

SOUTH DAKOTA
DEPARTMENT OF TOURISM
**ANNUAL
REPORT**

∞ 2011 ∞



South Dakota

JANUARY 2012

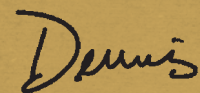
You've likely heard this a lot already, but there's no hiding the fact that 2011 threw a lot of challenges your way: poor spring weather, flooding, high gas prices, and a weak economy.

Maybe what you haven't heard quite as much is how well you overcame these challenges. You stood up, dusted yourselves off, and worked together to keep on going. As an industry, you've faced countless trials over the years, but one thing that always remains the same is your perseverance.

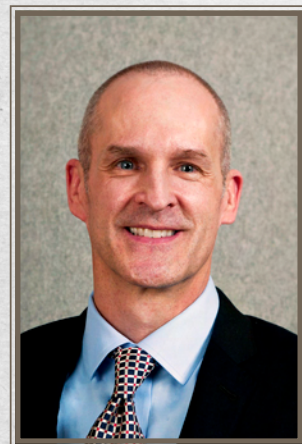
As we get settled into the New Year, I want you to know that my administration and I are committed to the visitor industry, and are excited about your future. This report proves the invaluable impact you have on South Dakota's economy.

I admire your self-reliance and your strength, and I look forward to seeing the great work you will all accomplish in 2012.

Sincerely,



Dennis Daugaard



Dear Industry Partners,

I officially have one year under my belt, and it's unbelievable to me how much we've all been through in the last 12 months.

First, and most exciting, our office became a department. Governor Daugaard has placed a high importance on the visitor industry and its impact on our economy. The fact he has elevated Tourism to a cabinet-level position speaks volumes of his support.

We also underwent a slight organizational change within the office by creating a new marketing team, combining visitor services with our research arm, and melding media and industry relations functions.

This past peak season we endured several challenges from cold weather to flooding to a still-shaky economy. But despite all of that, we worked on a variety of great projects and continually strived to put our state and industry on the map. It was fun and exciting to see the impact of our Rooster Rush efforts, Macy's Thanksgiving Day parade project, and the great spread in the November issue of Delta Airline's SKY magazine, to name a few.

I'm proud of the work my staff has done, proud of the work you all have done, and am extremely proud to be a part of this industry. Now that we have achieved some of the internal goals I set for the department, one of my main focuses over the next year will be to spend more time out across the state visiting with you.

Thanks for everything you do to support tourism in South Dakota. Please let us know how we can better assist you as we continue to grow our industry!

Sincerely,



Jim Hagen, Secretary

ORGANIZATIONAL CHART

Regional Liaisons

In 2011, the Department of Tourism assigned one staff member to each tourism region, with the understanding that this person would act as a liaison between the Department and the Regional Association. In addition, this liaison would be responsible for attending regional meetings, staying on top of regional projects, and would provide a voice for the region within the Department.

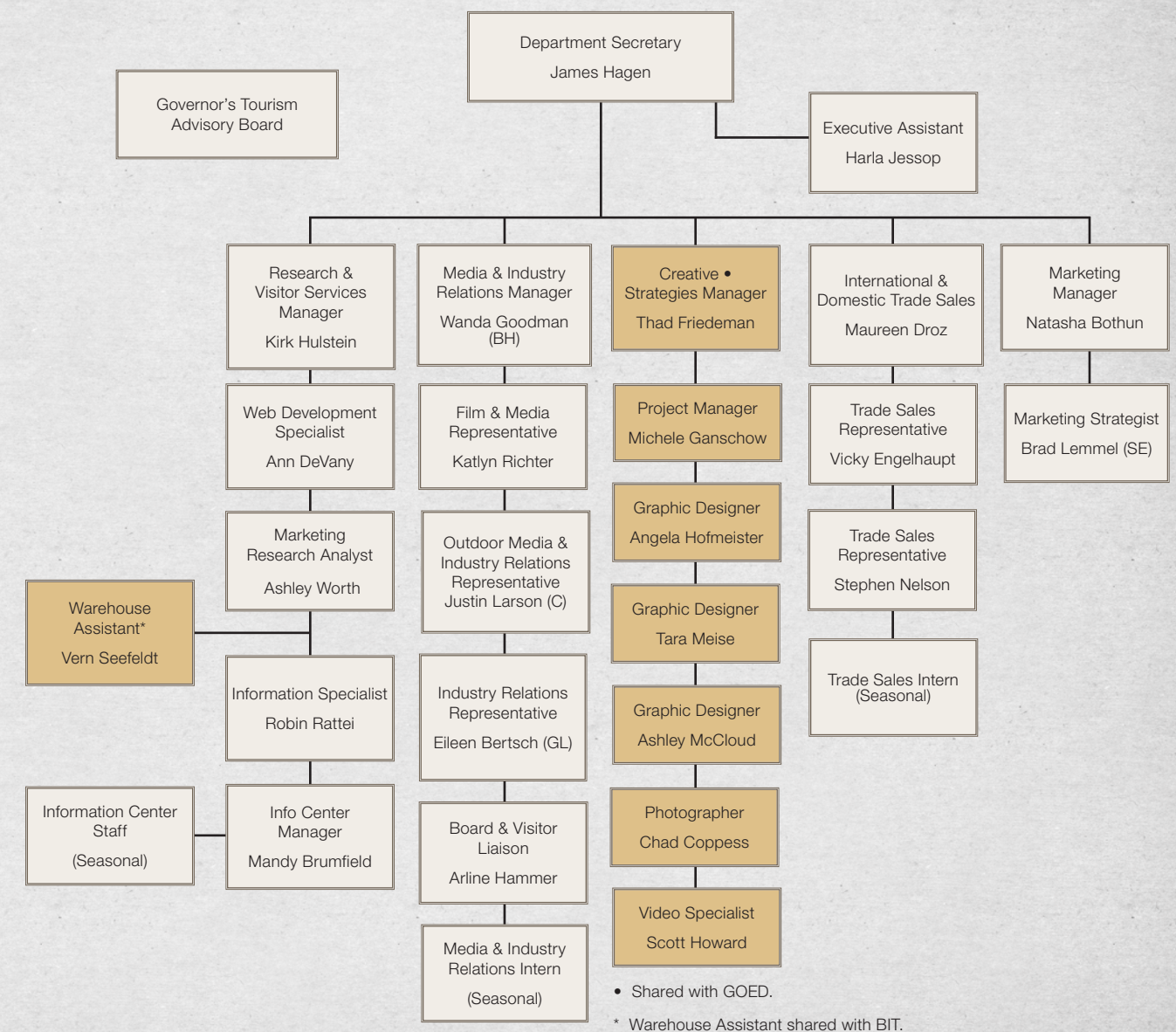
The regional liaisons are as assigned:

Black Hills, Badlands & Lakes – Wanda Goodman

Glacial Lakes & Prairies – Eileen Bertsch

Great Lakes – Justin Larson

Southeast – Brad Lemmel



PEAK SEASON

2011

In 2011, a good mix of traditional and non-traditional marketing, combined with a large number of cooperative marketing partners, made for a successful peak season campaign that reached an impressive number of potential visitors.

Markets

The 2011 peak season campaign focused solely on those markets which showed a higher-than-average propensity to travel to South Dakota. Capitalizing on our research, we concentrated our marketing dollars in Sioux City, IA; Minneapolis/St. Paul, MN; Fargo, ND; Omaha, NE; Eau Claire/La Crosse and Madison, WI; and Winnipeg, MB, Canada.

Campaign Co-op Partnerships

2011 peak cooperative marketing partnerships:

- Aberdeen Convention and Visitors Bureau
- Black Hills, Badlands & Lakes Tourism Association
- Custer BID Board
- Custer State Park
- Deadwood Chamber & Visitors Bureau
- Rapid City Convention & Visitors Bureau
- Visit Spearfish
- Watertown Convention & Visitors Bureau

By pooling our dollars, collectively we were able to reach additional markets that included:

- Colorado Springs, Denver and Ft. Collins/Greeley, CO
- Rochester, St. Cloud and Suburban Minneapolis, MN
- Bismarck and Grand Forks, ND
- Pierre and Sioux Falls, SD
- Casper, WY
- Regina, SK, Canada.



Peak FSI

Based on research conducted regarding our target's media usage, the Department of Tourism made the decision to go away from newspaper ads and channel those marketing dollars into a unique and eye-catching free standing insert. The peak season FSI featured three versions with different creative: Custer State Park, Mount Rushmore and Corn Palace/East River attractions. Where each version was placed depended on the market.

These FSIs were inserted in newspapers across the region:

- La Crosse Tribune
- Eau Claire Leader Telegram
- Madison State Journal
- Minneapolis Star Tribune
- Winnipeg Free Press
- Omaha World Herald
- Fargo Forum
- Sioux City Journal

Total FSI impressions: 4,646,559

Peak Giant Step Magazine Co-op Program

Thirty-nine Giant Step partners were included in six-page ads that ran in national and regional magazines such as Better Homes & Gardens, Family Circle, Midwest Living and Ladies Home Journal. Two-page partner ads ran in Family Fun, O Magazine and Travel 50 + Beyond.

Ads also appeared in niche publications such as Budget Travel magazine, the Midwest Vacation Guide insert and the National Parks magazine.

Total circulation: 14,040,206

Total impressions: 44,846,815

PEAK SEASON

2011

Peak Great Getaways Newspaper Insert

Sixty-four 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:
752,415

Total impressions:
7,575,590



Skyworks partnership

In spring, 2011, the Department of Tourism partnered with South Dakota Public Broadcasting and the Department of Game, Fish & Parks to hire Skyworks Aerial HD out of the United Kingdom to film South Dakota from the sky. Skyworks completed their filming in July, 2011, and provided each partner with roughly 35 hours of raw HD video footage, to be used at our discretion in marketing the state. The footage will continue to be utilized for many years.



Digital Marketing

For the Peak 2011 digital efforts, SD Tourism employed a multi-tier strategy to reach potential SD visitors in each stage of their planning cycle. The plan included unique cost-per-engagement video banners to inspire people with the various activities South Dakota has to offer. For those visitors who had

been thinking about South Dakota as a destination, we used travel planning sites Away.com and TripAdvisor.com to further remind and inspire, as well as remarketing to people who visited the TravelSD.com



site but didn't convert. In order to impact people at the point of their travel-making decision, we continued remarketing banners, and we purchased banner ads on Orbitz.com. We also ran a targeted search engine marketing campaign.

Fishing niche

In an effort to reach out to new segments of our audience, the Department of Tourism implemented a campaign to a growing niche, the fisherman. South Dakota's waters, from the Missouri River and its reservoirs, to the lakes in the east and the trout streams in the west, offer fishermen an abundance of year-round fishing options.

To reach this audience, we executed fishing-focused web banner ads, as well as ads in Dakota Country Magazine and Iowa Sportsman Magazine, and television ads on the Outdoor Channel and the Sportsman Channel, all with fishing messaging.

PEAK SEASON

2011

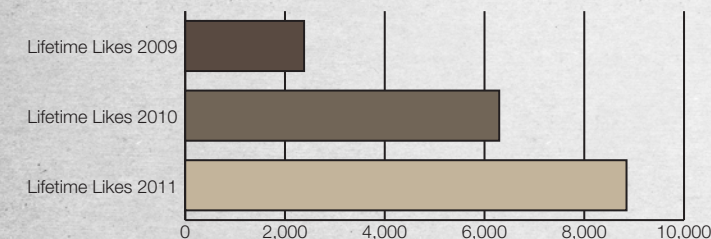
Social Media

The use of social media is not like other forms of traditional media. Traditional modes of messaging only travel one-way. Social media links networks of people with a digital medium enabling them to interact with the shared content. South Dakota Tourism monitors and responds to news stories, travel reviews, blogs, video or photo sharing sites, micro-blogs (such as Twitter) and forums on a daily basis. Travelers are discussing South Dakota as a destination pre and post trip, with or without us, so listening and responding enables the Office to influence to the conversation.

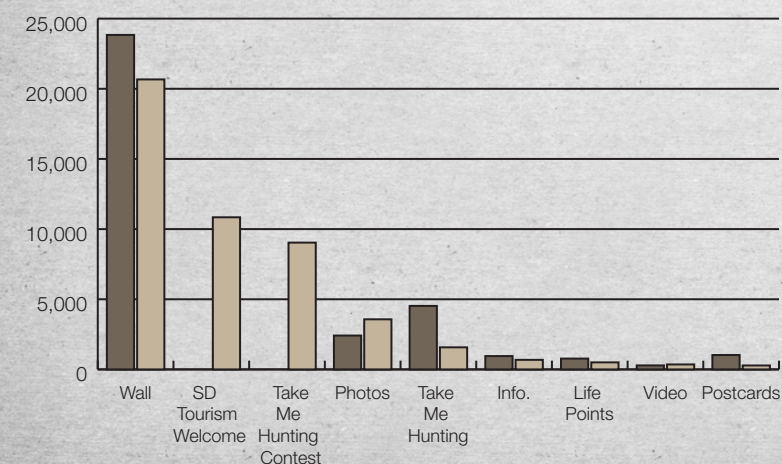
- South Dakota Tourism's Facebook page has garnered more than 2.6 million post views in the 2011 calendar year; this is up 1,123% over the same time frame in 2010.
- Post feedback is up 158% over the calendar year 2010 with 10,027 points of engagement.
- South Dakota Tourism's Facebook page has garnered 3,221 new likes in 2011.
- 1,254 new Twitter followers since December 2010.

Facebook Stats

Lifetime 'Likes'



Total Tab Views



Rushmore Travel Rewards Program

South Dakota Tourism once again partnered with the Black Hills Digital Strategy group to promote the Black Hills in the online space. For peak season, the group gave away 500 Black Hills branded \$25 Visa® gift cards. The cards were promoted through a geo-targeted pay-per-click campaign that focused on Colorado residents, as well as lightbox ads on each partner's site that would be served to visitors with Colorado IP addresses.

To be eligible to receive a card, the participant had to book a trip to South Dakota, purchasing at least one activity and one night of lodging.

Lightbox visits

- SD Tourism: 122,016
- Rapid City: 49,526
- Black Hills, Badlands & Lakes: 72,339
- Deadwood: 34,592
- Custer: 8,036
- Black Hills Vacations (Central Reservations): 5,722
- Spearfish: 6,982

Landing page analytics

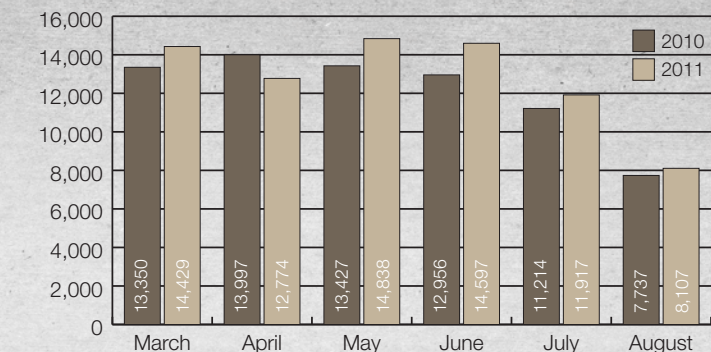
- Page views: 11,147
- Average time on site: 1:41



PEAK SEASON

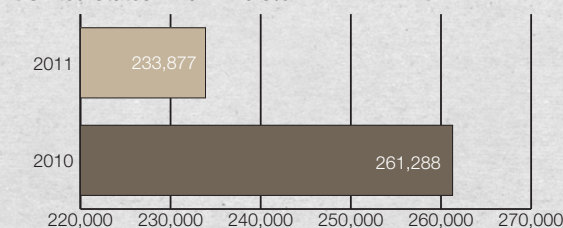
2011

Peak Season Inquiries

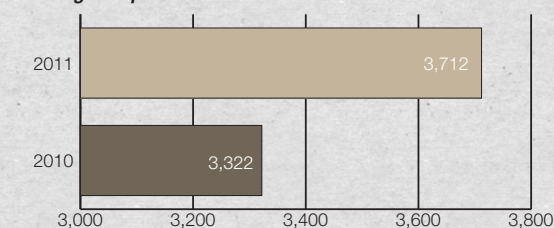


Target Market Car Counts

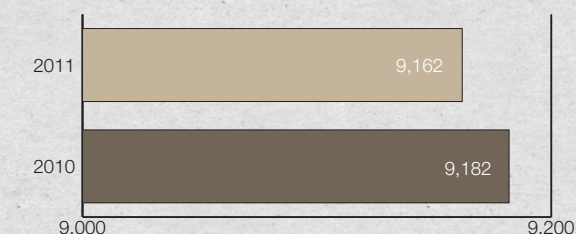
United States - Down 10.5%



Foreign - Up 11.7%

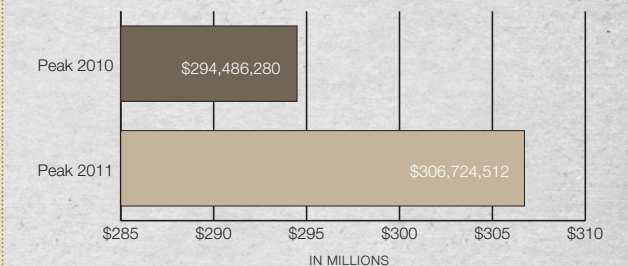


Canadian - Down -0.2%

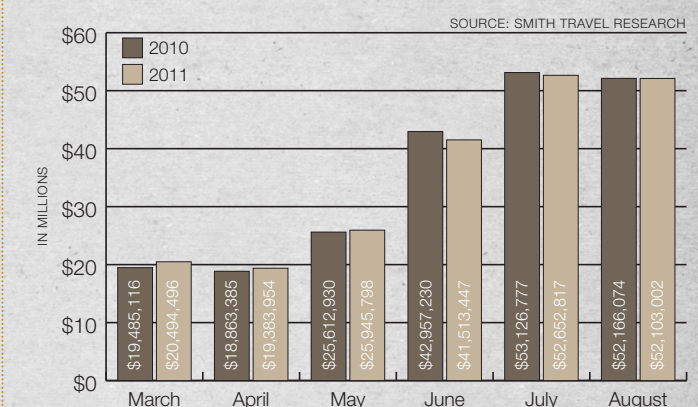


SOURCE: INFORMATION CENTERS
IN 2010, 13 INFORMATION CENTERS WERE REPORTING, ONLY 12 WERE REPORTING IN 2011.

Peak Taxable Sales



Peak Hotel Revenue



SHOULDER SEASON

2011

For shoulder season 2011, the Department of Tourism built on the success of the Rooster Rush program, and enhanced it with additional elements. The Department also aimed some fall messaging at our Active & Ageless audience through digital marketing, print, cable and network television. All of these elements came together in an integrated approach that the Department was proud of.

Markets

The 2011 shoulder season campaign focused on markets where we know our hunters and Active & Ageless audience are traveling from. Capitalizing on our research, we concentrated our hunting messaging in the following markets:

- Des Moines, IA
- Minneapolis, MN
- Omaha, NE
- Madison and La Crosse/Eau Claire, WI.

Advertising on well-known outdoor cable shows and in outdoor-specific print publications allowed us to reach an even larger audience.

To reach the Active & Ageless segment, we focused our messaging in:

- Sioux City, IA
- Minneapolis/St. Paul and Rochester, MN
- Omaha, NE

National print publications and digital banner ads.

Campaign Co-op Partnerships

2011 shoulder cooperative marketing partnerships:

- Aberdeen Convention & Visitors Bureau
- Custer State Park
- Deadwood Chamber & Visitors Bureau
- Huron Convention & Visitors Bureau
- Rapid City Convention & Visitors Bureau
- Visit Spearfish
- Watertown Convention & Visitors Bureau.

Shoulder Giant Step Magazine Co-op Program

Thirty-nine Giant Step partners were included in six-page ads that ran in national and regional magazines such as Better Homes & Gardens, Family Circle, Midwest Living and Ladies Home Journal. Two-page partner ads ran in Family Fun, O Magazine and Travel 50 + Beyond.

Total impressions: 20,393,748

Rooster Rush

Since 2009, the Rooster Rush campaign has focused on the long-held pheasant hunting tradition in South Dakota. License sales in previous years showed that Minnesota was one of the best markets for a pheasant hunting message, which prompted a partnership with the Minnesota Vikings.

That partnership continued in 2011 for a third time. South Dakota Tourism was the premiere sponsor of one football game, during which the Department had marketing presence in digital and print banners, videos and a halftime promotion. Members of the Department were also present on the outdoor plaza prior to the game to hand out hunting information and talk to Vikings fans about pheasant hunting in South Dakota.



Total impressions for all of the Vikings elements were 7.2 million.

The Department of Tourism also partnered with 24 communities across South Dakota to promote Rooster Rush. The Department was able to provide limited funding for businesses and communities wanting to develop a Rooster Rush celebration of their own. The Department of Tourism also provided design templates for posters, door clings, t-shirts, banners and radio advertisements.

Integration of Social Media in Rooster Rush

The Take Me Hunting Photo Contest began in 2010, and proved successful by generating a large amount of appreciation from South Dakota Tourism's Facebook followers. New to the 2011 promotion was the addition of a tab on Facebook to hold entries into the contest. The functionality of the tab allowed users to submit photos, vote for their favorite photo and share with their own followers.

In total, 286 photos were submitted and the page gained nearly 800 followers during the eight week contest time frame. A prize package was sent to weekly winners, which included a collapsible water bowl, retrieving toy, blaze orange dog vest and collar and a bag of dog treats.

SHOULDER SEASON

2011

Digital Marketing

In the shoulder season of 2011, we continued with our multi-tier digital strategy, designed to reach potential South Dakota travelers in several different stages of the planning process, from inspiration to planning, and finally, purchasing.

Our plan was divided to reach two distinct audience groups:

- Active & Ageless (women, age 50+, married with children)
- Pheasant Hunters (men, age 35-65, married with children)

The plan included behaviorally and contextually targeted banner ads, a sponsorship on TripAdvisor.com, SEM and PPC efforts, Travelsmart emails for the Active & Ageless group and niche hunting emails to the pheasant hunters, a sponsored email through North American Hunter and a Take Me Hunting Facebook page and contest.

Delta Sky

The Department of Tourism and Governor's Office of Economic Development appeared in the November issue of Delta Airline's Sky Magazine. Both departments provided material for the 13-page editorial feature, including photographs and editorial ideas.



Circulation: 604,000

Estimated Audience: 4.7 million

Estimated Advertising Value: \$400,000

Macy's Thanksgiving Day Parade

In November, the Department utilized the connection between the 70th anniversary of the carving of Mount Rushmore National Memorial and the second year of the South Dakota float in the Macy's Thanksgiving Day Parade. A promotion titled "Mount Rushmore's American Pride Vacation Giveaway" was developed.

The first portion of the promotion came in the form of a street team in NYC, Nov. 20-21, utilizing Rapid City the CVB's four presidential mascots. The Department also developed a tab on Facebook, and a landing page at TravelSD.com/macys. During the street team efforts, Tourism staff encouraged people to register at one of these sites for the vacation giveaway.

In order to track the conversation while in NYC, the hashtag #RushmoreRocksNYC was utilized, generating feedback and commentary during both the street team efforts and the parade.

Results

- Giveaway entries: 10,362
- Unique e-mail addresses: 9,111
- Parade audience: 63.5 million
 - ✦ Live spectators: 3.5 million
 - ✦ NBC viewers: 50 million
 - ✦ CBS viewers: 10 million



Rushmore page on TravelSD.com:

- 7,641 views between Nov. 19-Dec. 1 (656% increase over 2010)
- 6,525 unique page views between Nov. 19-Dec. 1 (695% increase over 2010)

Social media:

- Radian 6: 349 total mentions (does not include Facebook due to new privacy settings)
- Tracx: 2,075 mentions

Earned media – Direct

- Total clips: 207
- Audience: 271,406,711
- Publicity value: \$862,435

SHOULDER SEASON

2011

Pheasants Forever Partnership

In 2011 the Department of Tourism was approached by Pheasants Forever to expand our partnership with them. As the world's largest promoter of pheasant hunting, it only made sense for South Dakota, as the world's best place to hunt pheasants, to enter into a larger partnership.

Partnership benefits included:

- Advertising and editorial
- Expanded presence at Pheasant Fest
- One-time use of the Pheasants Forever member mailing list
- Sponsorship of the Rooster Road Trip
- Use of the Pheasants Forever logo in advertising, website, collateral and products

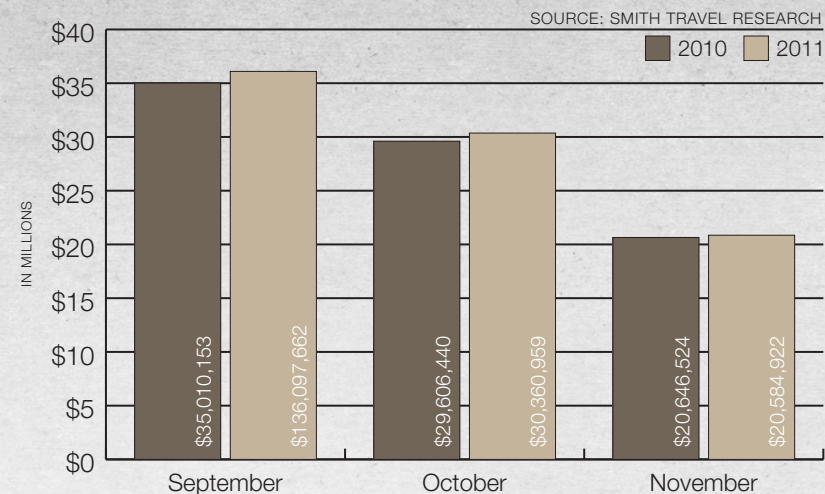
Shoulder Great Getaways Newspaper Insert

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.

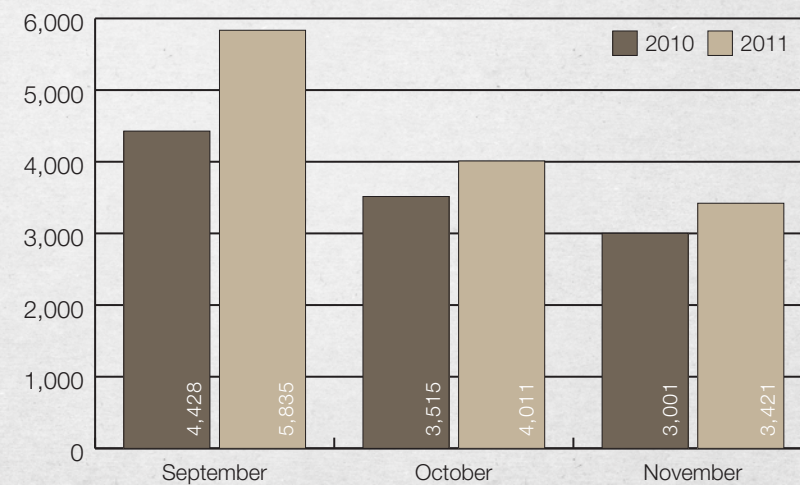
Total circulation: 572,638

Total impressions: 1,208,869

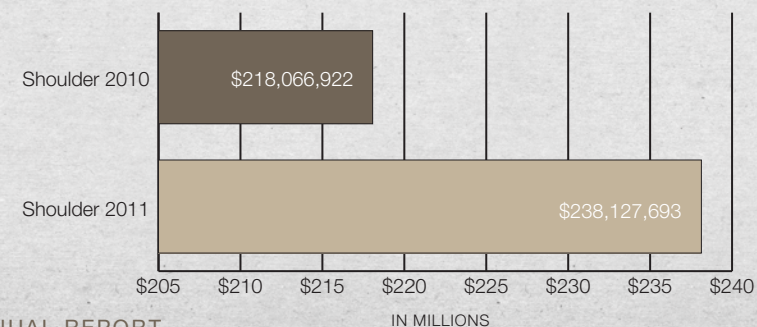
Shoulder Hotel Revenue



Shoulder Season Inquiries



Shoulder Taxable Sales



WINTER SEASON

2011

In the 2010-2011 winter season, the Department of Tourism continued its successful partnership with Deadwood to promote winter getaways. This included the promotion of a new Christmas special featuring Deadwood and the Black Hills.

2010-2011 Winter Season Strategy

The Department of Tourism partnered with Deadwood during the '10-'11 winter season to promote winter getaways and outdoor adventure opportunities. Elements of the marketing strategy included a free-standing insert that was placed in newspapers in Bismarck, Dickinson and Williston, ND; Scottsbluff, NE; Sioux Falls and Rapid City, SD; and Casper and Cheyenne, WY. The strategy also included a regional banner ad campaign and text message marketing.

Christmas in the Black Hills

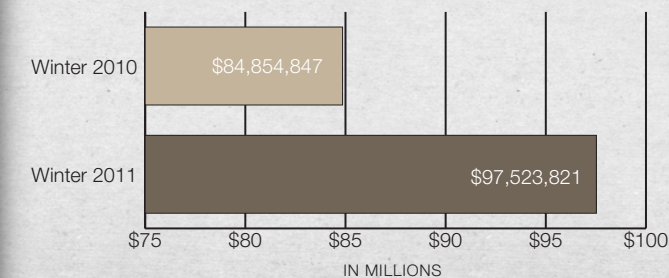
The Black Hills became the backdrop for a Christmas special airing on the Great American country network (GAC TV) in December, 2011. Hosted by Big & Rich, this new, one-hour program gave a special South Dakota spin to the season.

Big & Rich hosted the show, and were joined by guests Thompson Square, Bradley Gaskin, Tracy Lawrence, Andy Gibson and The Farm.

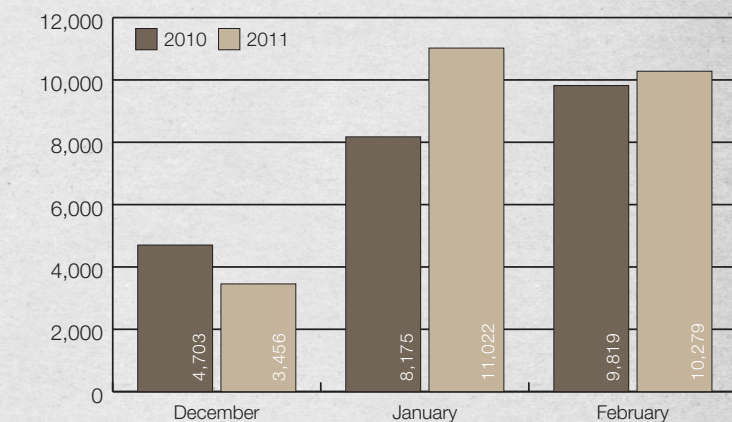
The program premiered Dec. 12, and re-ran 12 more times from Dec. 12-25.



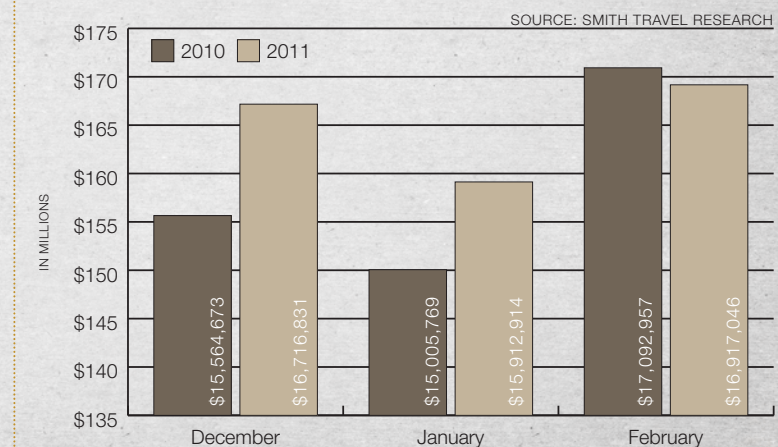
Winter Season Taxable Sales



Winter Season Inquiries



Winter Season Hotel Revenue



MATCHING DOLLAR CHALLENGE

FY12 Partners

Black Hills Film Festival

Hill City

The Black Hills Film Festival expanded in 2011 to include four days of workshops in three locations: Crazy Horse Memorial, Hill City and Mount Rushmore National Memorial. The event was created to build awareness of independent films and film as an art form, provide educational opportunities for students and filmmakers, and create opportunities for South Dakota communities and Black Hills visitors to experience high-quality films.

Bramble Park Zoo

Aberdeen

Bramble Park Zoo celebrates its 100th anniversary in 2012, and the MDC marketing funds will be utilized to market to their audiences their new bear exhibit, which opens in spring of 2012. Goals include increasing visitation and tax receipts, the completion of the bear exhibit, implementation of a 2012 marketing campaign, and increasing revenue.

Children's Museum of South Dakota

Brookings

The Children's Museum of South Dakota is a welcoming, fun and entertaining environment, which helps spark learning through imagination, creativity, and discovery. Located in Brookings, it's a place where children and adults learn through play. The museum is using MDC funds to expand their marketing reach.

Destination Rapid City

Main Street Square | Rapid City

The mission of Main Street Square is to increase awareness of downtown Rapid City and the square in outlying markets. This particular effort would result in additional shoulder and winter travelers to Rapid City. The goal is to attract visitors to downtown Rapid City during a time they may otherwise not be traveling. By increasing awareness in the off-season, the Square will also positively impact the future peak season.

Discover Bon Homme

Bon Homme County

The communities of Bon Homme County have identified a need to partner in promoting the historical and cultural significance of the county to visitors. This group's mission is to educate and promote the tourism opportunities available by creating a map/brochure and website, and through strategic ad placement.

Great Plains Zoo

*Traveling Dinosaur Exhibit
Sioux Falls*

This exhibit brings dinosaurs to Sioux Falls with a traveling exhibit comprised of scientifically-accurate robotic dinosaurs. The exhibit focuses on several striking vignettes that portray the life of the dinosaurs in a variety of settings. Each scene comes to life in a way that inspires the imagination for children and their parents.

Holy Terror Days Association

*The Haunting of Keystone
Keystone*

The Haunting of Keystone was an event centered on the existing Holy Terror Days. Building off of that event, and the city's high level of historic paranormal activity, Keystone promoted two weeks of visits at three haunted locations: the Keystone Museum and Living History School, Big Thunder Gold Mine and the Keystone Cemetery. The "Haunting of Keystone" was marketed across the state.

Pierre CVB

Pierre Fishing Weekend | Pierre

The goal of Pierre's winter fishing weekend is to provide a quality ice fishing event in the Pierre area. 2012 will be the second year of the event, and will expand to include 70 more teams than in 2011. One of the greatest impacts of the event is filling dozens of hotel rooms in the middle of winter. As the event grows, the hope is to add more winter events to the weekend.

River City Racin' 2012

Chamberlain

During the summer of 2012, the American Power Boat association will be assisting to make River City Racin' a highlight event for South Dakota. This one-of-a-kind event has had a positive impact on South Dakota in past years, attracting people from the upper Midwest and surrounding states. The 2012 event will grow to include expanded advertising in regional markets.

Rushmore Plaza Civic Center

Black Hills Stock Show | Rapid City

The goal of this marketing campaign was to unify all advertising and marketing into one consistent message, expand markets, drive occupancy rates, increase ticket sales, and increase sales tax. The primary target audience was regional, and a key component was the packaging of event tickets and hotel rooms.

Sertoma Butterfly House & Purdy Marine Cove

Sioux Falls

Through expanded marketing along I-29 and I-90, and marketing efforts in Northwest Iowa and Southwest Minnesota, the Sertoma Butterfly House and Purdy Marine Cove seeks to grow the visitor industry by enticing visitors from out-of-state to Sioux Falls. The marketing mix includes traditional and guerilla marketing to achieve the desired outcomes.

Sisseton Promotion Board

Sisseton

By building on the marketing efforts of previous years, the Sisseton Promotion Board hopes to expand their marketing plan to include online marketing and increased out-of-state marketing in 2012. The plan also includes the introduction of new television creative, online banners, and social media targeted at niche audiences.

South Dakota AgXchange

Pierre

South Dakota AgXchange will bring agribusiness to the forefront in central South Dakota in June of 2012. The goal is to attract the tri-state area's most elite agribusiness professionals to Pierre by targeting large producers for pre-arranged buyer/seller meetings. However, the conference and trade show will be focused on the needs of producers of all sizes.

South Dakota Shakespeare Festival

Vermillion

This brand new festival launches in June, 2012, and will consist of three days of outdoor performances of a full-length Shakespeare play. The weekend will include workshops for students of all ages, and all festival events will be free and open to the public. The festival serves the Vermillion community and the University of South Dakota, and will attract visitors with an integrated marketing and media relations campaign.

Spearfish Downtown Business Association

Downtown Friday Nights | Spearfish

The goal of Downtown Friday Nights is to bring in local and regional musical talent to downtown Spearfish, and attract regional visitors to the community for an overnight or weekend stay. Another goal is to attract local residents downtown, and generate top-of-mind awareness for Spearfish and the Northern Hills. In addition to local support, the project aims to attract regional tourism dollars from eastern Wyoming, southwestern North Dakota and southeastern Montana.

Thunder Road

Aberdeen

Thunder Road hopes to increase visitation through the implementation of a new browser-based content management system. This system will allow the attraction to keep their website fresh, and allow for the implementation of online bookings. This new system will also allow Thunder Road to create an opt-in e-mail marketing campaign to communicate with potential and current customers.

Wagner Area Growth

*A Vacation Fix on Route 46
Wagner*

The mission of Wagner Area Growth is to assist the growth and development of business and industry for the Wagner area. The "Vacation Fix on Route 46" proves many tourism opportunities through the year for residents and visitors alike. The group will leverage existing highway and I-29 traffic to aggressively promote this project. Additionally, the group will market to bus tour companies.

Washington Pavilion

Agriculture Gallery | Sioux Falls

The addition of the new Agriculture Gallery to the Washington Pavilion's Kirby Science Discovery Center will be a boost to the Sioux Falls community. The gallery will be a fun way for youth to engage in activities related to South Dakota's agricultural economy, and get excited about our landscape through 13 hands-on exhibits. The gallery is slated to open in spring 2012.

Wild West Days

Sturgis

Wild West Days was held in June, 2011. The mission was to provide Sturgis with a PRCA Rodeo, Steer Tripping and Rank Rodeo, drawing in crowds from the tri-state area, and contestants from across the country. Through the promotion of this event, the organizers provided traffic to the Sturgis area, and helped local businesses grow and prosper from the 3-day event.

RESEARCH EFFORTS

2011

Panel Surveys

South Dakota Tourism has created 5 online research panels in various markets to learn more about our visitors' vacation and travel habits. Panels were/are being set up in MN, WI, Kansas City, Des Moines/Quad Cities and Colorado. Travelsmart subscribers in these target markets were invited to participate in the ongoing research panels. Here are just a few of our preliminary findings...

MN Panel

- Over 70% of panelists took their last leisure vacation between July and October 2011.
- Our two target markets prefer to begin vacation planning 4-6 months in advance.
- The majority of panelists travel with a group of 2 to 4 people while on vacation.
- MN panelists are least influenced by radio advertising when choosing a vacation destination.

WI Panel

- 40% of panelists took a couples only vacation in 2011.
- Over half of respondents took their last leisure trip between August and October 2011.
- Over 40% of respondents reported taking their last leisure trip to South Dakota.

2011 Information Center Intercept Survey

Over a 10 day period in July, 6,500 surveys were distributed at 12 South Dakota Interstate Information Centers. 1,720 travelers completed with survey with 827 respondents labeled as "in-target," meaning they fell within the Department of Tourism's target markets of Canada, Colorado, Iowa, Minnesota, Nebraska, North Dakota, South Dakota, Wisconsin and Wyoming. South Dakota residents made up 117 respondents.

Findings *

- SD was final vacation destination – 66%
- Total vacation days – 8.8
- Vacation days in SD – 4
- Most common month of planning – July
- Previously been to SD – 77.6%
- Years between visits – 4 years and 10 months
- Most "common" traveler – Female age 35-54
- Travel party size – 3.4 people
- Use of mobile internet – 51.3%
- Used a SD vacation guide while traveling – 38.5% (56% of those using a guide obtained one after arriving)
- Spending per day, per party - \$178.91
- Use of WiFi while on vacation – 53%
- Most common reason for stopping at Information Center – Use restrooms and take a travel break

* FINDINGS ARE FROM THE IN-TARGET GROUP. TO SEE THE FULL REPORT, VISIT WWW.SDVISIT.COM/TOOLS/RESEARCH.

RESEARCH EFFORTS

2011

SDT Rooster Rush Campaign

Hunting Analysis

As part of the South Dakota Tourism Rooster Rush Campaign, a survey was sent out on December 1, 2011 to previous South Dakota small-game license holders, and visitors to TravelSD who have an interest in hunting. The goal of this survey was to answer questions like: "When do out-of-state hunters plan their trips?" "What forms of media affect their planning decisions?" And, "What types of sporting events might aid us in reaching our hunters?"

Approximately 28,600 emails were sent out; 3,316 surveys were completed in a 5-day period. Of these respondents, 71% indicated that they pheasant hunt out of state once or more per season.

Key Findings

- 61.9% of respondents, hunt in the same place as last year
- When planning an out of state hunting trip, most influential include:
 - ❖ Friends and family
 - ❖ Internet
 - ❖ Magazines
- 43.2% of respondents stay at a hotel during out-of-state pheasant hunts

- Most followed professional or college sport:
 - ❖ NFL, 72%
 - ❖ College football, 63.7%
 - ❖ MLB, 43.2%
- Out of state hunting planning time:
 - ❖ 3 months or less=50.7%
 - ❖ 6 months or more=40.00%
- MINNESOTA
 - ❖ Majority hunt out of state twice per season
 - ❖ 63.5% plan hunting trips 3 months or less in advance
 - ❖ NFL, 76.9%; MLB, 54.6%; College football, 53%
- IOWA
 - ❖ About half hunt out of state once per season
 - ❖ 60.04% plan hunting trips 3 months or less in advance
 - ❖ College football, 81%; NFL, 73.6%; College basketball, 46.3%; MLB, 37.2%
- WISCONSIN
 - ❖ Majority hunt out of state once per season
 - ❖ 49.9% plan hunting trips 3 months or less in advance
 - ❖ NFL, 88%; College football, 69.9%; MLB, 45.8%

Email Marketing Results

Email Name	Sends	Unique Opens	Open Rate	Unique Clicks	Click Rate
Travelsmart	5,505,762	688,266	13.7%	126,580	2.5%
eFYI	14,558	3,661	27.6%	1,488	5.2%
Travel Professionals	5,999	1,480	27.8%	447	3.6%
Fishing Campaign	12,721	2,984	25.6%	835	7.2%
Hunting Campaign	122,194	32,274	26.5%	10,359	8.7%
CRM*	1,099,138	169,170	45.6%	31,710	23.0%
Totals	6,760,372	897,835	13.3%	171,419	2.5%

*CUSTOMER RELATIONSHIP MANAGEMENT

TRAVEL INDICATORS

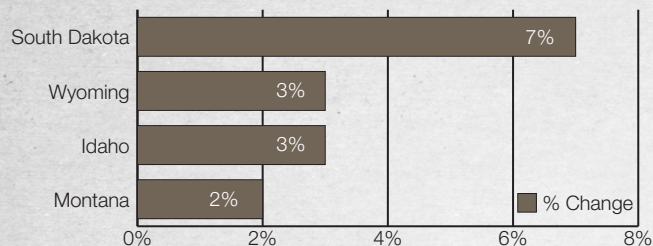
2011

TRIP Report, RMI States

Product offered is a metric used to measure performance of tour operators in our overseas European market. If the availability of state and regional travel products is growing (or declining) that demand for those products if growing (or declining) within each RMI market.

Total Overnights Offered by Tour Operators in the Rocky mountain States and increases/decreases of room nights. In the chart you can see that South Dakota increased by 31, 171 room nights from 2010 to 2011, an increase of 7% in room nights offered.

Percent of Growth of Product



18,817: Number of people on group tour buses that stopped at one of South Dakota's Interstate Information Centers. These visitors represented 39 states and 16 countries. 16.7% of tour bus passengers were international. Group tour visitors spent a total of 1,606 days in South Dakota.

TRIP Report Summary & Analysis

Total Overnights offered by Tour Market by European tour Operators in the four Rocky Mountain International States. We saw an increase of 95,792 nights offered in the RMI region from 2010 to 2011, an overall increase of 3% in room nights offered in the region.

Overnights Offered by Tour Market			
Market	2009-2010	2010-2011	Percentage
Benelux	75,776	83,535	10%
France	53,015	57,945	9%
Germany	103,282	103,207	0%
Italy	121,824	127,062	4%
Total	462,876	494,677	7%

SOURCE: ROCKY MOUNTAIN INTERNATIONAL ANNUAL REPORT
*TRIP - TOURISM RESEARCH INVENTORY PRODUCT

State Parks

	2010	2011
Visitation	6,6745,650	6,115,200
%Change		-9.3%
Revenue	\$10,570,699	\$10,334,868
% Change		-2.2%

National Parks

	2010	2011
National Parks	3,526,700	3,152,889
%Change		-10.6%

FY11 Earned Media Numbers

Domestic

Advertising value – \$1.02 million

Audience – 361 million

International

Advertising value – \$5.6 million

Audience – 95 million

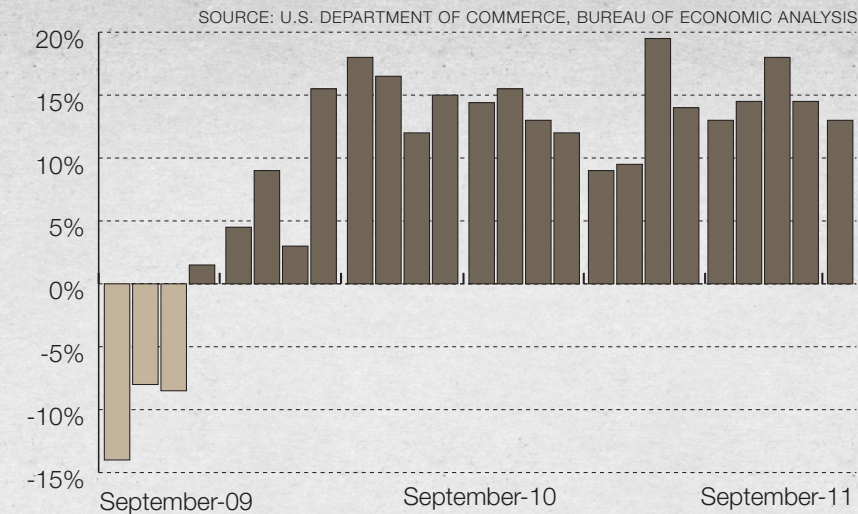
Earned Media for International

	Earned Media \$	Circulation
Total Buffalo Roundup Press	\$2,778,293.92	10,095,561
Total International Press Clips	\$5,585,882.87	95,737,844

TRAVEL INDICATORS

2011

Change in 'Monthly U.S. Travel and Tourism-Related Exports'



International visitors have spent an estimated \$126.8 billion on U.S. travel and tourism-related goods and services year to date (January through October), an increase of 14 percent when compared to the same period last year.

Top Countries by Traffic Volume

	2010 Visitors	2011 Visitors	% Change
United States	1,274,373	1,462,249	14.7%
Canada	42,980	49,684	15.6%
United Kingdom	12,391	14,169	14.3%
Germany	8,194	7,015	-14.4%
Australia	3,917	4,582	17.0%
Italy	4,342	4,410	1.6%
France	3,985	3,929	-1.4%
India	2,332	2,653	13.8%
Netherlands	2,675	2,578	-3.6%

Top States by Traffic Volume

	2010 Visitors	2011 Visitors	% Change
South Dakota	158,890	187,275	17.9%
Minnesota	139,895	170,737	22.0%
Illinois	80,367	83,094	3.4%
Wisconsin	75,154	81,270	8.1%
California	67,382	76,856	14.1%
Colorado	49,175	74,089	50.7%
Texas	52,601	68,264	29.8%
Iowa	59,354	62,870	5.9%
Nebraska	50,788	53,599	5.5%
New York	48,119	48,671	1.1%

Web Traffic by Month

	2010	2011	% Change
Dec	60,189	56,492	-6.1%
Jan	99,705	89,702	-10.0%
Feb	91,839	94,058	2.4%
Mar	125,067	120,370	-3.8%
Apr	130,957	128,064	-2.2%
May	156,497	177,303	13.3%
Jun	175,201	173,916	-0.7%
Jul	165,435	171,246	3.5%
Aug	137,946	165,196	19.8%
Sep	103,645	207,953	100.6%
Oct	78,962	119,724	51.6%
Nov	63,127	85,190	35.0%

Web Traffic

	2010	2011	% Change
Visitors	1,388,560	1,589,214	14.5%
Unique Visitors	1,081,015	1,468,682	35.9%
Page views	8,141,242	7,238,506	-11.1%
Pages per Visit	5.86	4.56	-22.2%
Time on Site	0:04:59	0:03:59	-20.1%

WHO IS IHS GLOBAL INSIGHT?

Measuring the Economic Impact of Tourism in South Dakota

One thing most economists will agree on is that visitor travel substantially impacts local economies; the difficult part is trying to measure that impact. Since the 1980s, Dr. Michael Madden used two critical sectors in computing the economic impact of visitor travel: lodging and eating & drinking establishments. This model relied on the assumption that the lowest two months of taxable sales for these travel intense sectors can be considered the benchmark; anything below was considered resident spending, while anything above was considered non-resident spending. This ratio was then applied to all travel sectors for each county separately.

IHS Global Insight on the other hand, believes a separate methodology for measuring tourism is necessary because tourism is not an industry, but rather made up of many industries such as real estate, retail, transportation, etc. IHS uses Economic impact (EI) and tourism satellite accounting (TSA); while economic impact captures only visitor spending, a Tourism Satellite Account is a more comprehensive measure of tourism and includes not only visitor spending, but also investment (construction) and government spending in support of tourism.

IHS is distinctive in that they use specific intensity factors for each North American Industry Classification (NAIC) Code, which totals 30+ codes. For example, lodging has a higher tourism-intensity factor than does dining, and transportation has a higher tourism-intensity factor than retail. In addition, certain counties may have a higher tourism-intensity factor because of the specific industries located in that county. Each industry also has a different multiplier, based upon the resulting induced effects from that specific industry. IHS considers all of these factors.

BENEFITS

IHS Global Insight provides standardized methodology that is used worldwide to measure tourism. This gives us the ability to compare ourselves to other industries and geographic regions. Not only can IHS identify the current health of the industry, they can very accurately forecast potential increases and decreases in the coming years based on social and economic factors throughout the world.

PARTNERSHIPS

IHS Global Insight partners with many trusted companies:

- F.W. Dodge
- Smith Travel Research (STR)
- Office of Travel & Tourism (OTTI)
- Industries (US Dept. of Commerce)
- DK Shifflet & Associates (DKS&A)
- US Census Bureau

F.W. Dodge measures the contribution of business fixed investment; STR hotel revenue data cross-checks for accommodations spending at the county level; international spending for the State and major metropolitan areas is collected from the OTTI; DKS&A's visitor volume and spending is derived from a continuing travel panel of 500,000+ respondents, which provides IHS with high quality visitor metrics (DKS&A only surveys US visitors to the State), and DKS&A is also our source for person-stays, which is segmented by business and leisure travel. These reliable partnerships give us very thorough and consistent data to which we would otherwise not have access.

ECONOMIC IMPACT

South Dakota Travel Industry Direct Impact

TOTAL IMPACT
**\$1.80
BILLION**

ECONOMIC VALUE TO SOUTH DAKOTA

SOURCE: IHS
GLOBAL INSIGHT

CORE TOURISM
DIRECT
**\$1.31
BILLION**

Industries directly providing goods & services to the visitor, such as restaurants.

NON-CORE TOURISM
INDIRECT & INVESTMENT
**\$0.49
BILLION**

Industries directly providing goods & services to core tourism providers, e.g. food distribution.

Tourism Expenditures - 2011

By Origin	Millions \$\$	Share
In State	1,004	27%
Other U.S.	2,427	65%
International	305	8%
Total	3,736	100%

ECONOMIC IMPACT

South Dakota Tourism Bottom Line

Measurement	2011	2010	2009	Growth '10-'11	Growth '09-'10	Perspective
Visitation & Expenditures						Business and international visitors, while small, outpaced leisure travel growth.
➤ Total Person-Stays	16.10 M	15.78 M	15.24 M	2.0%	3.5%	
➤ Total Tourism Expenditures	\$3.74 B	\$3.64 B	\$3.43 B	2.7%	6.1%	
Economic Value (GSP)						South Dakota's nominal Gross State Product advanced by 3.5% in 2011.
➤ Core Tourism (direct)	\$1.31 B	\$1.28 B	\$1.21 B	2.4%	5.6%	
➤ Total Impact (direct+indirect)	\$1.76 B	\$1.72 B	\$1.63 B	1.5%	5.3%	
Wages & Salaries						Avg. annual direct tourism wages increased 2.9% to approx. \$27,818.
➤ Core Tourism (direct)	\$0.77 B	\$0.75 B	\$0.71 B	2.5%	5.5%	
➤ Total Impact (direct+indirect)	\$1.03 B	\$1.01 B	\$0.96 B	2.3%	5.2%	
Employment ('000)						1 out of every 11 SD workers owes his/her job to tourism.
➤ Core Tourism (direct)	27.65	27.76	27.65	-0.5%	2.1%	
➤ Total Impact (direct+indirect)	34.16	34.30	34.06	-0.4%	0.7%	

NUMBERS MAY DIFFER DUE TO ROUNDING | SOURCE: IHS GLOBAL INSIGHT

Direct Impact

- Tourism-related activity generated **18.7%** of all state and local tax revenue in 2011.
- **27,647:** Jobs directly generated by travel activity.
- **\$232:** Average spending/visitor in 2011.
- **\$271 million:** Tax revenue generated from travel-related spending for state and local governments.
- **\$833:** The additional amount of taxes each S.D. household would have to pay if tourism didn't exist.
- **3.2%:** Percentage of S.D.'s gross domestic product (GDP) attributed to travel and tourism.
- **1 out of 11:** South Dakota jobs that depend on travel and tourism.
- **No. 4:** Where travel ranks in terms of employment compared to other major private industry sectors in South Dakota.

SOURCE: IHS GLOBAL INSIGHT

ECONOMIC IMPACT

Sales (County Estimates)

	2010	2011	% Change		2010	2011	% Change
AURORA	8,105,200	8,819,900	8.8%	JACKSON	12,829,800	14,289,200	11.4%
BEADLE	59,510,100	59,658,200	0.2%	JERAULD	4,125,100	4,471,000	8.4%
BENNETT	5,423,600	6,117,100	12.8%	JONES	8,646,100	8,915,200	3.1%
BON HOMME	12,357,500	13,058,900	5.7%	KINGSBURY	11,487,900	11,705,000	1.9%
BROOKINGS	93,707,200	99,564,900	6.3%	LAKE	40,007,600	41,566,900	3.9%
BROWN	205,362,700	211,568,900	3.0%	LAWRENCE	260,943,600	261,798,700	0.3%
BRULE	21,534,500	23,411,300	8.7%	LINCOLN	38,142,300	40,476,300	6.1%
BUFFALO	6,542,000	6,916,700	5.7%	LYMAN	21,260,900	22,634,600	6.5%
BUTTE	24,674,000	26,855,500	8.8%	MARSHALL	8,506,600	8,890,600	4.5%
CAMPBELL	4,872,700	5,183,300	6.4%	MC COOK	8,858,400	9,082,000	2.5%
CHARLES MIX	24,322,800	26,431,200	8.7%	MC PHERSON	10,462,200	11,643,100	11.3%
CLARK	5,616,800	5,833,100	3.9%	MEADE	62,100,200	61,958,500	-0.2%
CLAY	50,790,300	52,236,900	2.8%	MELLETTE	3,966,200	4,539,800	14.5%
CODINGTON	121,910,000	126,177,700	3.5%	MINER	4,297,400	4,658,700	8.4%
CORSON	3,826,700	3,902,400	2.0%	MINNEHAHA	796,269,100	831,125,900	4.4%
CUSTER	44,830,300	47,378,100	5.7%	MOODY	8,700,400	9,505,400	9.3%
DAVISON	99,943,300	104,722,000	4.8%	PENNINGTON	711,975,300	740,862,100	4.1%
DAY	22,978,300	23,468,700	2.1%	PERKINS	8,021,500	8,669,300	8.1%
DEUEL	8,731,800	9,238,600	5.8%	POTTER	16,070,300	16,877,700	5.0%
DEWEY	6,832,200	7,532,800	10.3%	ROBERTS	38,796,500	39,612,500	2.1%
DOUGLAS	2,518,300	2,852,400	13.3%	SANBORN	3,213,300	3,912,900	21.8%
EDMUNDS	6,716,700	7,522,900	12.0%	SHANNON	21,293,500	22,235,700	4.4%
FALL RIVER	43,015,600	42,203,900	-1.9%	SPINK	13,215,600	12,717,800	-3.8%
FAULK	3,879,800	4,434,800	14.3%	STANLEY	12,121,300	11,761,700	-3.0%
GRANT	21,627,900	21,611,600	-0.1%	SULLY	7,985,200	8,592,700	7.6%
GREGORY	15,717,600	16,303,000	3.7%	TODD	32,260,900	30,931,500	-4.1%
HAAKON	4,575,500	4,878,700	6.6%	TRIPP	15,014,300	15,632,700	4.1%
HAMLIN	14,430,700	14,912,400	3.3%	TURNER	16,216,800	16,979,600	4.7%
HAND	9,000,900	9,631,300	7.0%	UNION	54,727,900	52,527,400	-4.0%
HANSON	2,281,200	2,684,500	17.7%	WALWORTH	35,737,800	37,014,600	3.6%
HARDING	2,721,100	3,100,700	14.0%	YANKTON	91,456,200	92,482,300	1.1%
HUGHES	82,282,800	82,746,400	0.6%	ZIEBACH	542,600	614,300	13.2%
HUTCHINSON	11,396,700	12,805,900	12.4%				
HYDE	2,762,400	3,077,000	11.4%				

SOURCE: IHS GLOBAL INSIGHT

TRAVEL FORECAST

U.S. Travel Forecasts

	2007	2008	2009	2010	2011	2012	2013	2014
Real GDP (\$Billions)*	13,206.4	13,161.9	12,703.1	13,088.0	13,306.1	13,585.4	14,018.9	14,502.9
Unemployment Rate (%)	4.6	5.8	9.6	9.6	9.1	8.9	7.5	6.2
Consumer Price Index (CPI)**	207.3	215.3	214.5	218.1	224.8	230.1	235.0	239.9
Travel Price Index (TPI)**	244.0	257.7	241.5	250.8	267.6	272.9	281.9	290.4
Total Travel Expenditures in U.S. (\$Billions)	738.6	772.9	704.4	758.7	815.2	841.6	877.8	922.0
U.S. Residents	641.3	662.4	610.2	655.2	704.3	725.4	756.3	791.1
International Visitors***	97.4	110.4	94.2	103.5	111.0	116.3	121.5	131.0
Total International Visitors to the U.S. (Millions)	56.0	57.9	55.0	59.8	62.3	64.4	66.6	69.9
Overseas Arrivals to the U.S. (Millions)	23.9	25.3	23.8	26.4	27.9	29.0	30.2	31.6
Total Domestic Person-Trips****(Millions)	2,004.5	1,964.9	1,900.6	1,965.7	2,004.9	2,035.8	2,072.1	2,114.0
Business	494.3	461.1	436.5	451.5	457.9	465.7	473.9	481.3
Leisure	1,510.2	1,503.8	1,464.2	1,514.2	1,547.0	1,570.0	1,598.2	1,632.7

U.S. Travel Forecasts (Growth)

	2007	2008	2009	2010	2011	2012	2013	2014
Real GDP*	1.9%	-0.3%	-3.5%	3.0%	1.7%	2.1%	3.2%	3.5%
Consumer Price Index (CPI)**	2.9%	3.8%	-0.3%	1.6%	3.1%	2.3%	2.1%	2.1%
Travel Price Index (TPI)**	4.5%	5.6%	-6.3%	3.8%	6.7%	2.0%	3.3%	3.0%
Total Travel Expenditures in U.S.	6.1%	4.7%	-8.8%	7.7%	7.5%	3.2%	4.3%	5.0%
U.S. Residents	5.1%	3.3%	-7.9%	7.4%	7.5%	3.0%	4.3%	4.6%
International Visitors***	12.9%	13.5%	-14.6%	10.2%	7.2%	4.7%	4.5%	7.8%
Total International Visitors to the U.S.	9.8%	3.5%	-5.1%	8.8%	4.1%	3.4%	3.5%	4.9%
Overseas Arrivals to the U.S.	10.3%	6.1%	-6.3%	11.0%	5.9%	3.8%	4.3%	4.6%
Total Domestic Person-Trips****	0.2%	-2.0%	-3.3%	3.4%	2.0%	1.5%	1.8%	2.0%
Business	-2.8%	-6.7%	-5.3%	3.4%	1.4%	1.7%	1.8%	1.66%
Leisure	1.2%	-0.4%	-2.6%	3.4%	2.2%	1.5%	1.8%	2.2%

INDUSTRY CALENDAR

January

- 6-10 American Bus Association Marketplace, Grapevine, TX
- 18-19 Governor's Conference on Tourism, Pierre
- 19-22 Kansas City Sports Show, Kansas City, MO

February

- 7-9 Bank Travel Conference, Memphis, TN
- 9-12 Minneapolis Camper and RV Show, Minneapolis, MN
- 10-11 RMI Summit Meetings, South Dakota
- 12-15 RMI Roundup, South Dakota
- 16-20 Post-RMI Roundup FAM tours in SD, MT, WY
- 17-19 Pheasants Forever's Pheasant Fest, Kansas City, MO
- 22-23 NAJ Summit West, Marina Del Ray, CA

March

- 9-18 Daytona Bike Week, Daytona, FL
- 7-19 Spring RMI Mission, Benelux, France, United Kingdom
- 9-23 International Tourism Bourse, Berlin, Germany

April

- 10-11 GOED Conference, Sioux Falls
- 21-25 U.S. Travel Association Pow Wow, Los Angeles, CA
- TBD Domestic media familiarization tour, Eastern South Dakota

May

- 5-13 National Travel & Tourism Week
- 22-24 Active America China, Minneapolis, MN
- 24 Interstate Information Centers Open
- TBD Domestic Tour Operators familiarization tour, SD
- TBD Travel agent familiarization tour, SD
- TBD Japanese Tour Operator Fam Tour, SD

June

- 4-8 Travel Alliance Partners (TAP) Meetings, Shreveport-Bossier, LA
- 15-16 AFCI Locations Trade Show, Los Angeles, CA

July

- 3-4 Independence Day Celebration, Mount Rushmore National Memorial

August

- 21-24 Travel Media Showcase, Sioux Falls
- 26-28 Educational Seminar for Tourism Officials, Boston, MA
- TBD AAA Ohio Fam

September

- 18-25 International and Domestic Journalist Buffalo Roundup Hosting, Western SD
- 24 Buffalo Roundup satellite feed, Custer State Park
- 27-30 South Dakota Film Festival, Aberdeen
- TBD Japanese Mission

October

- 17-20 SoDak Animation Festival
- 19-20 Governor's Invitational Pheasant Hunt, Pierre
- 28 Information Centers close
- TBD MLT University Travel Agent Meetings, Minneapolis, MN
- TBD Marketing Outlook Forum
- TBD Italian Mission/Show
- TBD Reel Dakota Film Festival

November

- 5-8 World Travel Market, London

December

- TBD Active America Japan

January 2013

- 5-9 American Bus Association Annual Marketplace, Charlotte, NC
- 19-23 National Tour Association Annual Convention, Orlando, FL
- 23-24 Governor's Conference on Tourism, Pierre



Department of Tourism

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