



2012

ANNUAL
REPORT

DEPARTMENT OF TOURISM



South Dakota

GREAT FACES. GREAT PLACES.



January 2013

Congratulations on another successful year. As an industry, you continue to be strong when faced with challenges, and you never fail to work hard in order to prosper.

I am always impressed by your innovation and ingenuity. From the Rushmore Mascots developed by the Rapid City CVB, to the new cooperative marketing program between the Department of Tourism and the Sioux Falls CVB, to the unique Rooster Rush promotions across the state this fall, to all of the partnerships that have formed in order to cross sell and cross promote, I applaud your creativity and look forward to seeing what you have up your sleeves over the next year.

I hope 2012 brought you much success, and I wish the best for you in 2013.

Sincerely,

A handwritten signature in black ink that reads "Dennis". The signature is written in a cursive, slightly stylized font.

Governor Dennis Daugaard



Dear Industry Partners,

Wow, where has the last year gone? Over the course of the last 12 months, the Department has launched new creative with *Your American Journey*, entered two new markets, taken the Rushmore Mascots to three cities, increased our social media efforts, hired not one, but two premiere marketing agencies, began marketing in Australia for the first time, and successfully passed legislation to make our half-penny tourism promotion tax a permanent source of funding for co-op efforts.

Through all of that, we know you were right there with us, working hard to ensure the success of your business and the visitor industry as a whole. Now that 2013 is here, let's keep up the momentum. To reiterate the theme from this year's Governor's Conference on Tourism, let's connect with peers this year, collaborate on ideas, and create success for each other.

Thank you 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,

A handwritten signature in black ink that reads "Jim Hagen". The signature is written in a cursive, flowing font.

Jim Hagen, Secretary

DEPARTMENT OF TOURISM

STAFF

Regional Liaisons

The Department of Tourism assigns one staff member to each tourism region, with the understanding that this person acts as a liaison between the Department and their respective region. In addition, this liaison is responsible for attending regional meetings, staying on top of regional projects, and provides a voice for the region within the Department.

BLACK HILLS, BADLANDS & LAKES (BH)

Wanda Goodman | wanda.goodman@travelsd.com

GLACIAL LAKES & PRAIRIES (GLP)

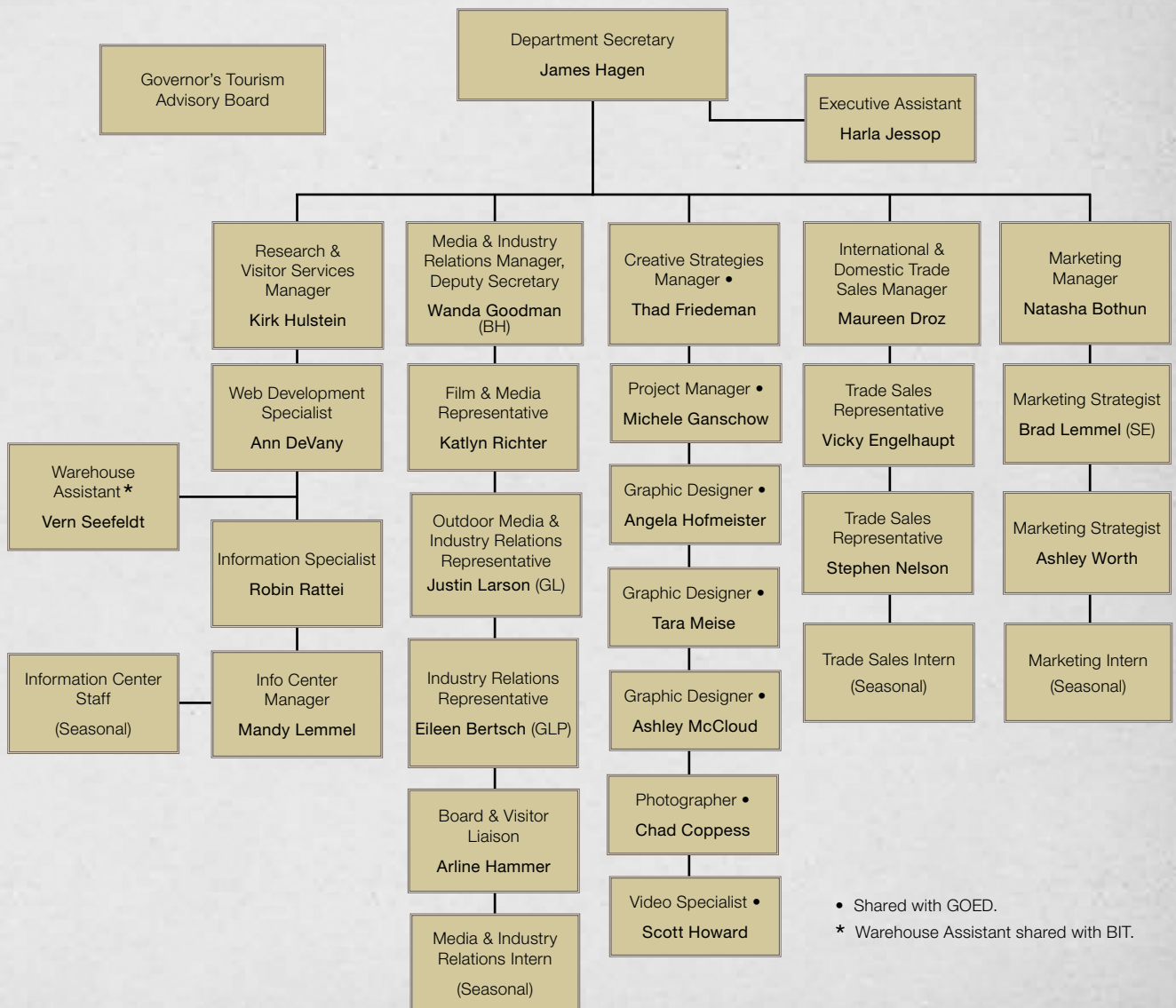
Eileen Bertsch | eileen.bertsch@travelsd.com

GREAT LAKES (GL)

Justin Larson | justin.larson@travelsd.com

SOUTHEAST (SE)

Brad Lemmel | brad.lemmel@travelsd.com



• Shared with GOED.

* Warehouse Assistant shared with BIT.

PEAK SEASON

2012

For the 2012 peak season, a good mix of traditional, digital and guerilla marketing, combined with a large number of cooperative marketing partners, made for a successful peak campaign that reached potential visitors in our key markets.

Markets

In 2012 the Department expanded into two new markets, while encouraging cooperative marketing partners to be aggressive in maintenance markets such as Minneapolis and Omaha. Capitalizing on a library of research, it was clearly evident to the Department that the residents of Des Moines, IA, and Kansas City, MO, had a high propensity to travel to South Dakota, and therefore added them to the target markets for peak season. In addition to these markets, peak season marketing was concentrated in Minneapolis/St. Paul, MN; Omaha, NE; and Eau Claire/La Crosse, WI.

New Creative



In addition to entering two new markets in 2012, the Department drastically changed the look and feel of its messaging. Utilizing 30+ hours of HD aerial footage gathered in August 2011, the Department launched *Your American Journey*, providing a more inspirational look at travel to South Dakota. All marketing elements featured wide, sweeping imagery, elevated copy, and for television, aerial footage and a more dramatic music bed.

Knowing that the "Great Faces. Great Places." jingle had been thoroughly cemented in the audience's minds, the Department decided to launch the new *Your American Journey* theme via an in-state media blitz in Aberdeen, Watertown, Pierre, Rapid City and Sioux Falls.

Campaign Co-op Partnerships

Cooperative marketing partnership communities:

- * Aberdeen
- * Black Hills, Badlands & Lakes Tourism Association
- * Custer
- * Custer State Park
- * Deadwood
- * Rapid City
- * Spearfish
- * Watertown

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

- * Colorado Springs, Denver & Ft. Collins/Greeley, CO
- * Sioux City, IA
- * St. Cloud and Suburban Minneapolis, MN
- * Billings, MT
- * Bismarck, Dickinson, Fargo, Grand Forks & Williston, ND
- * Pierre and Sioux Falls, SD
- * Casper, WY
- * Winnipeg MB, Canada

Free Standing Insert



The peak season FSI featured two creative versions which featured attractions across South Dakota. Each FSI was inserted in the two new markets of Des Moines, IA, and Kansas City, MO. Total FSI impressions reached **3,050,328**.

PEAK SEASON

2012

Digital Engagement Strategy

The 2012 digital marketing strategy utilized a four-pronged approach based on the planning stages of potential visitors. In addition, TravelSD.com underwent a re-skin to match the new creative developed for print and broadcast.

Phase 1: DISCOVERY

These tools were used to reach travelers still in the process of deciding their vacation destination.

- * Pinterest
- * Facebook sponsored stories
- * Orbitz sponsored campaign
- * Travelsmart monthly email
- * Lead Generation campaign
- * Oprah iPad app
- * Banner ad network

Phase 2: SEARCH

These tools aided the Department in reaching visitors who were actively searching for vacation information.

- * Paid banner ads
- * Trip Advisor paid placement
- * Remarketing banner ads
- * PPC campaign
- * eVacation Guide

Phase 3: TRAVEL

While the traveler was on the road, these tools provided further resources and recommendations.

- * Rushmore GeoFeedr Strategy
- * Mobile website
- * South Dakota travel app

Phase 4: POST TRAVEL

Once the visitor returned home, the Department reached out one more time with an email message thanking them for their visit.

2012 Digital Engagement Strategy

Discovery **+25,000 New Leads**

- Pinterest**
-the online "scrapbook" is the perfect place to inspire women
- Snique Away/Groupon Getaway**
-Co-op with a willing partner to test "deals" email
- Orbitz Sponsored Campaign**
- Travelsmart Monthly Email**
- Lead Generation Campaign**
-will generate 25,000 new leads to remain active throughout 2012
- Oprah iPad Ad**
-Three "tappable" content regions to feature: 3D video, interactive map, and click through to TravelSD.com

Search

- 360° Banner Placement**
-Display marketing tied to keyword search dynamically
- Trip Advisor**
-Targeted state content, Travel Adventure page sponsorship, Family Fun page sponsorship, SD page sponsorship, banner ads on SD, ND, CO, WY IA, MN, NE and WI pages
- Remarketing Banner Ads**
-Visitors who don't convert on TravelSD.com will be reminded about their visit with remarketing banner ads

During

- Rushmore GeoFeedr Strategy**
-Responding to visitors thanking them or answering questions from social media posts around Mount Rushmore

Post Travel

- Post Travel VRM Message**
-Welcome visitors home and remind them to share their experience, photos and videos with SD Tourism via social media

Mobile App

Digital Journey Scrapbook

PEAK SEASON

2012

Giant Step Magazine Co-op Program



39 Giant Step partners were included in four-page ads that ran in national and regional magazines: Better Homes & Gardens, Family Circle, Ladies Home Journal and Midwest Living. Two-page partner ads ran in Good Housekeeping, Guideposts and O Magazine.

Total circulation: **15,588,100**

Total impressions: **60,245,910**

Great Getaways Newspaper Insert



64 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 Wisconsin.

Total circulation: **750,518**

Total impressions: **7,575,590**

Social Media

2012 was a year of growth for our social channels, namely in part to advertising campaigns that were implemented on our platforms. The ability to target users by interests, geography, and competing destinations allowed for impressive growth and engagement on our channels.

- * South Dakota Tourism's Facebook page garnered more than **14,600** new followers in 2012.
- * @SouthDakota's Twitter account grew by more than **2,600** in 2012.

Travel Rally Days



National Travel and Tourism Week (NTTW) is an annual tradition for the visitor industry around the country, and in South Dakota. In 2012, the Department increased their involvement by staging two Travel Rally Days, one in Mitchell and one in Rapid City. The goal of the Travel Rally Days was to spread the word to local governments about the importance of the tourism industry, and its impact on the state's economy.

PEAK SEASON

2012

Rushmore Mascots

Coupled with the launch of the new *Your American Journey* creative, the Department wanted to “introduce” itself in its two new markets of Des Moines and Kansas City in a fun and unique way. Taking a cue from the Rapid City CVB, the Department purchased its own set of Rushmore Mascots and used them as the cornerstone of two street team efforts in the spring of 2012.

The overall strategy included informing the public of the mascots’ visits through press releases, inviting the public to enter a prize giveaway, engaging with the public in various high traffic areas in both cities, and educating the public on the travel opportunities in South Dakota.

Social media channels proved valuable for the promotion, engagement, and viral spread of our street team efforts. A beneficial tool utilized to track and report social media engagement was Geofeeder – a precision location-based discovery tool for social media posts. Its ability to track posts not including our keyword tracking expanded our reporting and knowledge for the reach of our campaign.

GOALS

- * Raise the awareness of South Dakota as a vacation destination.
- * Generate leads for future marketing efforts.

RESULTS

- * Kansas City, May 25-29
- * 658 page views on landing page.
- * Rushmore web page traffic up 77.5% over same time period in 2011.
- * 177 total mentions on social media channels.
- * Des Moines, June 6-11
- * 713 page views on landing page.
- * Rushmore web page traffic up 46.4% over same time period in 2011.
- * 130 total mentions on social media channels.

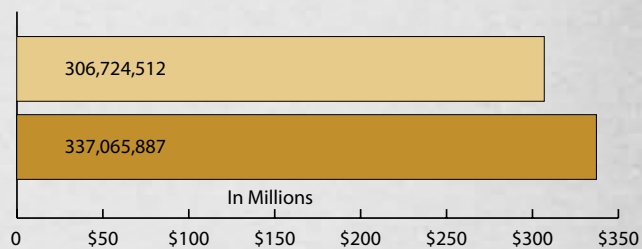
In addition to the street team efforts, the Media & Industry Relations team arranged meetings with media in both cities in the hopes of garnering some earned media attention. As a result, in Kansas City, the local FOX affiliate ran stories of the Rushmore Mascots throughout Memorial Day weekend, and the efforts were also covered on the local NBC affiliate. In Des Moines, the Mascots received exposure on WHO-TV, which is the city’s NBC affiliate and has the largest viewership of all the local Des Moines networks.

Total publicity value for both cities - **\$15,079**



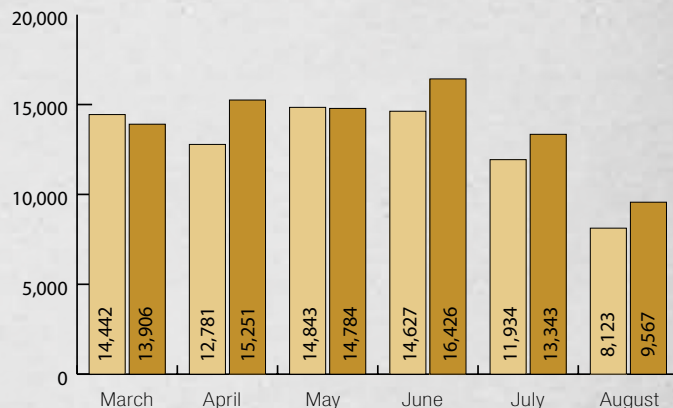
Taxable Sales

2011 2012



Inquiries

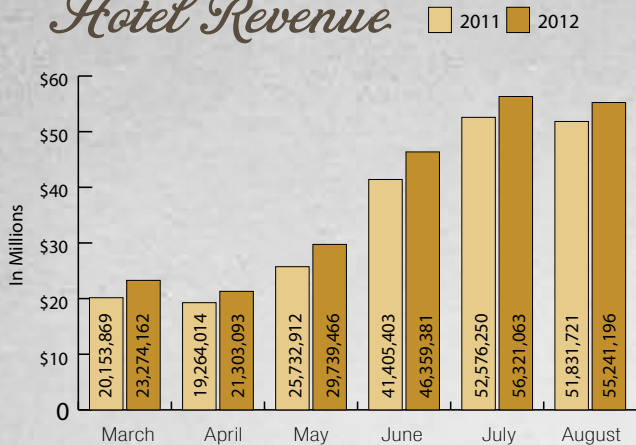
2011 2012



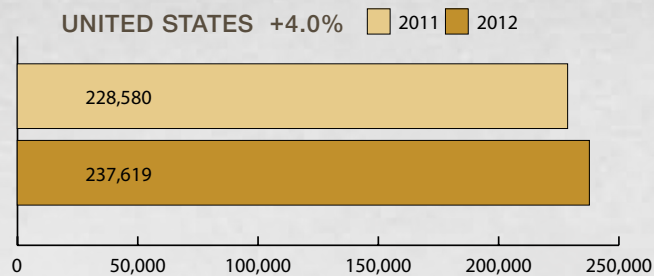
PEAK SEASON

2012

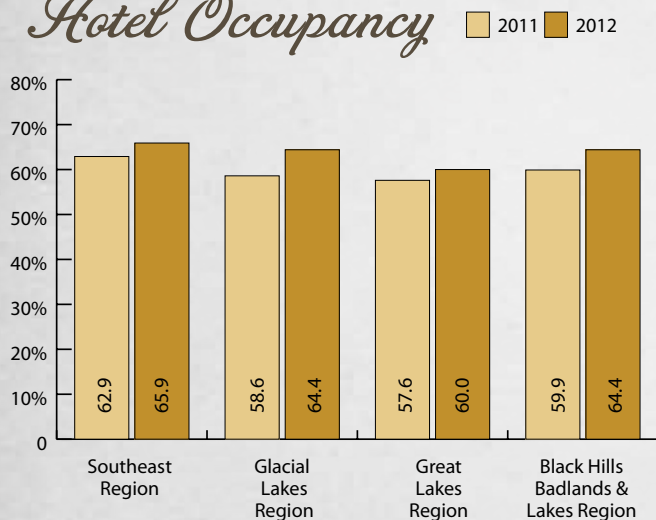
Hotel Revenue



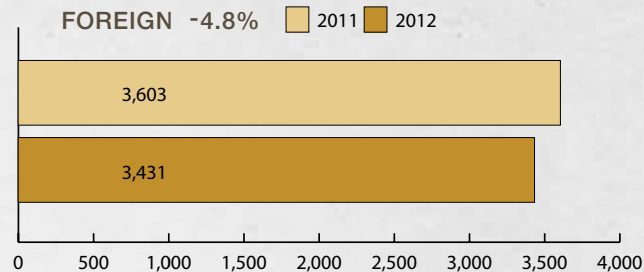
Information Center Car Counts



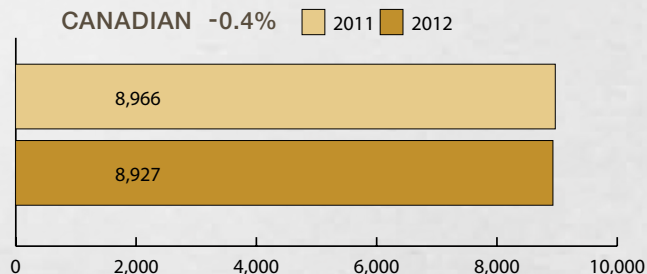
Hotel Occupancy



FOREIGN -4.8%



CANADIAN -0.4%



SHOULDER SEASON

2012

For shoulder season 2012, the Department of Tourism continued to build on the success of the Rooster Rush program and enhanced it with an added Minnesota Twins partnership. The Department also aimed messaging at the Active & Ageless audience through digital marketing, print, cable and network television.

Markets

The 2012 shoulder season campaign focused on markets where we know we will find our hunters and Active & Ageless audience. For the hunter, the Department stayed with a few tried-and-true partnerships, and added some new elements in an attempt to reach even more wing shooters. The media mix included:

- * Ducks Unlimited
- * Quail Forever
- * Fox Sports North
- * MN Vikings sponsorship
- * MN Twins sponsorship and hunt giveaway with Kent Hrbek and Tim Laudner
- * Pheasants Forever sponsorship
- * Digital marketing and hunting emails

Hosting outdoors writers throughout the shoulder hunting season allowed for an even broader reach.

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

- * Des Moines, IA
- * Minneapolis/St. Paul and Rochester, MN
- * Kansas City, MO
- * Omaha, NE
- * Eau Claire/LaCrosse, WI
- * National print publications

Campaign Co-op Partnerships

2012 shoulder cooperative marketing partnerships:

- * Aberdeen
- * Custer State Park
- * Deadwood
- * Huron
- * Rapid City
- * Spearfish
- * Watertown

Giant Step Magazine Co-op program

39 Giant Step partners were included in four-page inserts that ran in national and regional magazines: Better Homes & Gardens, Family Circle, Ladies Home Journal and Midwest Living. Two-page partner ads ran in Good Housekeeping, Guideposts and O Magazine. Circulation: **8,342,400**
Total impressions: **30,565,990**

A LIFETIME OF DEDICATION

Crazy Horse Memorial, in the Black Hills of South Dakota, tells the story of the courageous Lakota warrior and his Native American ancestors. For this ongoing monument carving, the embodiment of one family's dedication to a dream. For over six decades the Ziazkowski family has been blasting and chiseling the monument, a project started in 1948 by their late father, sculptor Korczak Ziolkowski. We have you stand at the base of Crazy Horse monument you'll be awe-struck by its magnitude and moved by the power of family devotion.

Your American Journey begins here, among the Great Faces and Great Places of South Dakota.

1-800-8-DAKOTA | WWW.TRAVELSD.COM

Amberlark
Where you will find the best of both worlds. The perfect place to experience the best of both worlds. Call 800-8-DAKOTA or visit www.TravelSD.com

Historic Hot Springs - The Mammoth Site
Named one of America's "Seven Wonders of Geology" in 2009, the Spring Garden area is a natural wonder. Experience one of the world's greatest fossil records at the world famous Mammoth Site. Call 800-8-DAKOTA or visit www.HotSpringsSD.com

Visit Mitchell... Where Legacy Lives!
Discover the remarkable history of South Dakota through time and space at the Mitchell Museum of American History. Call 800-8-DAKOTA or visit www.MitchellSD.com

Children's Museum of South Dakota
Fun and learning await you at the Children's Museum of South Dakota. Call 800-8-DAKOTA or visit www.ChildrensMuseumSD.com

SHOULDER SEASON

2012

Great Getaways Newspaper Insert

42 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: **633,928**

Total impressions: **1,208,869**



Minnesota Vikings

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 2012 for a fourth time. The partnership included three months of a South Dakota Tourism presence on the Vikings website, radio ads throughout the regular season, exposure on the Vikings Facebook page, print ads and inserts in the Minnesota Vikings Playbook, two 100-foot banners to be displayed above and below the Metrodome press box at every home game, and trademarked logo usage.



SHOULDER SEASON

2012

Minnesota Twins

In addition to a successful partnership with the Minnesota Vikings, the Department of Tourism entered into a partnership with the Minnesota Twins to tell the South Dakota hunting story.

SPONSORSHIP ELEMENTS

Main sponsor of the series with the Cleveland Indians, September 7-9, 2012.

- * Electronic signage throughout the stadium
- * On-field proclamation/presentation at the September 8th game
 - Utilized the Rushmore Mascots and presented Kent Hrbek and Tim Laudner plaques naming them to the "Mount Rushmore of South Dakota Pheasant Hunters"

Kiosk at the September 29th game.

- * Gave away Twins/SD Rooster Rush pull-out banners

Giveaway Hunt with Kent Hrbek and Tim Laudner, provided by R&R Pheasant Hunting in Seneca, S.D.

- * Hunt was for a winner and three friends
- * Included 2 days of hunting at R&R and a shotgun donated by Pheasants Forever

Video promoting the giveaway at all 28 home games in August and September.

- * More than 6,500 unique entries

Online presence on Twins website.

50 in-game radio commercials, voiced by Tim Laudner.

Identification in Twins advertising media placement.

E-mail blast to all registered twins fans promoting our sponsored series and the hunt give-away.



Community Involvement

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 door clings, t-shirts, banners and radio advertisements. The Department provided free welcome posters and options to purchase promotional items at bulk prices.

Integration of Social Media

During the third year of the Facebook "Take Me Hunting" Photo contest, we continued to utilize a customized tab on our Facebook page that was developed in 2011. New to the promotion was the integration of categories under which users were able to submit their photos. At the end of the six-week contest period, the Department awarded a surprise "best of category" winner, honoring six more participants with a prize package.

KEY ENGAGEMENT METRICS

- * 222 photos submitted
- * 1,136 total contest votes
- * 5,218 Facebook tab views
- * 29 custom downloads



**THE LUCKY WINNER
OF THE HUNT GIVEAWAY
WAS EUGENE VOSTAD
OF BIG STONE CITY, S.D.**

SHOULDER SEASON

2012

Digital Marketing

The 2012 digital strategy followed the same four-pronged approach implemented during peak 2012. The 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

Pheasants Forever Partnership

The Department of Tourism has had a strong partnership with Pheasants Forever for many years, and first entered into a season-long agreement in 2010. That partnership was enhanced in 2011, and again in 2012. 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 continue this partnership.

BENEFITS:

- * Advertising and editorial in Pheasants Forever Journal
- * Expanded presence at Pheasant Fest, as a Gold sponsor
- * One-time use of the Pheasants Forever member mailing list
- * Sponsorship of the annual Pheasants Forever Hunting Forecast
- * Sponsorship of the Rooster Road Trip
- * Banner ad on Pheasants Forever website
- * Use of the Pheasants Forever logo in advertising, website, collateral and products

Pheasant Fest

One of the main benefits of the partnership with Pheasants Forever was an expanded presence at their annual Pheasant Fest outdoor show. The Department of Tourism worked with Pheasants Forever to develop a first-ever "South Dakota Pavilion," that included South Dakota-only businesses and organizations. The Pavilion included 12 partners from across central and eastern South Dakota.

In addition, the Department gained added exposure during the annual dog parade by providing blaze orange Rooster Rush branded bandanas that each of the 100+ dogs wore throughout the parade.



SHOULDER SEASON

2012

Hunting Creative Analysis

To prepare for the 2012 shoulder season campaign, South Dakota Tourism sent out a Hunting Creative Survey on February 23, 2012, to hunting enthusiasts and panelists (MN, WI, Quad Cities, Kansas City, CO). The goal of this survey was to test South Dakota hunting creative against competitor ads to discover what inspires our target hunters. We asked questions like: "Which ad inspires you most to want to go hunting?" and "Which ad best depicts what hunting all about?"

Approximately 33,000 emails were sent out; 2,826 surveys were completed in a 2-week period. Of these respondents, 77% indicated that they have an interest in pheasant hunting.

With the results of the hunting creative analysis, we then created another survey and sent it to hunting enthusiasts and panelists on April 2, 2012. The goal of this survey was to test what ads our hunters remembered and what ads made our hunters want to pheasant hunt in South Dakota.

Approximately 2,200 surveys were completed in one week's time. Results from this survey provided SDT with a large amount of quantitative data that will influence future hunting advertising decisions.

Hunting Campaign

In 2012, we again partnered with GF&P to establish a CRM hunting campaign that kept our message in front of the hunting audience. Eight emails were sent between August and January that talked about our pheasant outlook, Twins giveaway, hunting tips and more...

Paid Search is a crucial element to any digital campaign and this year we expanded our reach to a national audience. During the months of August – September we targeted general pheasant hunting terms in SD, ND, IA, NE, MN, WI and KS. These terms were also rotated between each of our partners which included Watertown, Huron and Aberdeen. For our national segment, we focused on more SD specific terms which allowed us to optimize our reach.

SHOULDER SEASON

2012

Macy's Thanksgiving Day Parade®

In November, the Department entered its third year of partnering with Macy's on a float in the Macy's Thanksgiving Day Parade®. The float, titled 'Mount Rushmore's American Pride,' made its way through the streets of New York City in front of millions of spectators, both live and watching on television.



Leading up to the parade, the Department took the Mount Rushmore mascots to New York for the second year. The mascots participated in Macy's Family Fun Day, and appeared at several iconic New York locations, interacting with thousands of New Yorkers and travelers from around the world. The mascots promoted a vacation giveaway while in New York, and encouraged people to engage with the Department through Facebook and Twitter.



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

RESULTS

Promotion period: Nov. 17-30

Giveaway entries: 929

Parade audience: 53.5 million

- * Live spectators: 3.5 million
- * NBC viewers: 45 million (with second broadcast)
- * CBS viewers: 5 million

Contest landing page on TravelSD.com:

- * 1,312 page views throughout the promotion period.
- * The top two web traffic days were the Monday and Tuesday while the mascots were out and about in New York City.

Social media: Nov. 16-26

- * Facebook total reach: 279,079
28,814 engagements (items clicked)
- * Twitter potential reach: 147,200
212 followers added

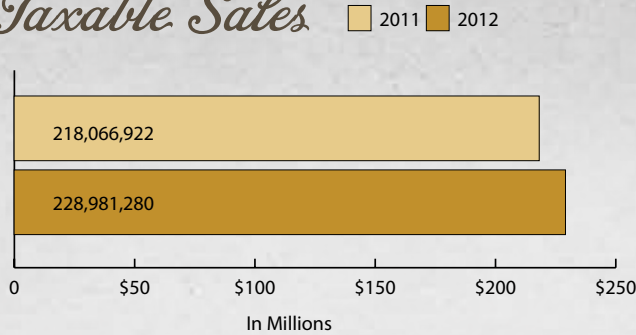
Earned media: Direct and Indirect

- * Impressions: 87,929,803
- * Media value: \$366,025.84

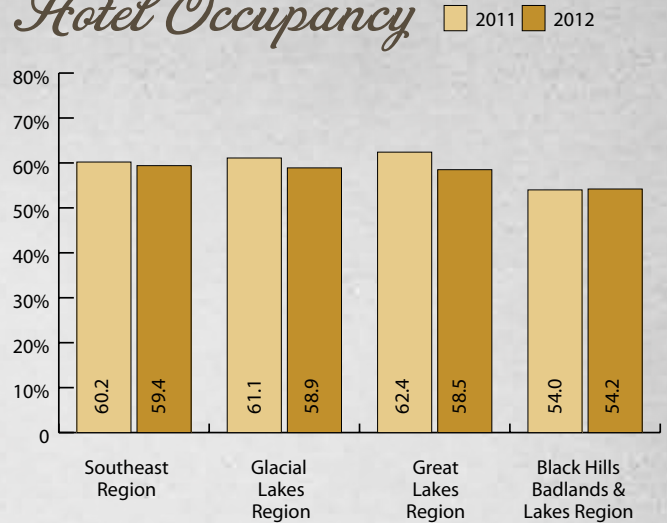
SHOULDER SEASON

2012

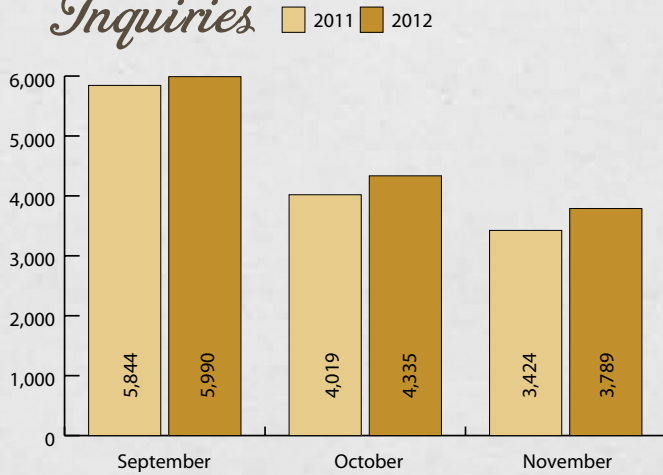
Taxable Sales



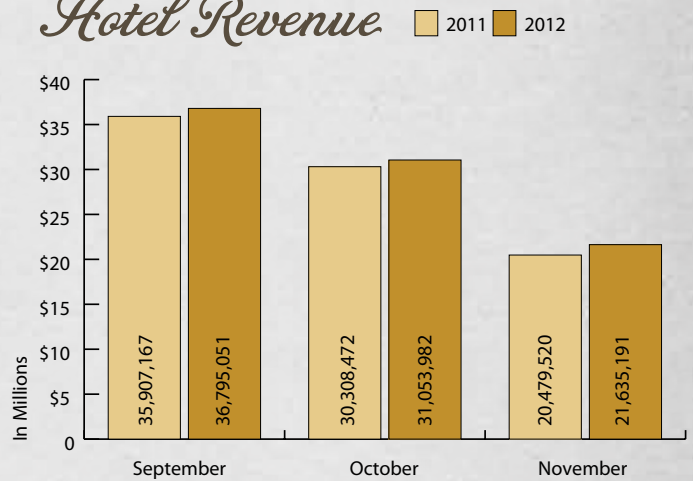
Hotel Occupancy



Inquiries



Hotel Revenue



WINTER SEASON

2012

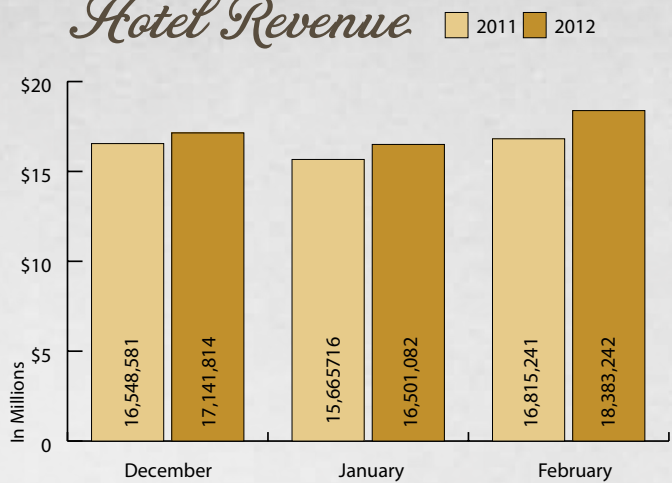
During the 2011-2012 winter season the Department of Tourism continued its successful partnership with Deadwood to promote winter getaways.

Winter Season Strategy

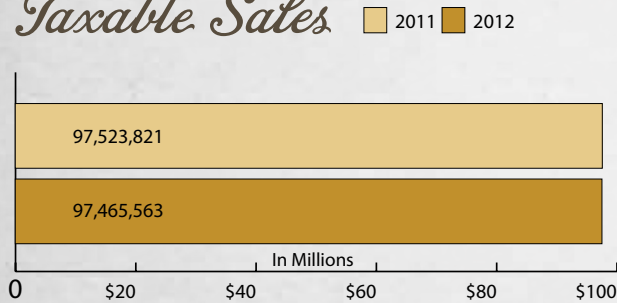
The Department of Tourism partnered with Deadwood during the 2011-'12 winter season to promote winter getaways and outdoor adventure opportunities. Elements of the marketing strategy included newspaper ads in Bismarck, Dickinson and Williston, ND; Sioux Falls, SD; and Gillette, WY. The strategy also included cable television in each of those markets, along with a sponsorship with the University of Wyoming football team.

In addition to a partnership with Deadwood, Visit Spearfish co-oped with the Department to run radio spots in Pierre and Sioux Falls, and develop an online presence through static and online video banners.

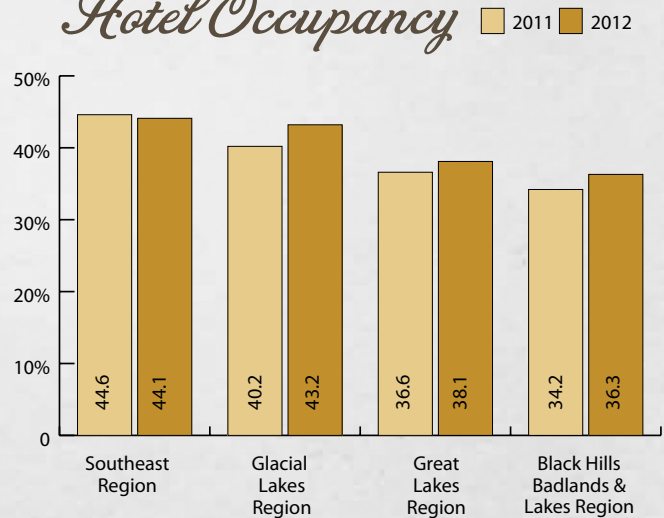
Hotel Revenue



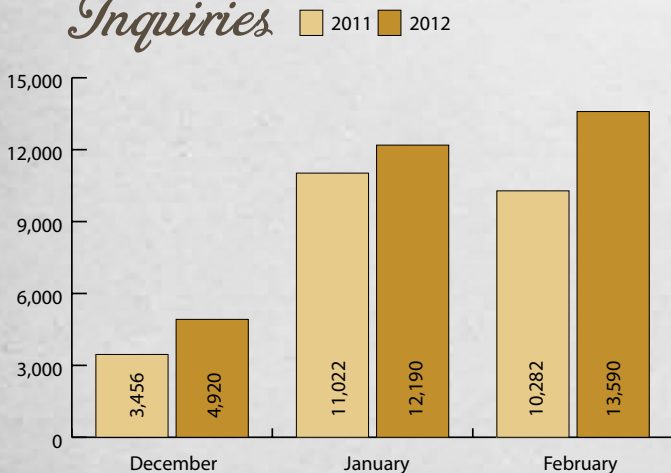
Taxable Sales



Hotel Occupancy



Inquiries



INTERNATIONAL MARKETING AND TRAVEL TRADE

2012

International Marketing

The last few years have seen much growth and progress in promoting the country in international markets. A new entity was born in 2010, called Brand USA, with the sole mission of encouraging increased international visitation to the United States, and to grow America's share of the global travel market.

With the birth of Brand USA, in 2012 the Department was able to ramp up marketing and promotional efforts on the international stage. Utilizing a partnership with Brand USA, the Department secured the front cover of Brand USA's new magazine, Essentially America. In addition to the cover, South Dakota received a 6-page editorial and placed a co-op ad. The magazine was distributed to more than 200,000 households in the United Kingdom in early December.

With its Rocky Mountain International (RMI) partner states, the Department also began marketing in Australia and New Zealand for the first time in 2012. South Dakota's message was received very well, and tours are already being booked to South Dakota from these new markets.

Trip Report, RMI States

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

In the four Rocky Mountain International states, we saw an increase of 210,635 room nights offered in the region. This is an overall increase of 7% for the region in 2011-2012.

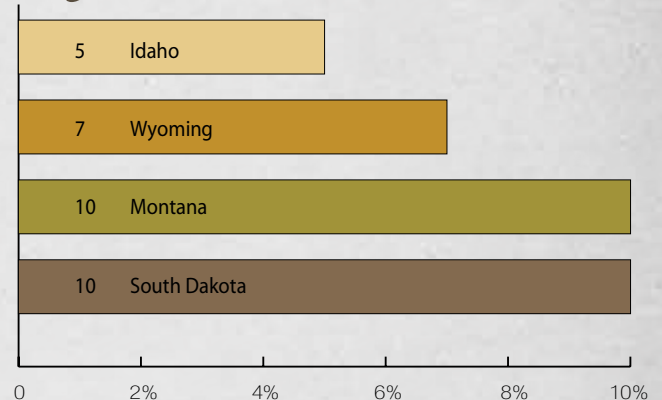
Trip Report Summary and Analysis

Total overnights offered by South Dakota tour operators increased by 48,541, or 10%. The United Kingdom market saw a large increase in room nights offered during 2011-2012.

SD overnights offered by Tour Markets

MARKET	2010-11	2011-12	PERCENTAGE
Benelux	83,535	90,340	8%
France	57,945	62,115	7%
Germany	103,207	91,425	-11%
Italy	127,062	140,339	10%
UK	122,298	158,369	29%
TOTAL	494,047	542,588	10%

% Growth of Product



INTERNATIONAL MARKETING AND TRAVEL TRADE

2012

Travel Professionals

The Travel Professionals Facebook Page saw a large increase in 2012, primarily due to the use of e-blasts asking travel trade professionals to like the page.

November 2011 – **175** likes
December 2012 – **531** likes

The Trade Sales e-newsletter also saw a large increase in subscribers in 2012, primarily due to adding contacts from the various trade shows and FAM tours attended throughout the year.

October 2011 – **311** subscribers
December 2012 – **5,440** subscribers

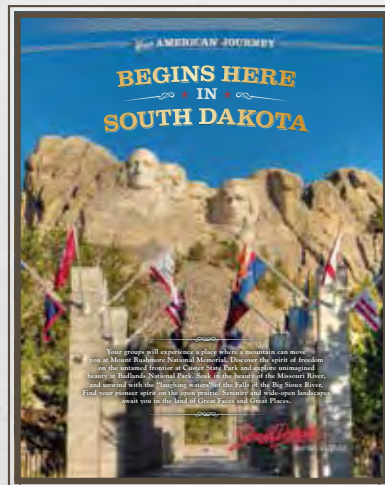
GROUP TOUR CO-OP FY13

18 South Dakota partners.
5,200 mailed to tour operators.
Inserted in six Trade Magazines.

- * Courier
- * Destinations
- * Bank Travel
- * Leisure Group Travel
- * Bus Tours Mag.
- * Groups Today

GROUP TOUR PLANNER 2013-14

4,000 copies for tradeshow follow-ups, shows, and requests.



Motorcoach Visitations

19,122: Number of people on group tour buses that stopped at one of South Dakota's Interstate Information Centers. These visitors represented 37 states and 18 countries.

12.6% of tour bus passengers were international visitors. Group tour visitors spent a total of 6,103 days in South Dakota.

FY12 Earned Media

DOMESTIC & CANADA

Advertising Value \$2.86 Million

Increase over FY11 180%

Audience 384 Million

INTERNATIONAL

Advertising Value \$10.6 Million

Increase over FY11 47%

Audience 71.9 Million

HONORS & HIGHLIGHTS

2012

In 2012 the Department of Tourism was honored to receive a few awards and was included in some “best of” lists. Here’s a sampling:

Awards



PRSA Bronze Anvil Award

Awarded for the 2011 Rushmore Mascots efforts in New York City.

District ADDY Award and Special Judges Award

Awarded for the 2011 Rushmore Mascots efforts in New York City.

HOW Magazine In-Howse Design Award – Best of Show

Went to Ashley McCloud for her 2011 Buffalo Roundup invitation design.



Mentions

The Today Show

Peter Norbeck Scenic Byway listed as one of the best places to see fall foliage. This mention alone garnered 4.1 million impressions and carries a media value of \$400,000.

Country Magazine

Okaton was named one of the Spookiest Ghost Towns in the country.

Chicago Tribune

The Tribune editorial board booed South Dakota for being chosen one of America’s most beloved states, so Secretary Hagen crafted a response that told them why South Dakota deserved the honor, and invited them to visit the state. The paper posted Jim’s op-ed, which was seen by 500,000 print subscribers.

Jay Leno

Jay light-heartedly poked fun at South Dakota as a travel destination, but mentioned us with the likes of Florida and Michigan to a television audience of 1.3 million households.

Filming Highlights

Film projects both large and small were numerous in South Dakota this year. South Dakota hosts filmmakers from across the world and is fortunate to have a system of South Dakotans doing work in their home state. From independent features and documentaries, to television shoots, commercials and feature films, South Dakota was on the map for filmmaking. A few highlights from the year include:

Dust of War – independent feature film

The Buffalo King – independent documentary

“Nebraska” – feature film partially shot in South Dakota

Pawn Stars & American Pickers – History Channel TV series

Born to Explore – ABC TV series

RESEARCH

2012

Interests Analysis

As part of ongoing research of the South Dakota Tourism Visitor Panels, an Interests Survey was sent to panelists in the Minneapolis and Wisconsin DMAs on December 19, 2011. Between December 19 and December 30, 387 surveys were completed. Of the respondents, approximately 64% were from Minnesota, while the remaining 36% were from Wisconsin.

The goal of this survey was to find out the typical South Dakota visitor's "Top 10 Favorites in South Dakota." Panelists answered questions from a variety of categories including: History and Culture, Grown-up Getaways, National Parks and Natural Wonders, Outdoor Adventures, Winter Recreation, and Events and Entertainment.

KEY FINDINGS – RANKINGS OUT OF 5

TOP 5 INTERESTS

- * National & State Parks: 4.53
- * Pleasure Driving & Sightseeing: 4.45
- * Birding and Wildlife Viewing: 4.05
- * Western Heritage: 3.75
- * Outdoor Photography: 3.65

BOTTOM 5 INTERESTS

- * Horseback Riding: 2.39
- * Casino Gaming: 2.39
- * Ice Fishing: 2.08
- * Mountain Biking/Bicycling: 2.03
- * Geocaching: 2.00



Information Center Intercept Survey

Over a 10 day period in July, 6,500 surveys were distributed at 12 South Dakota Interstate Information Centers. 1,540 travelers completed this survey with 830 respondents labeled as "in-target," meaning they fell within the Department of Tourism's target markets of Canada, Colorado, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, South Dakota, Wisconsin and Wyoming. South Dakota residents made up 106 respondents.

FINDINGS

SD was final vacation destination – 63.5%

Total vacation days – 8.6

Vacation days in SD – 4.1

Previously been to SD – 77%

Years between visits – 6 years

Most "common" traveler – Female age 35-54

Travel party size – 3.3 people

Use of Wi-Fi while on vacation – 63%

Mobile device to access Internet while on vacation – 61.6%

Used a SD vacation guide while traveling – 40.1%
49.5% of those using a guide obtained one after arriving.

Spending per day, per party - \$181.43

Top non-SD destinations – Yellowstone National Park, Minnesota, Glacier National Park.

Top activities travelers liked to do while on vacation – Scenic drives, visit local attractions and events, and visit national and state parks.

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

RESEARCH

2012

Top States by Web Volume

STATE	2011	2012	%CHANGE
South Dakota	177,440	220,125	24.1%
Minnesota	162,007	182,912	12.9%
Illinois	78,619	100,994	28.5%
Wisconsin	77,343	91,884	18.8%
California	69,885	78,678	12.6%
Iowa	60,814	75,865	24.7%
Colorado	71,019	74,020	4.2%
Texas	64,035	71,488	11.6%
Nebraska	49,955	68,203	36.5%
Missouri	38,532	54,701	42.0%

Web Volume

	2011	2012	%CHANGE
Visitors	1,496,714	1,804,674	20.6%
Unique Visitor	1,138,608	1,348,748	18.5%
Page Views	7,288,453	7,708,970	5.8%
Pages per Visit	4.87	4.27	-12.3%
Time on Site	0:04:16	0:03:45	-12.1%

Email Results

EMAIL NAME	SENDS	UNIQUE OPENS	OPEN RATE	UNIQUE CLICKS	CLICK RATE
Travelsmart	6,227,175	809,814	13.6%	125,391	2.1%
eFYI	23,475	4,762	22.0%	855	3.9%
Travel Professionals	68,971	10,711	17.3%	894	1.4%
Hunting Campaign	219,666	66,574	30.7%	14,133	6.5%
CRM*	626,273	108,624	18.3%	23,017	3.9%
Events	120,612	23,305	19.5%	3,940	3.3%
TOTALS	7,286,172	1,023,790	14.7%	168,230	2.4%

*Customer Relationship Management

Research Panels

South Dakota Tourism continues to use its five online research panels consisting of panelists from Minnesota, Wisconsin, Kansas City, Des Moines/Quad Cities and Colorado for multiple surveys. Here is one example of the survey conducted and a few key findings...

GAS PRICE ANALYSIS

* On March 12, 2012, the Department of Tourism sent out a Gas Prices Survey to all panelists. The goal of this survey was to answer questions like: "How concerned are 'South Dakota visitors' about increasing gas prices?" "How might increasing gas prices affect their travel plans?" And, "At what cost/gallon will they cancel plans?" Approximately 2,600 emails were sent out; 718 surveys were completed in a 10-day period.

KEY FINDINGS

- * Overall, panelists are definitely concerned with increasing gas prices
- * Only 5.9% of respondents chose Not Very Concerned or Not Concerned At All
- * Still though, almost 60% of respondents have plans for at least one summer vacation

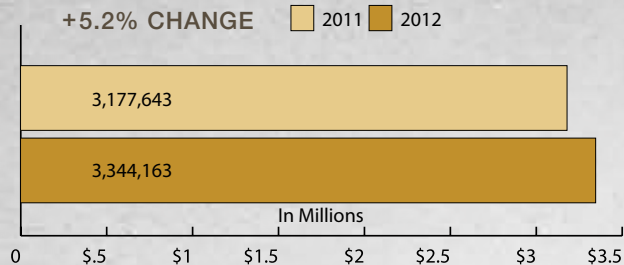
WAYS PANELISTS MAY ALTER PLANS BECAUSE OF HIGH GAS PRICES

- * Look for discounts
- * Vacation closer to home
- * Take fewer trips
- * 9.2% of respondents will travel regardless of gas prices
- * 35.4% said \$4.00/gallon would significantly change or cancel their plans

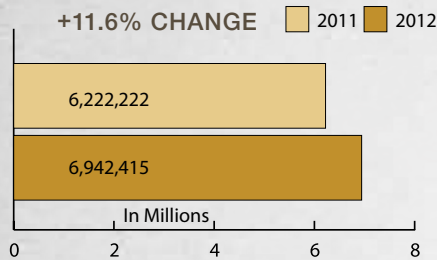
RESEARCH

2012

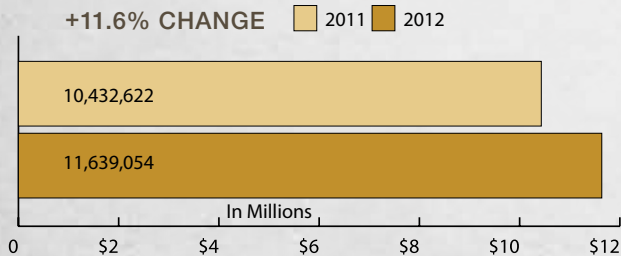
National Parks Visitation



State Parks Visitation



State Parks Revenue



Web Traffic by Country

COUNTRY	2011 VISITORS	2012 VISITORS	% CHANGE
United States	1,374,098	1,669,458	21.5%
Canada	47,574	50,678	6.5%
United Kingdom	13,630	14,875	9.1%
Germany	6,451	7,293	13.1%
Australia	4,341	5,847	34.7%
France	3,627	4,318	19.1%
Italy	3,995	3,942	-1.3%
India	2,546	3,484	36.8%
Netherlands	2,463	2,547	3.4%
Brazil	1,217	2,207	81.3%

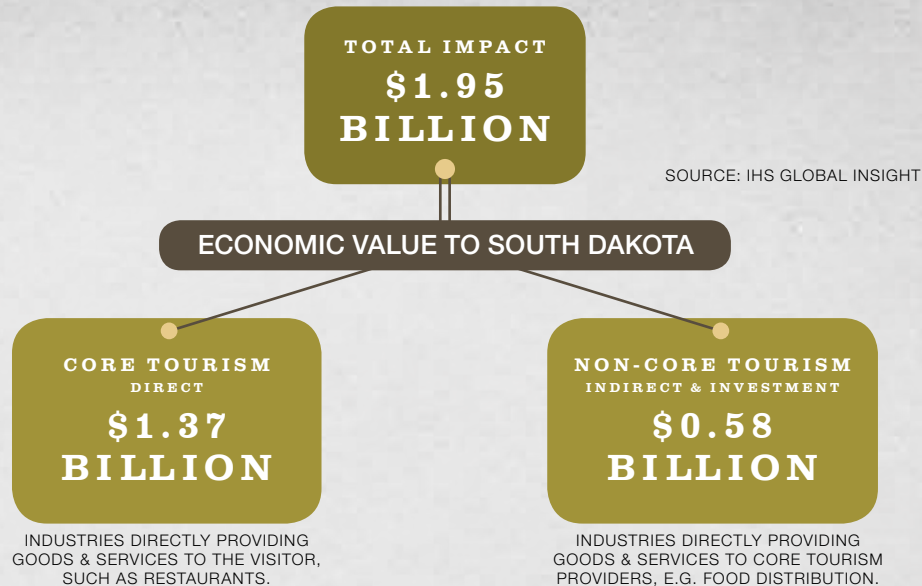
Web Traffic by Month

STATE	2011	2012	%CHANGE
December	49,510	63,201	27.7%
January	75,706	94,807	25.2%
February	79,217	103,314	30.4%
March	97,982	109,673	11.9%
April	103,533	116,046	12.1%
May	143,378	158,738	10.7%
June	138,854	179,693	29.4%
July	137,460	195,852	42.5%
August	137,331	143,802	4.7%
September	126,551	115,117	-9.0%
October	93,452	89,976	-3.7%
November	73,085	82,481	12.9%

RETURN ON INVESTMENT

2012

South Dakota Travel Industry Direct Impact



2012 Visitor Spending in South Dakota

In 2012, International visitor spending increased by 3% for a total of \$334 million or 8.3% of the total spend for the State.

BY ORIGIN	\$ MILLIONS	SHARE
In State	1,192	30%
Other U.S.	2,510	62%
International	334	8%
TOTAL	4,036	100%

Value for South Dakota

Tourism-related activity generated **19%** of all state and local tax revenue in 2012, or **\$291** million.

The travel and tourism industry supported more than **27,000** jobs in 2012, which means 1 out of 11 jobs in South Dakota depends on travel and tourism.

\$878: The additional amount of taxes each S.D. household would have to pay if tourism didn't exist.

SOURCE: IHS GLOBAL INSIGHT

ECONOMIC IMPACT

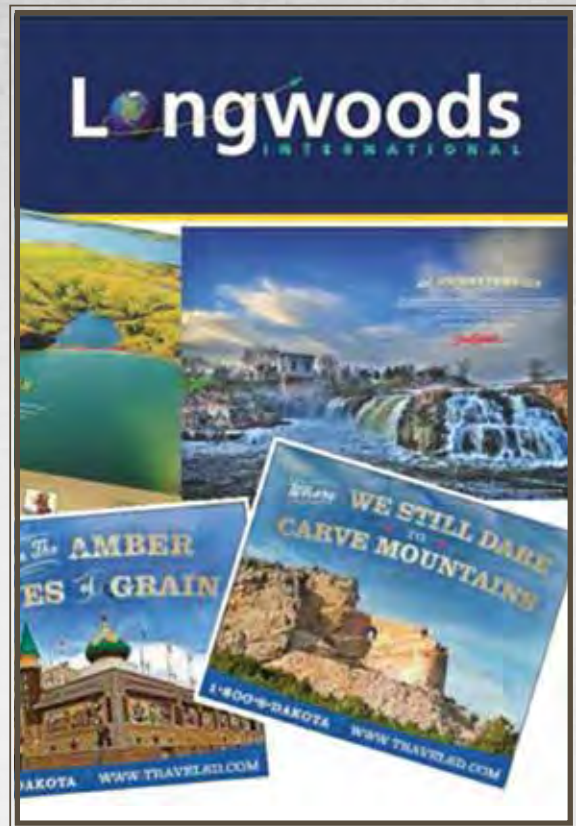
2012

Longwoods International

In an effort to analyze the effectiveness of our marketing, the South Dakota Department of Tourism partnered with Longwoods International, a respected leader in marketing and advertising research. The goal of the research was to measure both the awareness of the advertising and determine the bottom line return of that investment. This study measured the 2012 *Your American Journey* campaign in the markets of MO, MN, IA, WI, NE, IL, CO, ND, MT and WY.

KEY FINDINGS

- * 54% of all respondents were aware of at least one of South Dakota Tourism's ads.
- * Among those who saw South Dakota ads in several types of media, ad recall was highest for print ads (40%), followed by TV ads (35%). Among those who only saw ads in one medium, print ads also had the highest recall (9%), followed by TV (8%).
- * The campaign generated 1 million incremental trips that would not otherwise have taken place, which brought \$127 million in incremental visitor spending and \$9.7 million in state and local taxes. It cost \$1.75 in advertising to generate each incremental trip.
- * Every \$1 invested in the South Dakota ad campaign generated \$69 in visitor spending and \$5 in state/local tax revenue for the benefit of South Dakota residents.
- * In addition to the short-term impacts, we estimate that the advertising has influenced the planning of a further 1.4 million trips to South Dakota in 2013. Although not all of these trips will happen, we expect that a sizeable proportion will convert, adding significantly to the return on South Dakota's investment in tourism marketing.



For every **\$1** spent on marketing, South Dakota receives **\$5** back in tax revenues.

SOURCE: LONGWOODS INTERNATIONAL

INDUSTRY CALENDAR

2013

January

- 5-9** American Bus Association Marketplace, Charlotte, NC
- 10-21** Scandinavian Mission, Norway and Finland
- 16-17** Governor's Conference on Tourism, Pierre
- 19-23** National Tour Association Conference, Orlando, FL
- 26-27** Travel & Adventure Show, Chicago, IL
- 28-31** Go West Summit, Ft. Worth, TX

February

- 5-7** Bank Travel Conference, Virginia Beach, VA
- 7-10** RV, Vacation and Camping Show, Minneapolis, MN
- 15-17** Pheasants Forever's Pheasant Fest, Minneapolis, MN
- 13-14** NAJ Summit West, Marina Del Ray, CA
- 27-3/3** Heritage Club Peer Group Conference, Rapid City, SD

March

- 6-10** Milwaukee Journal Sentinel Sport Show, Milwaukee, WI
- 8-17** Daytona Bike Week, Daytona, FL
- 6-10** International Tourism Bourse, Berlin, Germany
- 7-19** Spring RMI Mission, France
- 21-24** Northwest Sports Show, Minneapolis, MN
- 26-28** Active America China, Philadelphia, PA

April

- 8-9** RMI Summit Meeting, Boise, ID
- 9-12** RMI Roundup, Boise, ID
- 16-17** GOED Conference, Sioux Falls

May

- 1-8** Group Tour FAM tour
- 4-12** National Travel & Tourism Week
- 13-16** FAM for family writers and bloggers
- 13-17** Japanese media FAM
- 17** Interstate Information Centers Open
- 23-6/7** Mascots Bus Tour, Midwest

June

- 2-6** Travel Alliance Partners (TAP) Meetings, Norfolk, VA
- 8-12** U.S. Travel Association Pow Wow, Las Vegas, NV
- 28-29** AFCI Locations Trade Show, Santa Monica, CA

July

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

August

- 18-20** Educational Seminar for Tourism Officials (ESTO), Richmond, VA
- 20-23** Travel Media Showcase, Rockford, IL

September

- 13-17** RMI Megafam
- 22-29** International and Domestic Journalist Buffalo Roundup FAM, Western SD
- 27** Buffalo Roundup, Custer State Park
- 28-30** MLT University Travel Agent Meetings, Minneapolis, MN
- 30** Canadian Travel Show, Toronto
- 30-10/11** Australia/NZ Mission
- TBD** Japanese Mission

October

- 2** Canadian Traveller Show, Calgary
- 17-19** TTG Show, Italy
- 25-26** Governor's Invitational Pheasant Hunt, Pierre
- 28** Information Centers close
- TBD** Japanese Tour Operator FAM

November

- 4-7** World Travel Market, London

January 2014

- 17-21** American Bus Association Annual Marketplace, Nashville, TN
- 23-24** Governor's Conference on Tourism, Pierre



DEPARTMENT OF TOURISM

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Travel Packet: 1-800-S-DAKOTA (1-800-732-5682)