unique marketing ideas. The idea of having a balloon in the Macy's Thanksgiving Day Parade had been discussed for a few years; and in 2010, seven partners came together to support and promote the float, "Mount Rushmore's American Pride." Partners included the Black Hills, Badlands & Lakes Association, Custer BID Board, Deadwood Chamber and Visitors Bureau, Mount Rushmore National Memorial Society, Rapid City Convention and Visitors Bureau, Visit Spearfish and South Dakota Office of Tourism.

A few metrics of success:

- * 50 million television viewers on NBC
- * 10 million television viewers on CBS
- * 3 million live spectators
- * 179 earned news clips
- * 103,719,227 estimated earned media impressions
- * \$220,057 estimated ad value
- * Bump in Google searches for South Dakota and Mount Rushmore-related terms

BH PHOTO SHOOTOUT

More than 120 photographers from 18 states gathered for the Black Hills Photo Shootout in September. Two days of outdoor photography workshops, classroom instruction, and inspirational lectures were held throughout the Black Hills and Badlands area. Combined efforts of the Black Hills, Badlands & Lakes Association, Black Hills State University, the U.S. Forest Service, National Park Service and South Dakota Tourism made the event a strong success. Canon Cameras sponsored an appearance by keynote speaker George Lepp. Response from participants was overwhelmingly positive and plans are underway for a second annual Shootout to be held Sept. 30-Oct. 2, 2011.

SHOULDER GIANT STEP MAGAZINE CO-OP PROGRAM:

The 2010 Shoulder Season Giant Step program featured two-page and six-page ads in national publications.

- * Thirty-nine Giant Step partners were included in two- and six-page ads

that ran in national magazines, including *Better Homes & Gardens*, *Family Circle*, *Field & Stream*, *Ladies Home Journal*, *Midwest Living*, *Guideposts*, *O Magazine* and *Travel 50 + Beyond*. Circulation for these publications totaled 8,294,800, with total impressions reaching 36 million.

- * These nationally-known magazines were complemented by advertising in niche publications. These included *Budget Travel*, *National Parks* magazine, *Wild Blue Yonder* magazine, the *Trailer Life Directory*, *Woodall's Directory* and an insert in the Midwest Vacation Guide.

SHOULDER SEASON CO-OP MAP



SHOULDER GREAT GETAWAYS NEWSPAPER INSERT

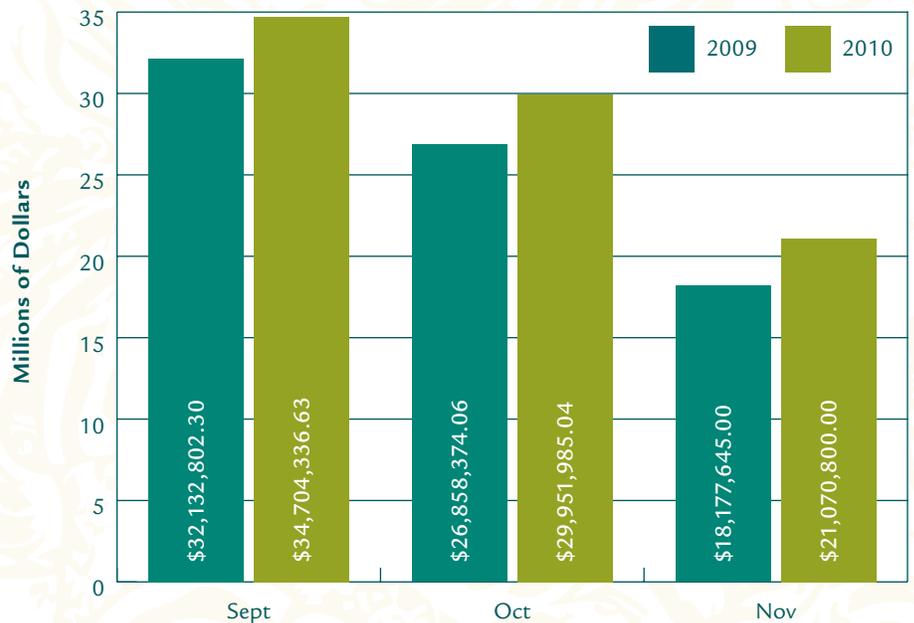
- * Forty-two Great Getaways partners participated in this magazine-style marketing piece that was inserted into newspapers in Colorado, Iowa, Nebraska, North Dakota, Minnesota, South Dakota and Wyoming.
- * Total circulation was 557,895.

PARTNERSHIPS

The 2010 shoulder season campaign included cooperative partnerships with the Aberdeen Convention and Visitors Bureau, Custer BID Board, Custer State Park, the Deadwood Chamber and Visitors Bureau, the Rapid City Convention and Visitors Bureau, Visit Spearfish and Watertown.

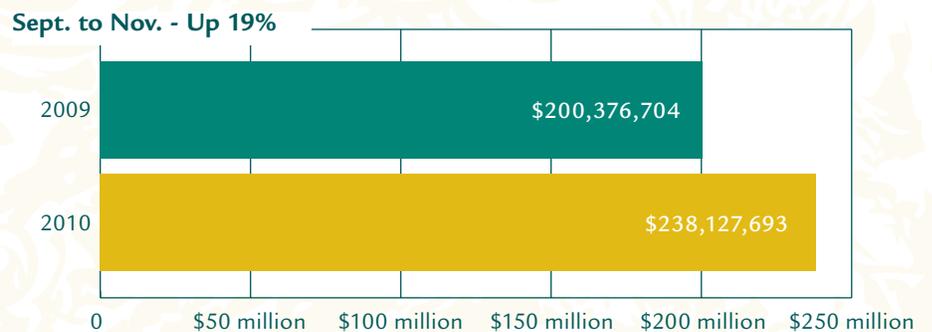


SHOULDER - HOTEL REVENUE



Source: Smith Travel Research

SHOULDER SEASON TOURISM TAXABLE SALES



Source: Dept. of Revenue

WINTER SEASON 2010

The Office of Tourism partnered with the Deadwood Chamber and Visitors Bureau to promote winter vacations in the Black Hills.



2009-2010 TEXT PROMOTION

Email blasts, newspaper, radio and television ads all focused on affordable winter vacation packages to Deadwood and the northern Black Hills. Skiing and snowmobiling were featured, but mentions of cabin rentals, gaming, winter events, snowshoeing, sledding and other activities were part of the campaign.

In addition, Deadwood launched a Blackjack text game. The game began in March and ran through the year, with prizes awarded monthly. Prizes ranged from Deadwood attire and gift certificates to weekend getaways in Deadwood. Players also received discount rates at Deadwood businesses, including casinos, restaurants and hotels.

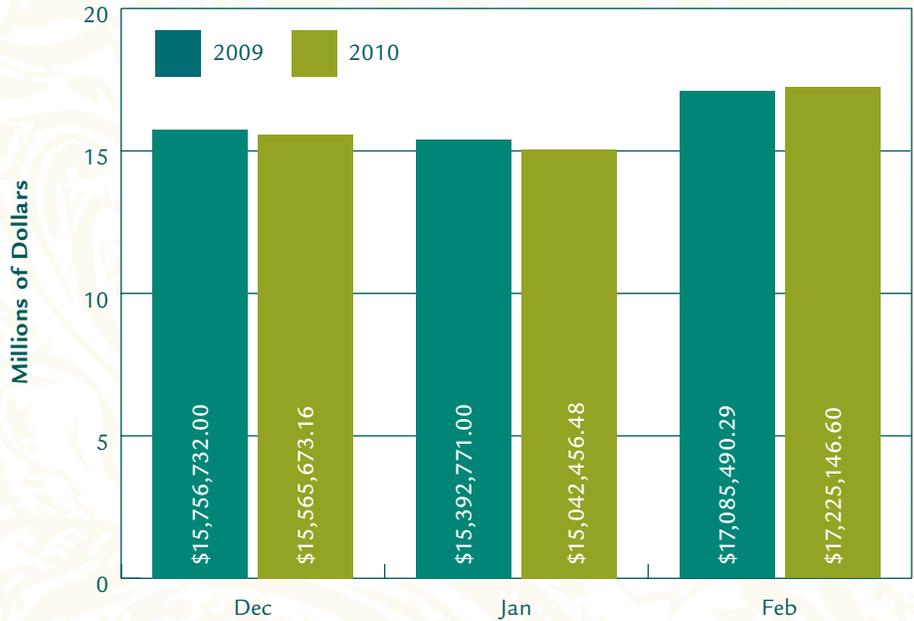
Those who signed up to play the game interacted with Deadwood frequently, keeping the town at the top of their minds. This was the first time anyone had utilized a Blackjack game through text marketing, making it an innovative promotion. Since the start of the promotion in March 2010, Deadwood has gained 1,202 leads.

2010-2011 PLANS

For the 2010 winter season, the Office of Tourism again plans to partner with the Deadwood Chamber and Visitors Bureau to promote winter getaways and outdoor adventure opportunities. Plans include a variety of promotional efforts.

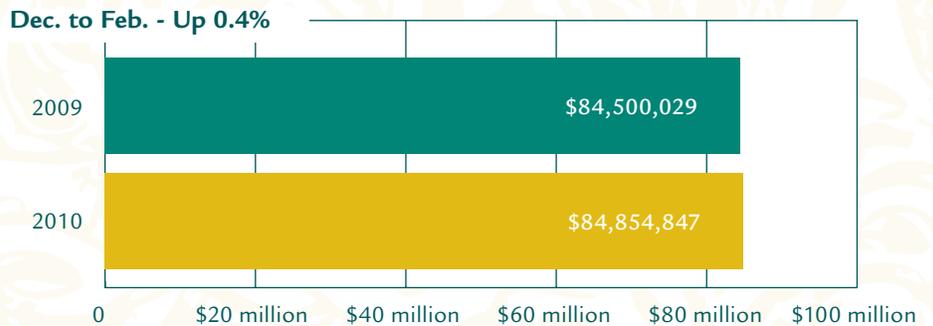
The Office of Tourism also plans to partner with Visit Spearfish to promote outdoor adventure activities in and around Spearfish, including Spearfish Canyon.

WINTER - HOTEL REVENUE



Source: Smith Travel Research

WINTER SEASON TOURISM TAXABLE SALES



Source: Dept. of Revenue

