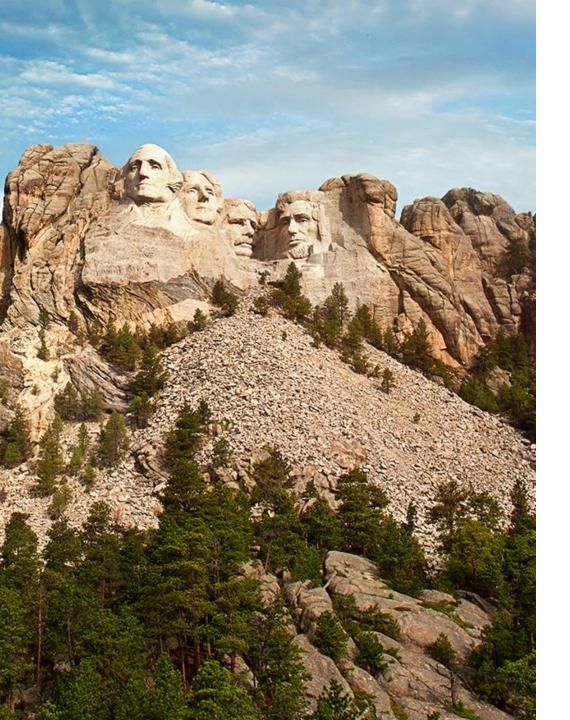


WHAT WE'LL COVER

- SBA and new relief programs
- Research on visitor sentiment and travelers' thought processes from Destination Analysts
- Up-to-date statistics from Smith Travel Research
- Marketing and public relations updates
- Q&A
- National Travel and Tourism Week
- Governor Noem's "Getting Back To Normal Plan"





OPENING REMARKS

- Unprecedented time in history
- Tough times
- When to open
- Protocols for opening safely
- Governor Noem's "Back To Normal Plan"



SPECIAL GUESTS



President & CEO

DESTINATION ANALYSTS



Jaime Wood

District Director

U.S. SMALL BUSINESS ADMINISTRATION



Kelsey Waite
Business Development Executive
DESTINATIONS - STR





U.S. Small Business Administration

NEW FEDERAL RELIEF PROGRAMS

Jaime Wood, U.S. Small Business Administration

SIOUX FALLS OFFICE

2329 North Career Avenue Suite 105 Sioux Falls, SD 57107 Phone: 605-330-4243

jaime.wood@sba.gov

RAPID CITY OFFICE

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SPECIAL GUESTS



Kelsey Waite
Business Development Executive
DESTINATIONS - STR



Erin Francis-Cummings
President & CEO
DESTINATION ANALYSTS



Jaime Wood

District Director

U.S. SMALL BUSINESS ADMINISTRATION





IMPORTANT

The data and findings presented here are from our **independent research**, which is unique in that it is not sponsored, conducted or influenced by any advertising or marketing agency. This means that you can trust that it is not serving any agenda other than to provide you **reliable information** upon which to base decisions for your organization's or tourism community's future.

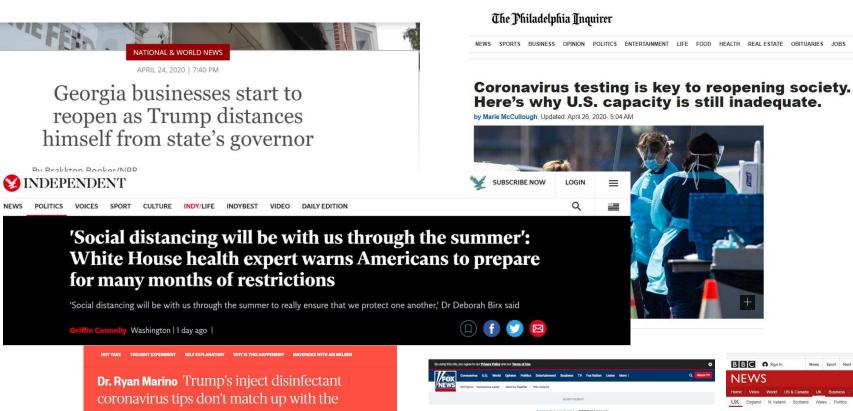
Project Overview & Methodology

- Weekly tracking survey of a representative sample of adult American travelers in each of four U.S. regions
- Designed to track traveler sentiment and generate insights into when tourism businesses can expect demand to return and from whom
- Week 7 data (fielded April 24th-26th) will be presented today
- 1,208 fully completed surveys collected each wave
- Confidence interval of +/- 2.8%
- Data is weighted to reflect the actual population of each region

Map of U.S. Showing Survey Regions







science







Tweet

ENOUGH! This was TODAY on a four hour flight. This is not okay. Masks must be mandated by DOT/HHS in airports and on airplanes. Essential travel only, with proper PPE. #COVID19



Tweet your reply

What do we most want?

Happiness

Money

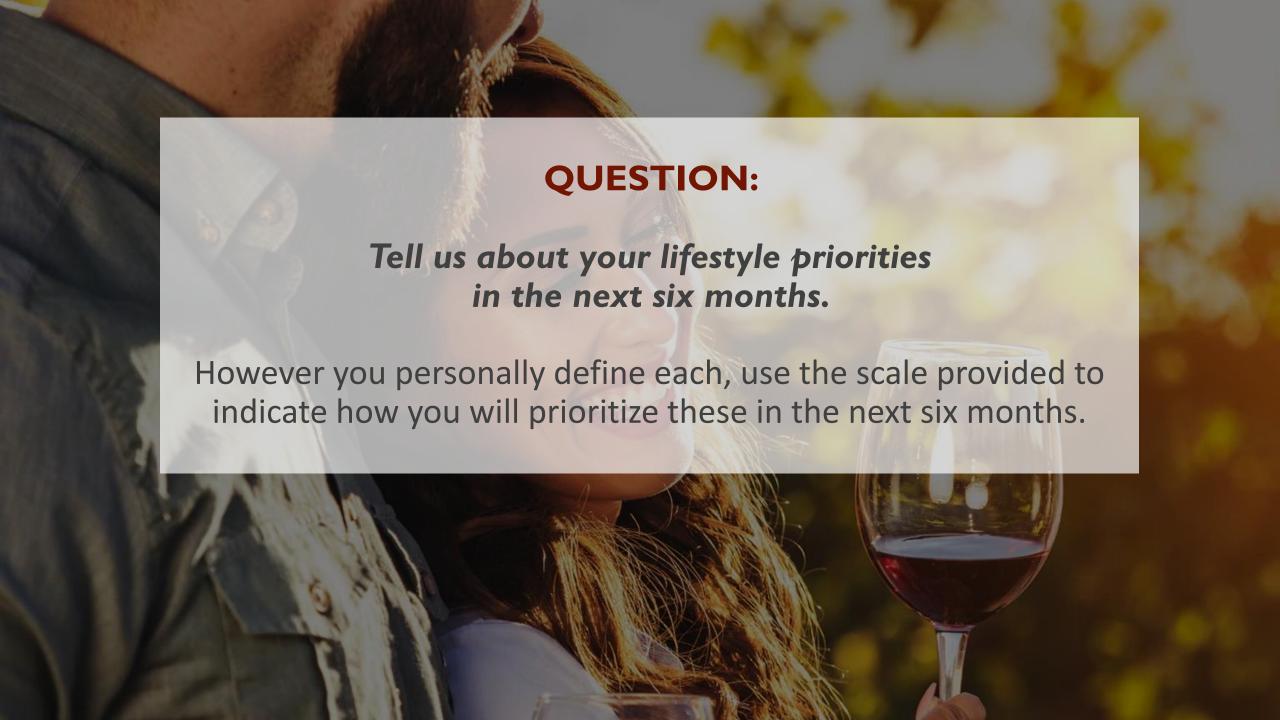
Friendship

Love

Safety

Escape





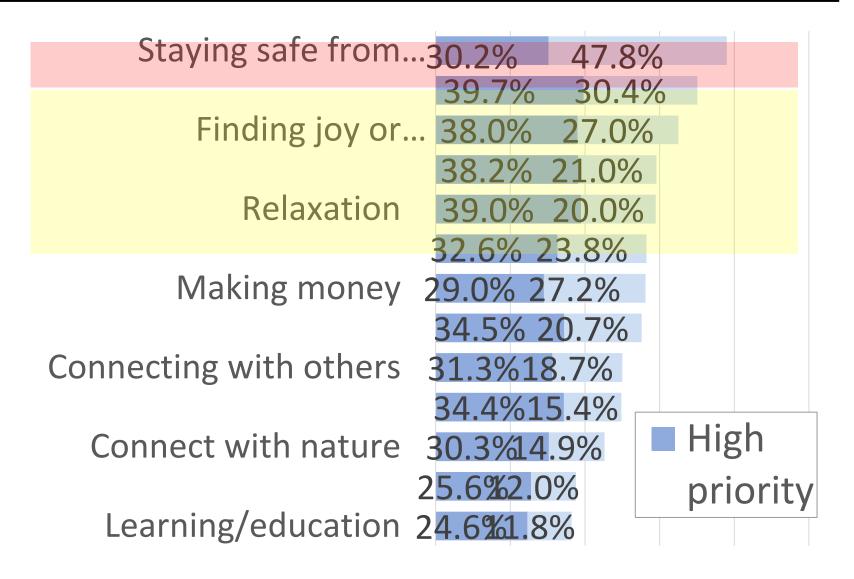
- O Essential priority
- O High priority
- O Medium priority
- O Low priority
- O Not a priority

Traveler Priorities

Question: Tell us about your lifestyle priorities in the next six months.

However you personally define each, use the scale provided to indicate how you will prioritize these in the next SIX (6) MONTHS.]

(Base: All respondents, 1,208 completed surveys. Data collected April 24-26, 2020)

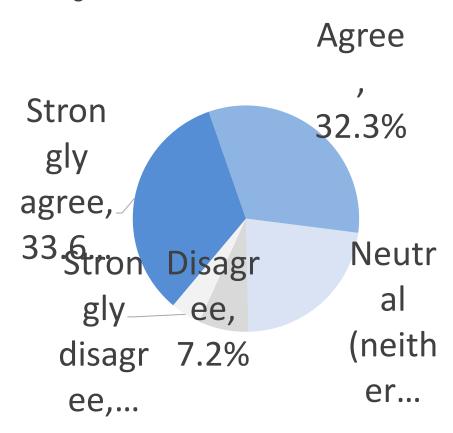


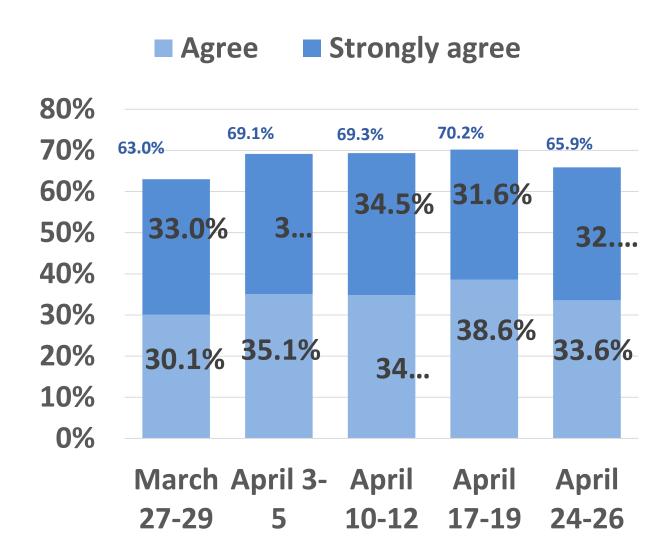


Excitement to Get Back to Travel

How much do you agree with the following statement?

Question: I miss traveling. I can't wait to get out and travel again.







Question: What ONE WORD best describes how you feel about travel right now?

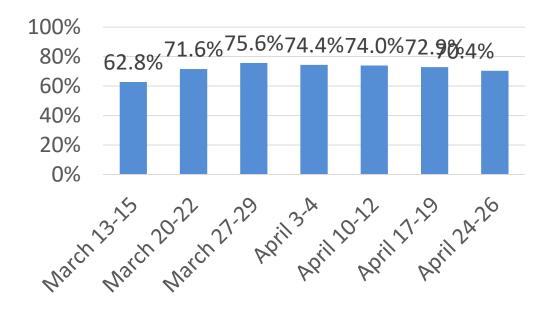




Summary: Safety Concern Metrics

Concern About Contracting Virus (Personally)

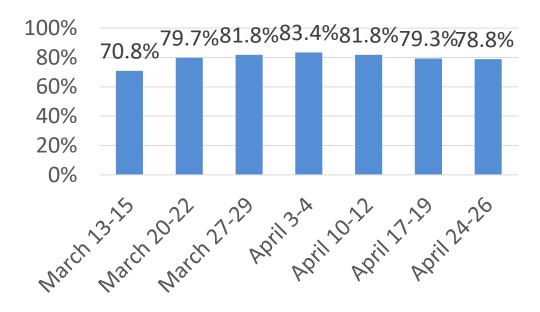
(% answering 6-10 on 11-point scale)



Question: Thinking about the current coronavirus situation, in general, HOW CONCERNED ARE YOU PERSONALLY about contracting the virus? (Please answer using the scale below)

Concern About Loved Ones Contracting Virus

(% answering 6-10 on 11-point scale)



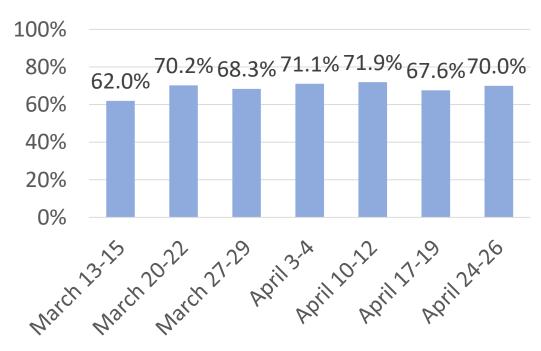
Question: Thinking about the current coronavirus situation, in general, how concerned are you about your FRIENDS OR FAMILY contracting the virus? (Please answer using the scale below)



Summary: Economic Concern Metrics

Personal Finances

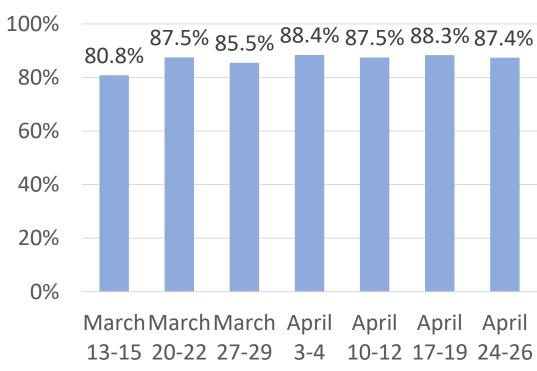
(% answering 10-6 on 11-point scale)



Question: Thinking about the current coronavirus situation, how concerned are you about the impact it may have on your PERSONAL FINANCES? (Please answer using the scale below)

National Economy

(% answering 10-6 on 11-point scale)



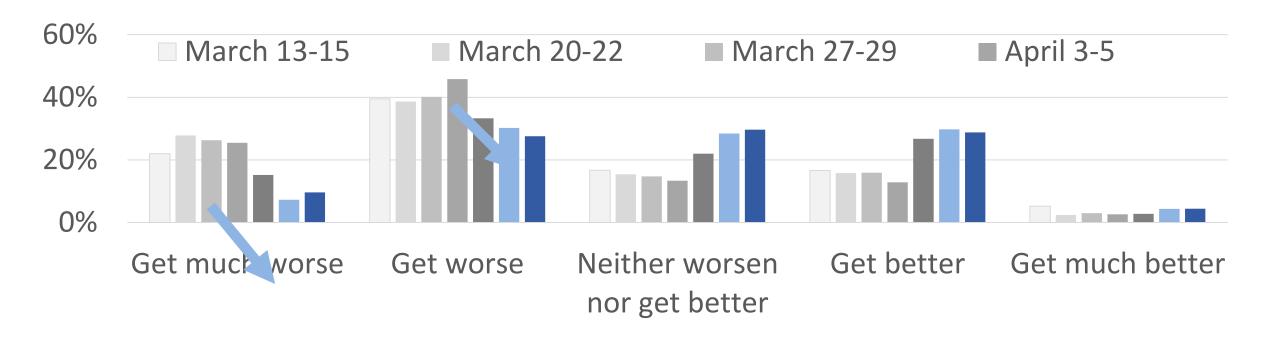
Question: Thinking about the current coronavirus situation, how concerned are you about the impact it may have on the NATIONAL ECONOMY?



Expectations for the Coronavirus Outbreak

Question: In the NEXT MONTH, how (if at all) do you expect the severity of the coronavirus situation in the United States to change? (Select one)

In the next month the coronavirus situation will _____

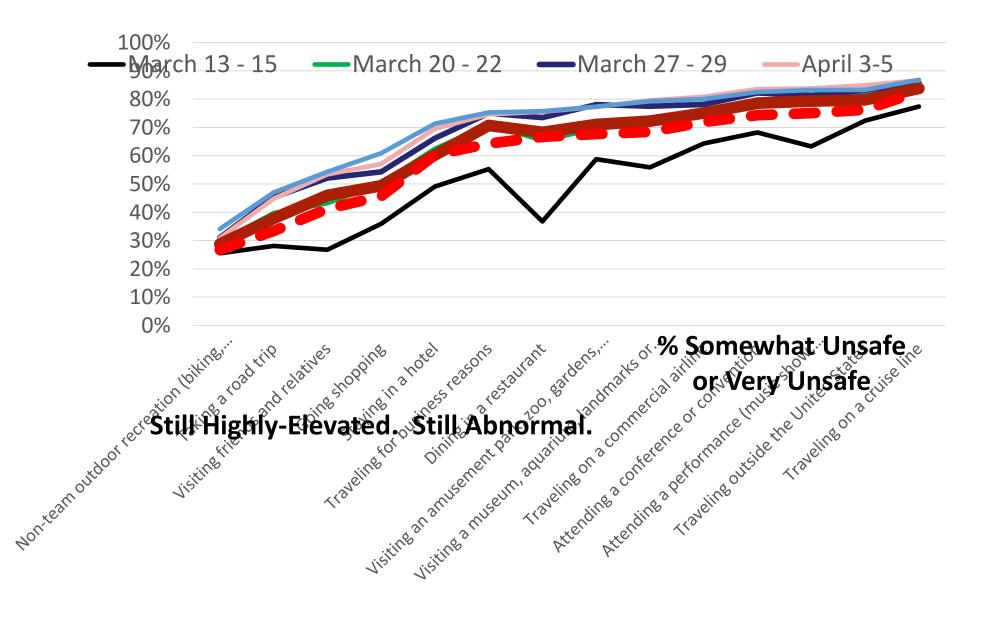




Perceived Safety of Travel Activities (Waves 1-7 Comparison)

Question: At this moment, how safe would you feel doing each type of travel activity?

(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238 and 1,208 completed surveys. Data collected March 13-15, 20-22, 27-29, April 3-5, 10-12, 17-19 and 24-26, 2020)





In Summary

Personal safety is our top emotional priority at the moment

Travel is set to fulfill secondary needs when travelers are ready

Our concerns for:

- Safety (Personal/friends/family)
- **Economics**
- Travel activity safety

Still highly-elevated. Still abnormal.



The improvement of safety perceptions of travel activities may suggest a degree of normalization or adjustment

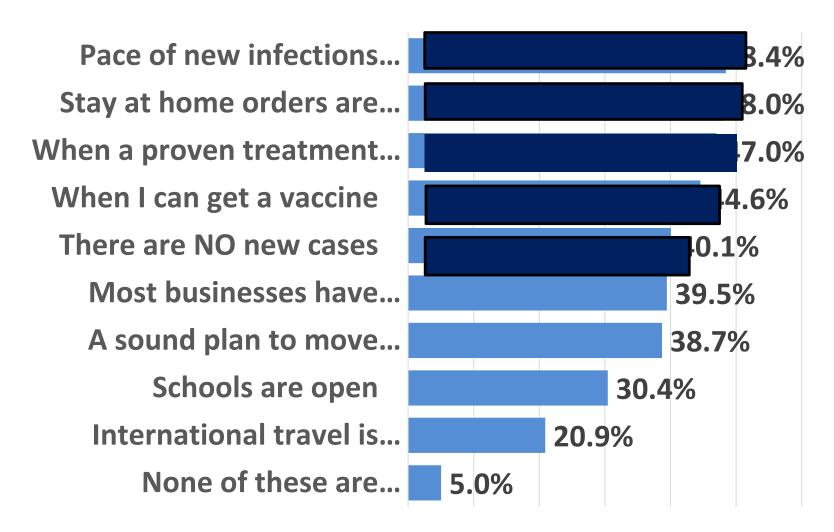


What Travelers Need to Feel Normal Again

Question: Which of the following will you NEED TO FEEL COMFORTABLE going back to your normal (or near-normal) lifestyle? (Select those you feel you will need)

(Base: All respondents, 1,208 completed surveys. Data collected April 24-26, 2020)

Question Added in Wave 7



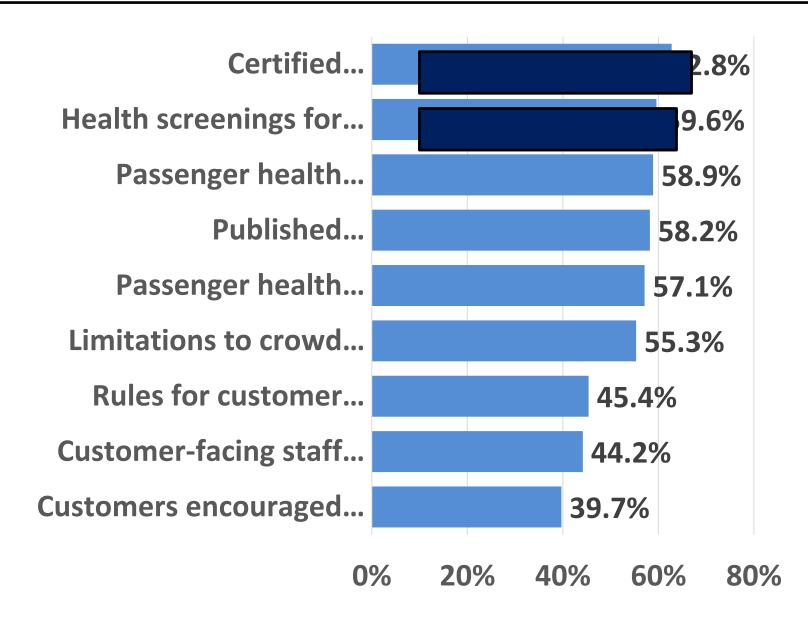
0% 10% 20% 30% 40% 50% 60%



Desired Common Business Practices

Question: Moving forward, which of these would you want to see as common business practices? (Select all that apply)

(Base: All respondents, 1,208 completed surveys. Data collected April 24-26, 2020)







Which of these would you want to see as common business practices?

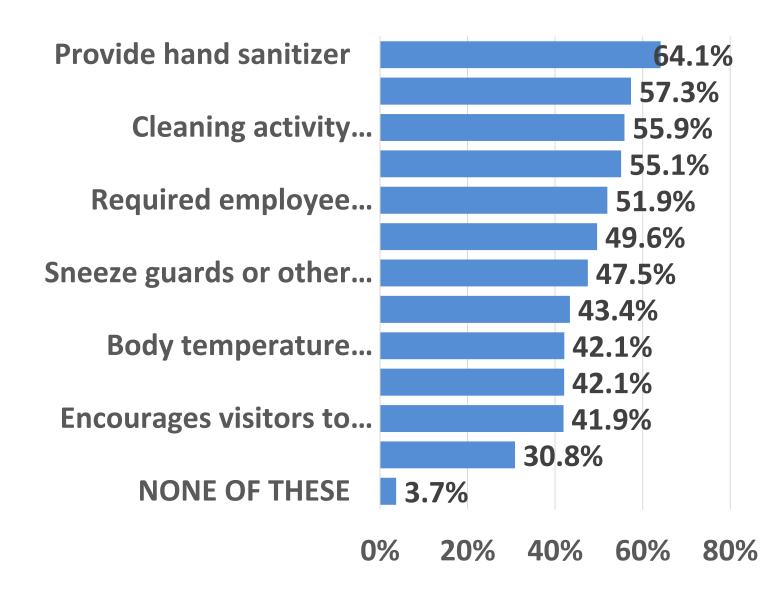
	Millennials/GenZ	Baby Boomers
Certified cleaning/disinfecting protocols	60.7%	66.7%
Health screenings for employees dealing with the public	52.1%	68.6%
Passenger health screenings (at airports)	47.1%	69.3%
Published cleaning/disinfecting protocols	47.7%	65.5%
Passenger health screenings (on cruises)	41.8%	70.2%
Limitations to crowd sizes/visitor capacity	44.5%	65.4%
Rules for customer physical interactions	36.8%	52.9%
Customer-facing staff required to wear PPE (masks, gloves etc.)	37.3%	51.4%
Customers encouraged to wear PPE (masks, gloves etc.)	30.4%	49.7%



Desired Practices in Commercial Public Places

Question: When thinking about visiting COMMERCIAL PUBLIC LOCATIONS (theme parks, concert or sports venues, shopping malls, etc.), what operational practices will you want to see used? (Select all that apply)

(Base: All respondents, 1,208 completed surveys. Data collected April 24-26, 2020)

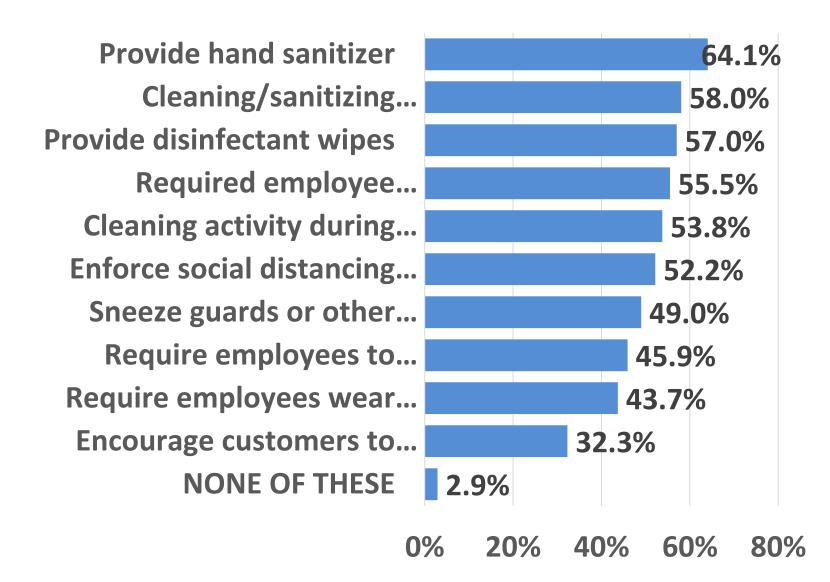




Desired Practices in Restaurants

Question: When thinking about dining in RESTAURANTS what operational practices will you want to see used? (Select all that apply)

(Base: All respondents, 1,208 completed surveys. Data collected April 24-26, 2020)



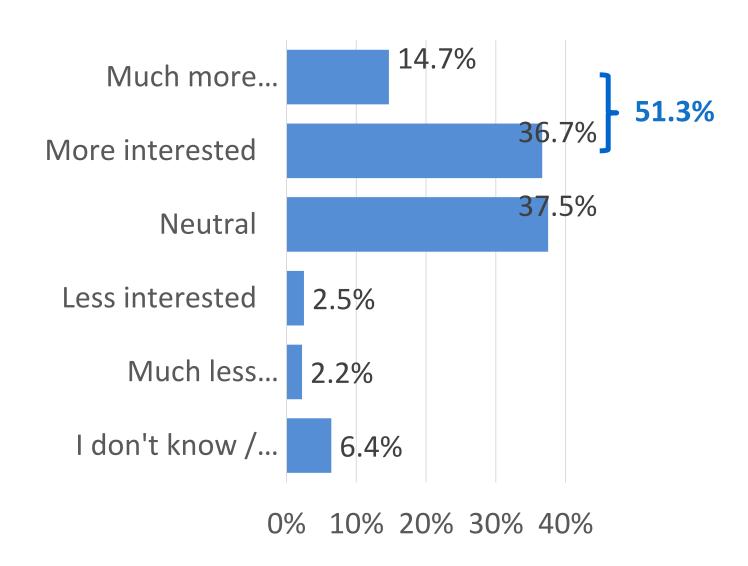


Official Coronavirus Health & Safety Certification

Question: All else equal, if a business such as a hotel, attraction or restaurant was issued an official "Coronavirus Health and Safety Certification", how would that affect your interest in visiting?

I would be _____

(Base: All respondents, 1,208 completed surveys. Data collected April 24-26, 2020)





In Summary

Travelers will likely expect significant changes to business operating practices in coming months.

Beyond easy fixes like making hand sanitizers and wipes available, they'll likely want more:

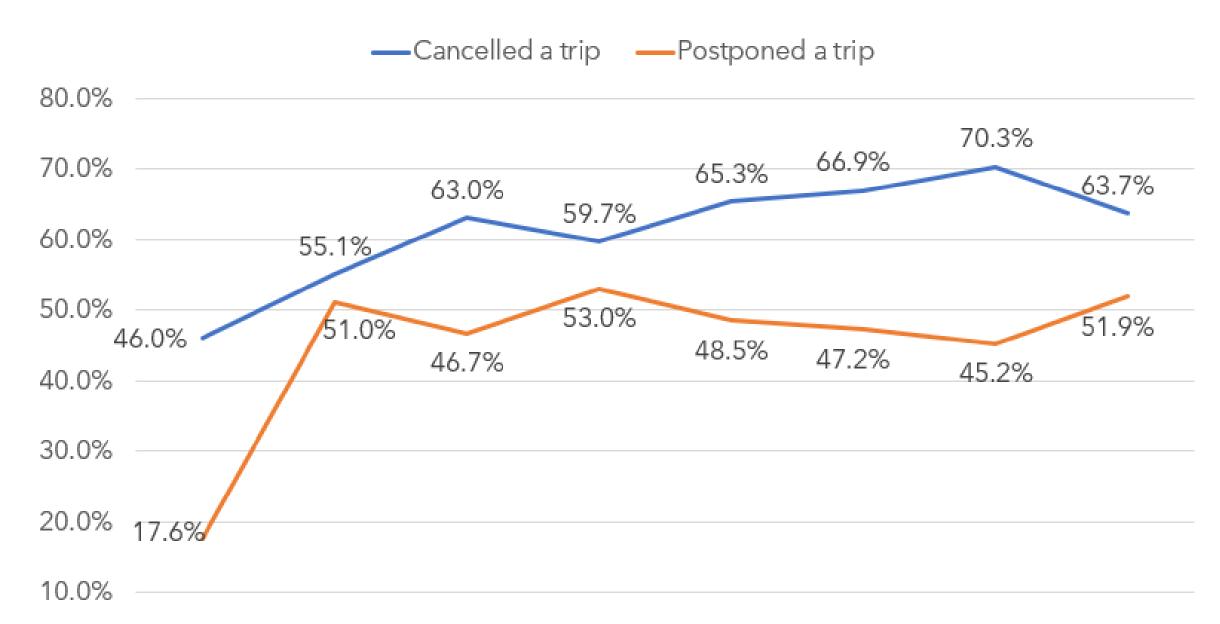
- Clear sanitary guidelines
- Social distancing protocols
- Health screenings for front-line employees
- PPE for front-line employees

Question: How feasible will all this be for businesses already struggling with lost revenues?





How American Travel Was Affected by the Coronavirus

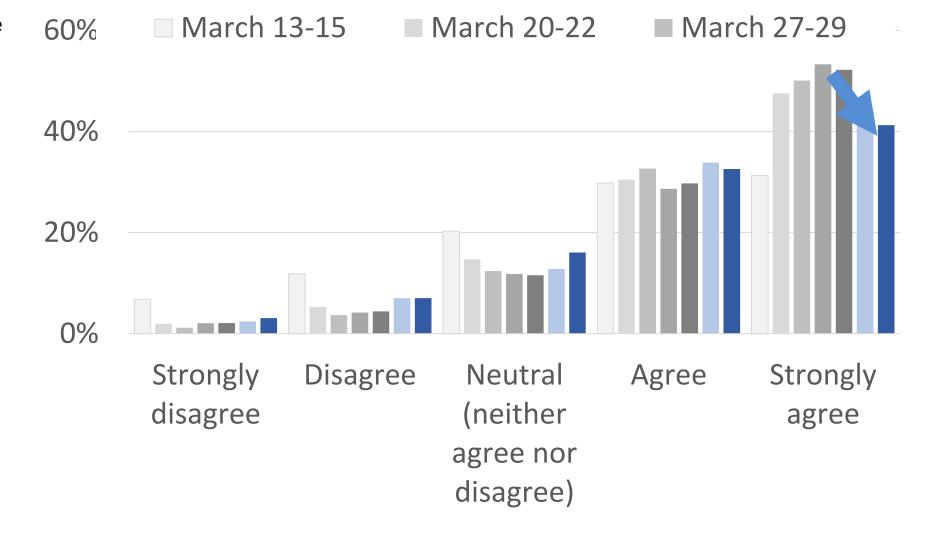


Avoiding Travel Until the Crisis Blows Over

How much do you agree with the following statement?

Statement: I'm planning to avoid all travel until the coronavirus situation blows over.

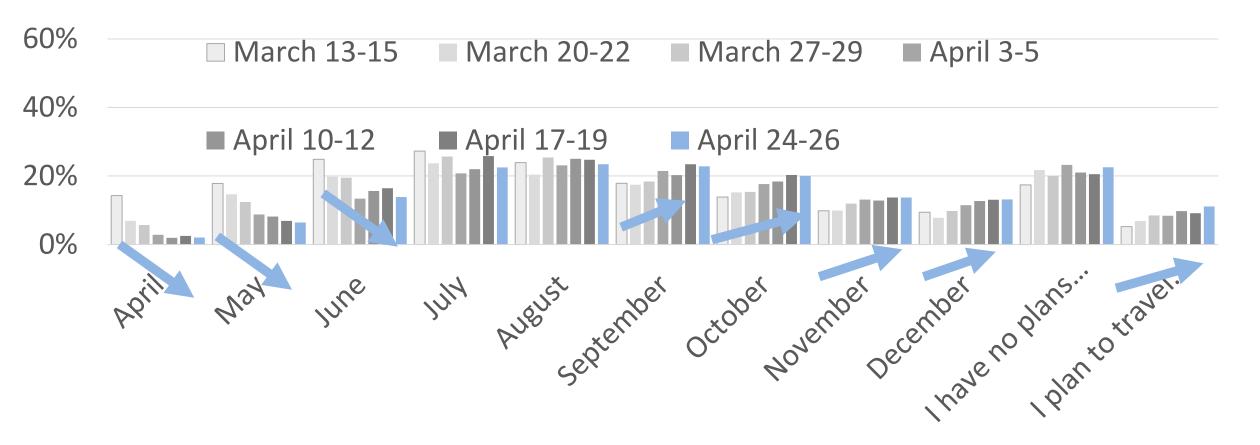
(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238 and 1208 completed surveys. Data collected March 13-15, 20-22, 27-29, April 3-5, 10-12, 17-19 and 24-26, 2020)





Upcoming Travel Plans

Question: Even if only tentatively scheduled, in which months of this year do you currently plan to take any leisure trips?



(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238 and 1,208 completed surveys. Data collected March 13-15, 20-22, April 3-5, 10-12, 17-19 and 24-26, 2020)

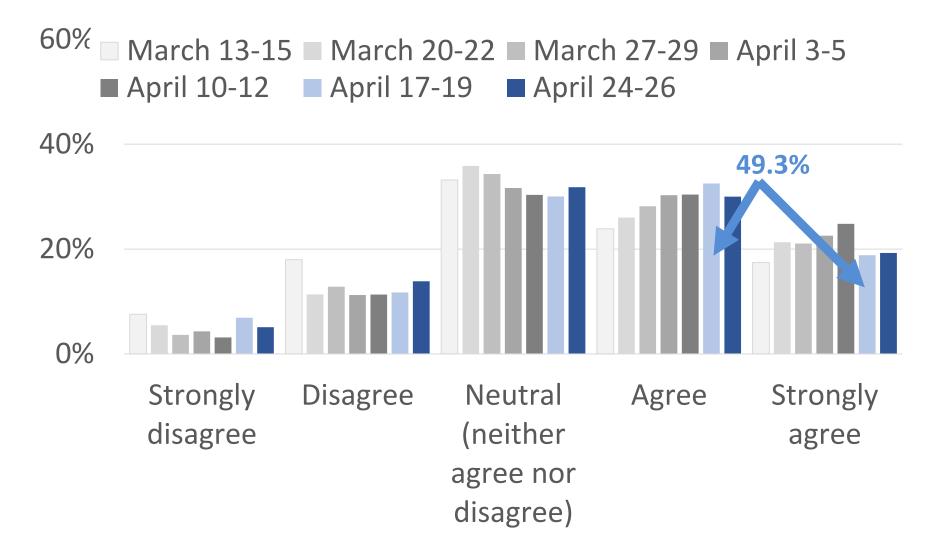


Staycations as a Replacement for Vacations

How much do you agree with the following statement?

Statement: Because of the coronavirus, I'll probably take a staycation(s) this summer rather than a vacation(s).

(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238 and 1208 completed surveys. Data collected March 13-15, 20-22, 27-29, April 3-5, 10-12, 17-19 and 24-26, 2020)



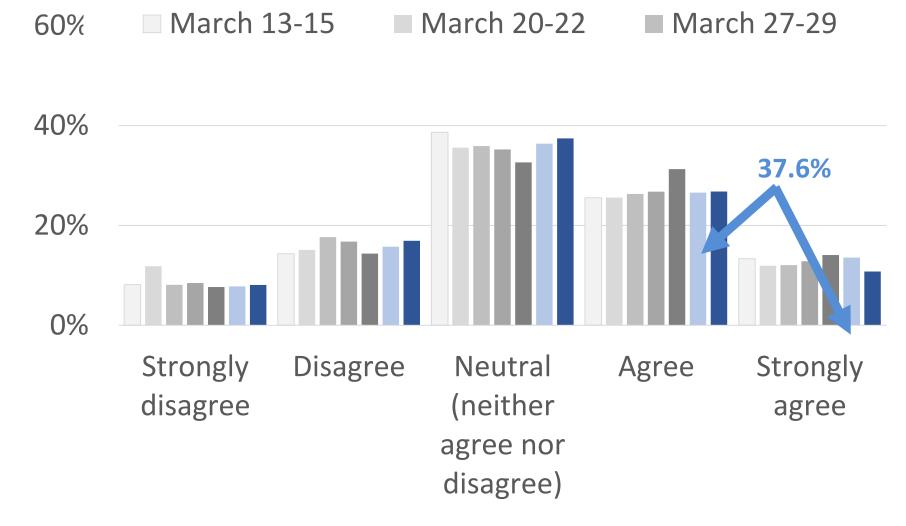


Replacing Air Travel With Road Trips

How much do you agree with the following statement?

Statement: Because of the coronavirus, I'll probably be taking more road trips this year to avoid airline travel.

(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238 and 1208 completed surveys. Data collected March 13-15, 20-22, 27-29, April 3-5, 10-12, 17-19 and 24-26, 2020)



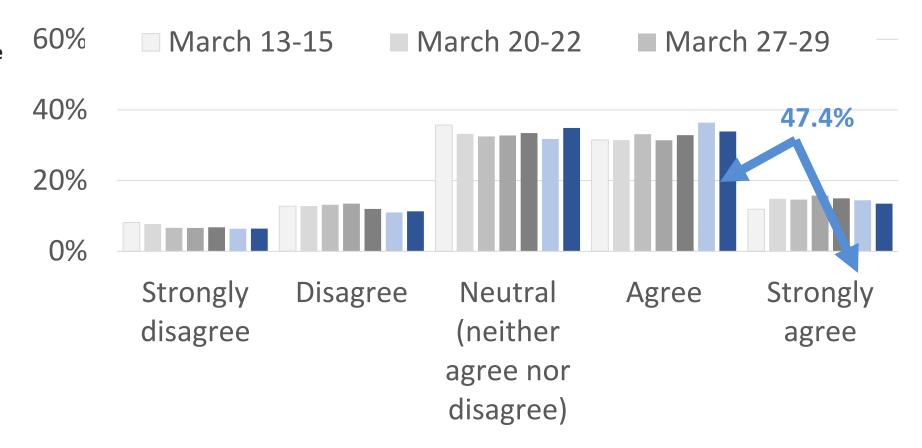


Replacing Long-Haul Travel with Regional Trips

How much do you agree with the following statement?

Statement: Because of the coronavirus, I'll probably be taking more regional trips (near my home) and avoid long-haul travel (further from home).

(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238 and 1208 completed surveys. Data collected March 13-15, 20-22, 27-29, April 3-5, 10-12, 17-19 and 24-26, 2020)





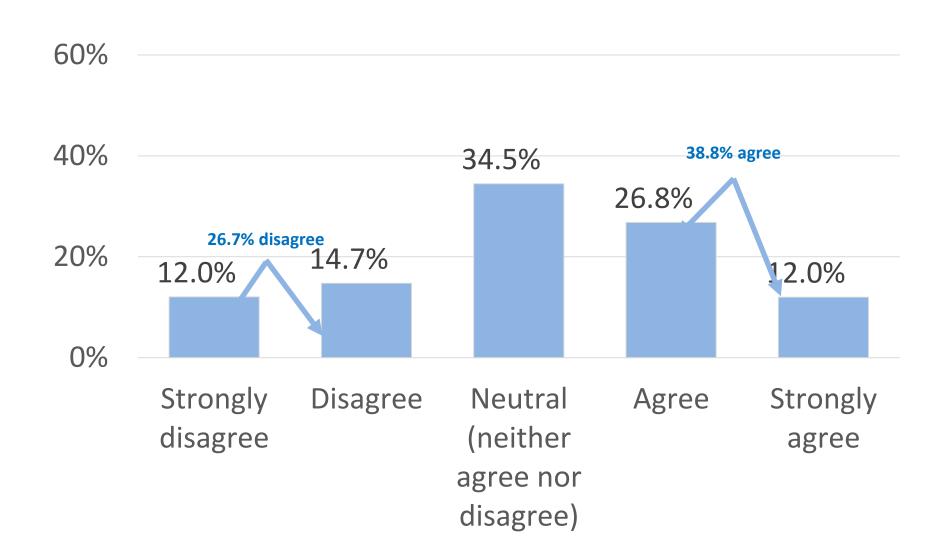
Camping and RV-ing Considered More Attractive

How much do you agree with the following statement?

Statement: The coronavirus pandemic makes the idea of camping and RV-ing more attractive.

(Base: Wave 7. All respondents, 1,208 completed surveys. Data collected April 24-26, 2020)

Question Added in Wave 7



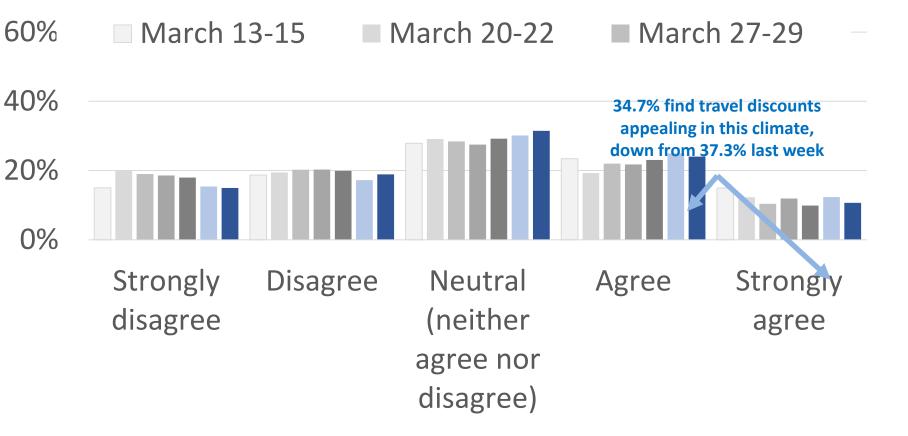


Discounts and Price Cuts

How much do you agree with the following statement?

Statement: The coronavirus has led many travel providers to cut their prices. These discounts and price cuts (airline, hotel, etc.) make me more interested in traveling in the NEXT THREE (3) MONTHS.

(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238 and 1208 completed surveys. Data collected March 13-15, 20-22, 27-29, April 3-5, 10-12, 17-19 and 24-26, 2020)



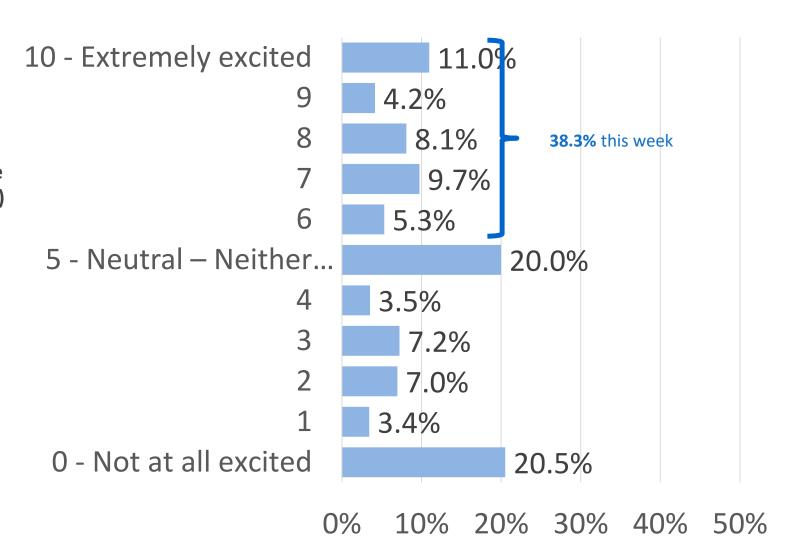


Excitement to Travel Now

Question: Imagine that a good friend (or close family member) asks you to take a weekend getaway with them sometime in the next month.

How excited would you be to go? (Assume the getaway is to a place you want to visit)

(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238 and 1,208 completed surveys. Data collected March 13-15, 20-22, April 3-5, 10-12 and 17-19 and 24-26, 2020)

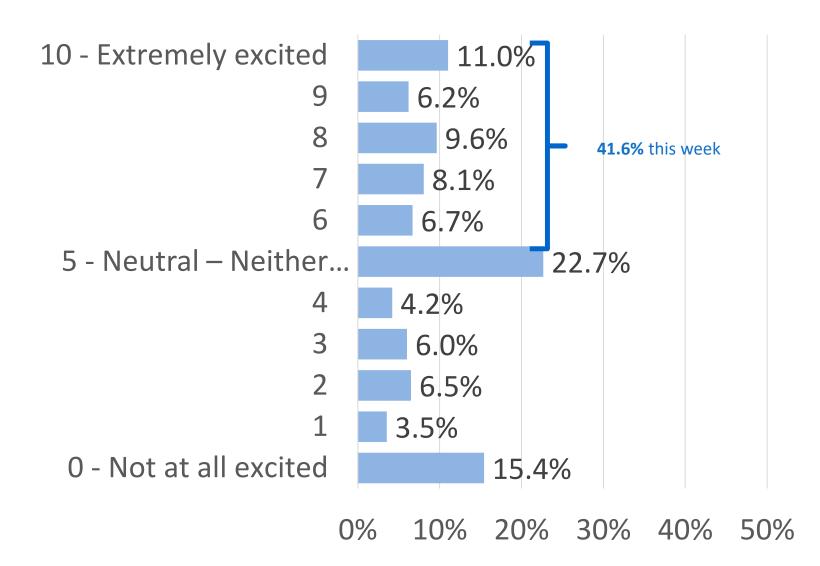




Openness to Travel Information

Question: At this moment, how excited are you in learning about new, exciting travel experiences or destinations to visit?

(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238 and 1,208 completed surveys. Data collected March 13-15, 20-22, April 3-5, 10-12 and 17-19 and 24-26, 2020)







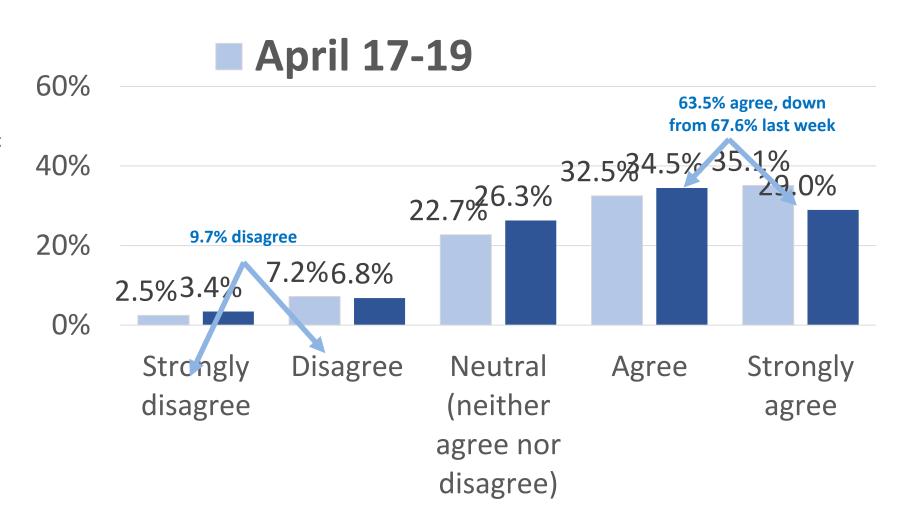
Travelers in Community are Unwanted

How much do you agree with the following statement?

Statement: I do not want travelers coming to visit my community right now.

(Base: All respondents, 1,238 and 1,208 completed surveys. Data collected April 17-19 and 24-26, 2020)

Question Added in Wave 6



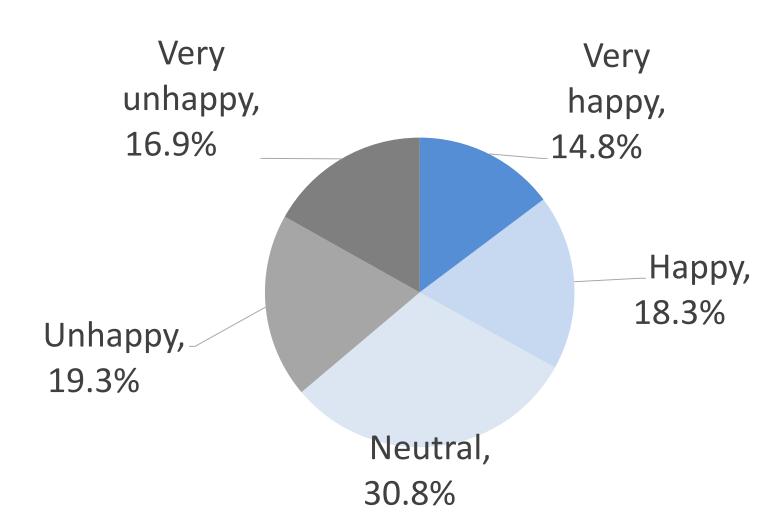


On Seeing Advertisements for Their Home Communities

Question: How would you feel if you saw an advertisement today promoting your community as a place for tourists to come visit when it is safe?

(Base: All respondents, 1,208 completed surveys. Data collected April 24-26, 2020)

Question Added in Wave 7





In Summary

Some effects of the coronavirus on American travel are lessening

The present is still not the time to travel







SPECIAL GUESTS



Jaime Wood

District Director

U.S. SMALL BUSINESS ADMINISTRATIO



Kelsey Waite
Business Development Executive
DESTINATIONS - STR



Erin Francis-Cummings
President & CEO
DESTINATION ANALYSTS







South Dakota Hotel Performance

STR Data

Kelsey Waite | business development executive

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Q1 Points At (Bad) Things To Come

Total US, YTD March 2020

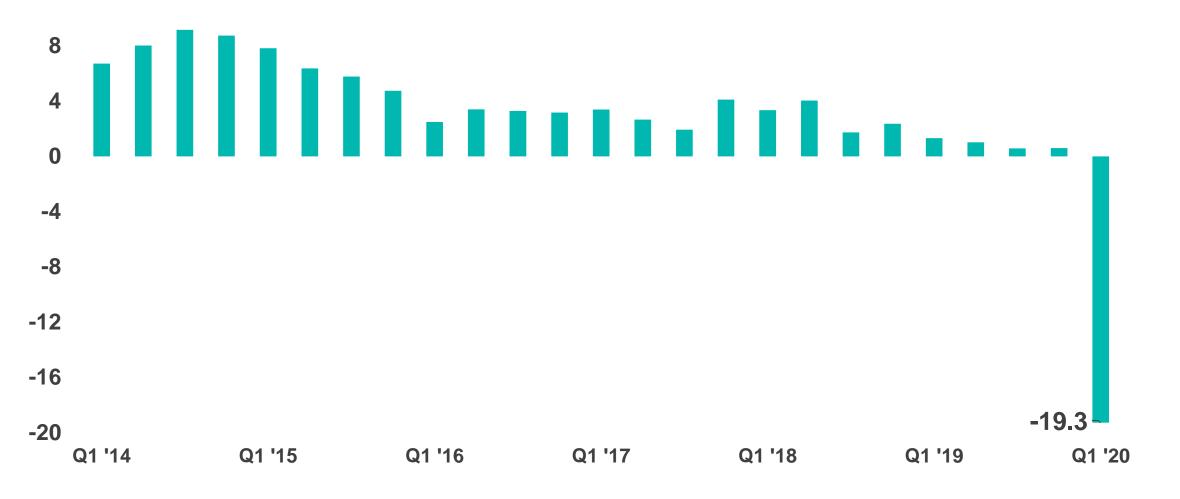


		% Change
Room Supply		2.0
Room Demand		-14.2
Occupancy	58.5	-15.9
ADR	\$128	-4.0
RevPAR	\$75	-19.3
Room Revenue		-17.6

Jarring Quarterly Results

Total U.S., RevPAR % Change, Q1 2014 – Q1 2020

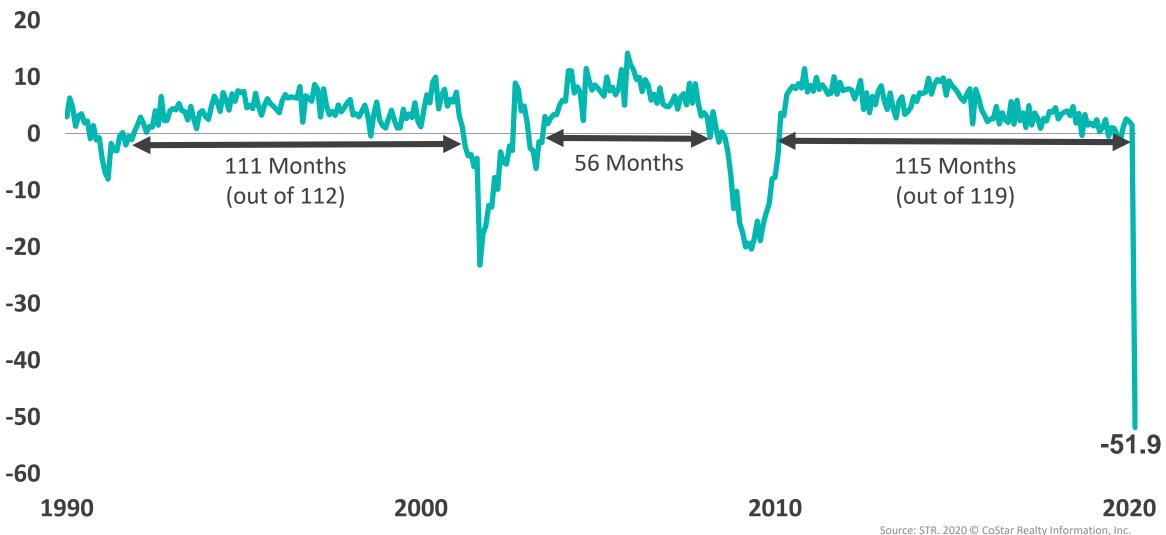




RevPAR Growth: This One's Gonna Hurt



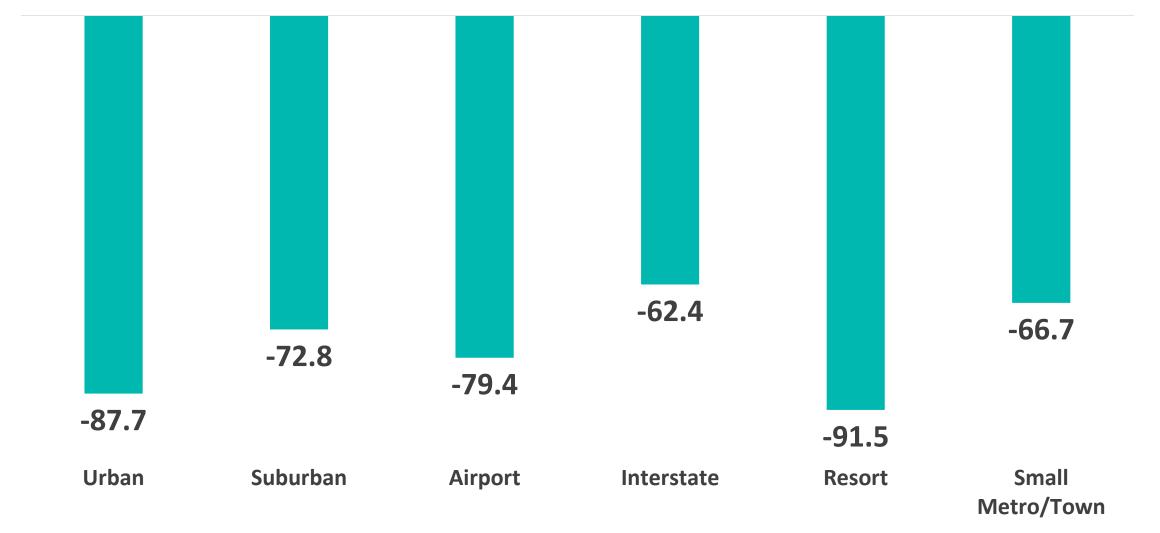
Total U.S. 1/1990 – 03/2020



Location Performance: Interstate "Less Bad"

Total U.S., RevPAR % Change, week ending April 18









South Dakota

How is the state performing?

South Dakota Performance Q1 2020



South Dakota

Supply 2.2m 1.7%

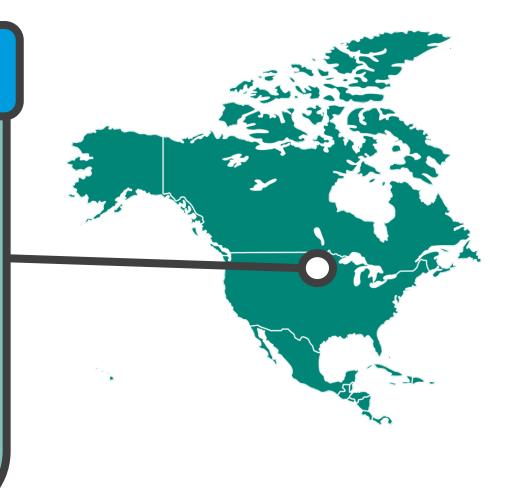
Demand 832k -10.2%

Occupancy 38.4% -11.7%

ADR \$79 0%

RevPAR \$30 -11.7%

YTD March 2020





August is the Strongest Month for all Indicators

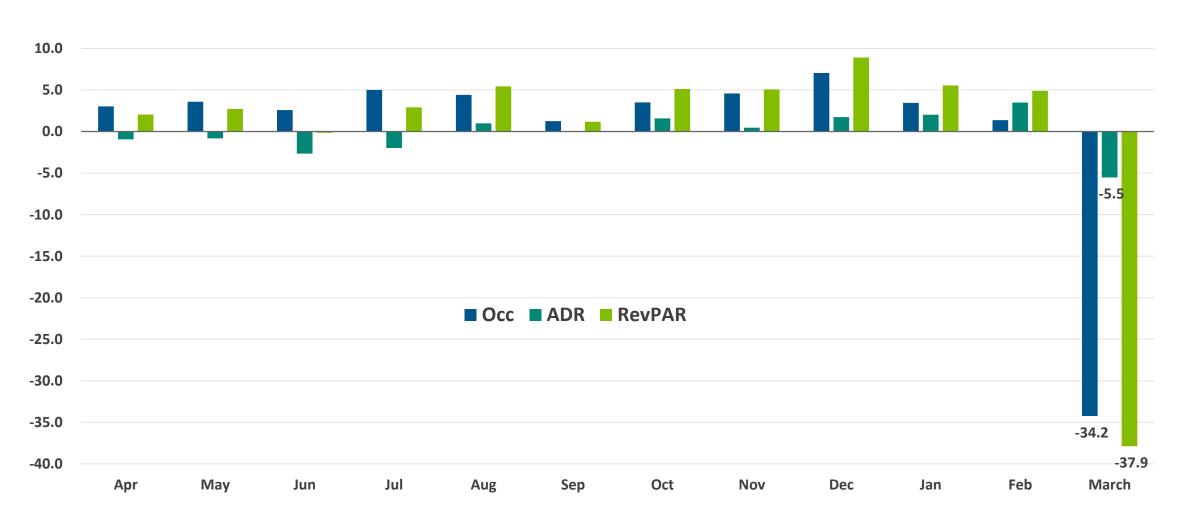


South Dakota April 2019 – March 2020, Occ, ADR, RevPAR by Month

2020 © CoStar Realty Information, Inc.

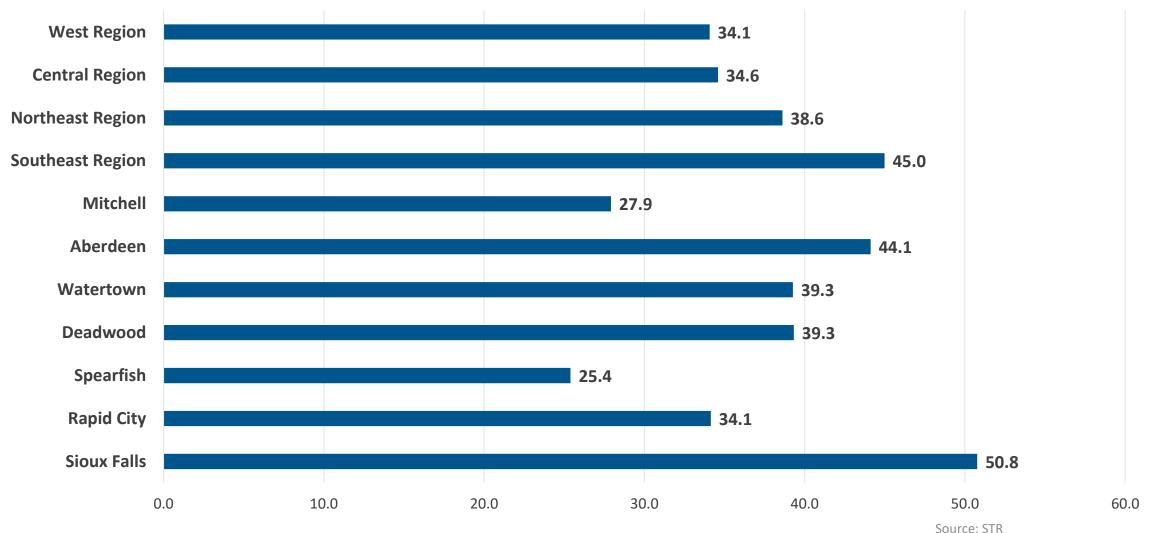


March is when the bottom dropped out completely





YTD Occupancy by Region/City – Sioux Falls has Highest

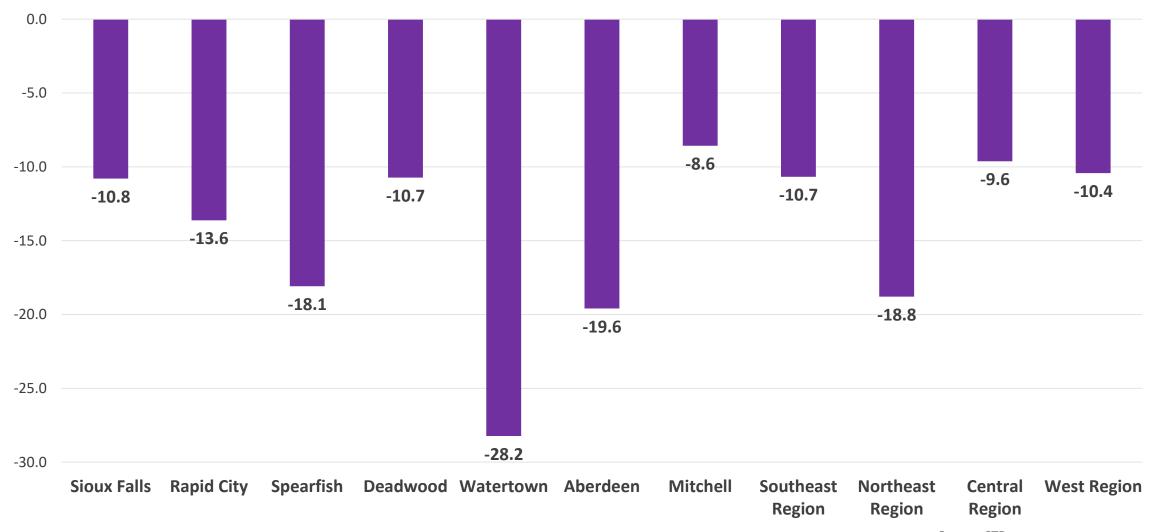


Occupancy YTD March 2020, Cities and custom regions within South Dakota

2020 © CoStar Realty Information, Inc.

YTD Occupancy Change by Region/City

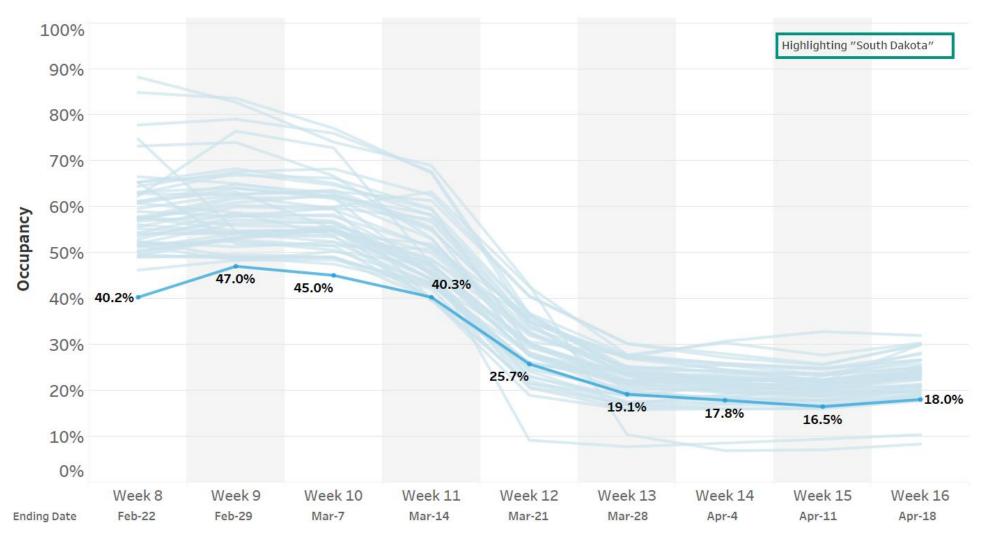




South Dakota was Already Low on Occupancy

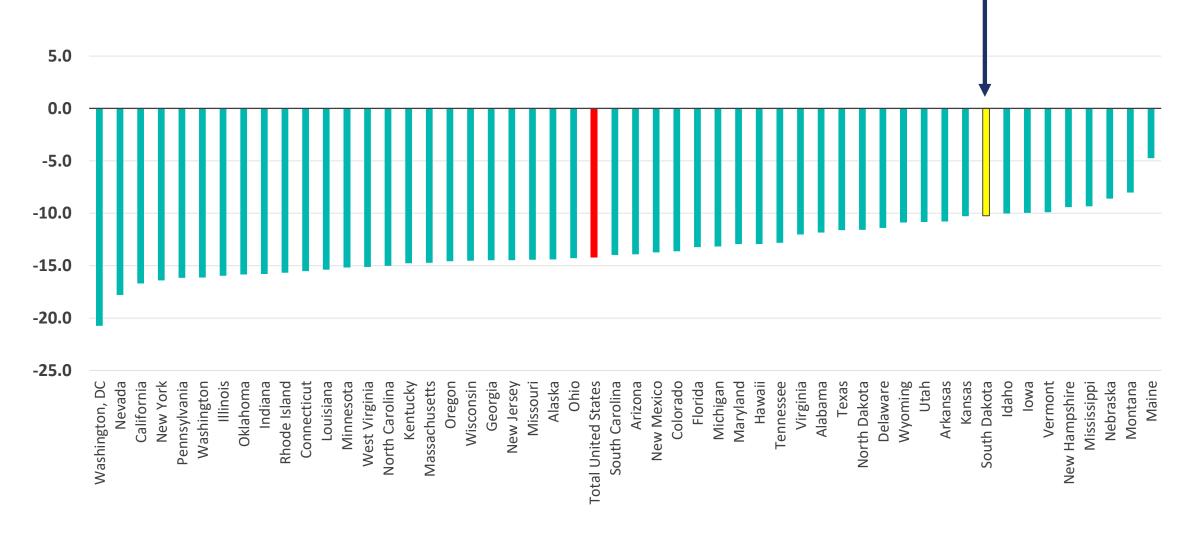
2/22 - 4/18 2020 Occupancy - 50 US States









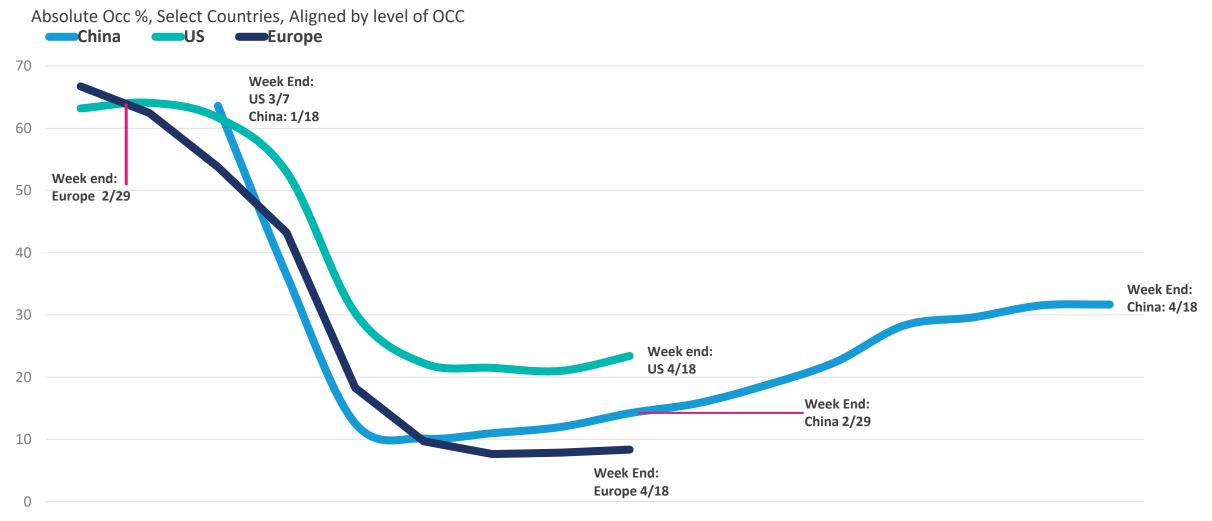




China Shows Recovery After National Shutdown

Since U.S. Occ Is Still Much Higher, Recovery Will Take Longer





Forecast as of March 30

Key Performance Indicator Outlook (% Change vs. Prior Year)



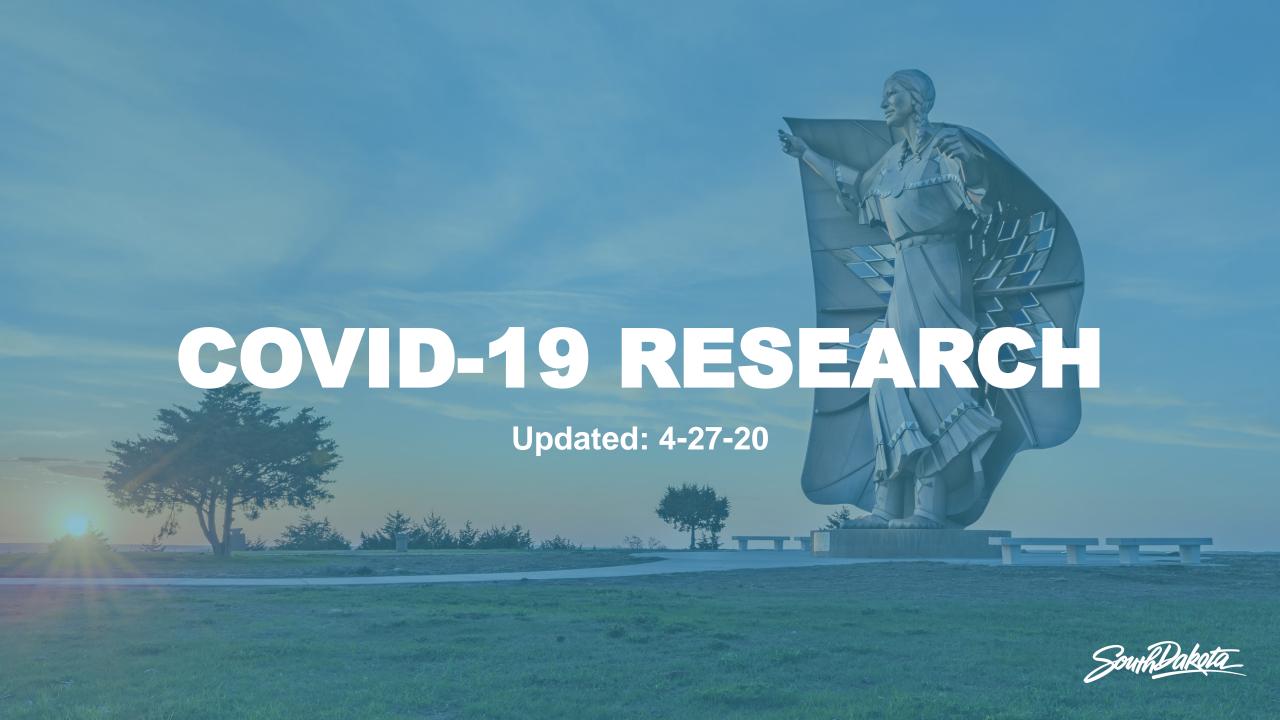
U.S. Outlook				
Metric	2020 Forecast	2021 Forecast		
Supply	-14.9	+15.6		
Demand	-51.2	+81.8		
Occupancy	-42.6	+57.3		
ADR	-13.9	+3.7		
RevPAR	-50.6	+63.1		

Forecast as of March 30

Key Performance Indicator Outlook (Absolute Values)



		U.S. Outlook		For Comparison
Year	2019	2020 Forecast	2021 Forecast	2013
Occupancy	66.1%	37.9%	59.7%	62.3%
ADR	\$131	\$113	\$117	\$110
RevPAR	\$87	\$43	\$70	\$68



DATA AND INSIGHTS PROVIDED BY













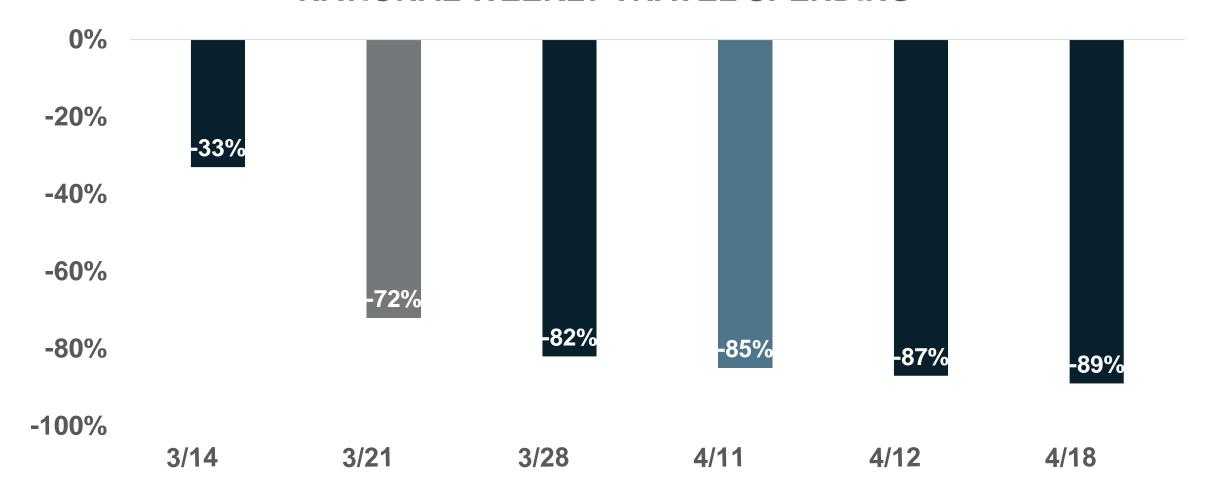






YEAR-OVER-YEAR % CHANGE

NATIONAL WEEKLY TRAVEL SPENDING







YEAR-OVER-YEAR % CHANGE

REGIONAL WEEKLY TRAVEL SPENDING

WEEK ENDING	3/28	4/4	4/11	4/18
SD	-70%	-75%	-75%	-89%
ND	-68%	-74%	-75%	-81%
IA	-71%	-73%	-76%	-81%
MN	-80%	-87%	-88%	-87%
WY	-67%	-66%	-68%	-85%





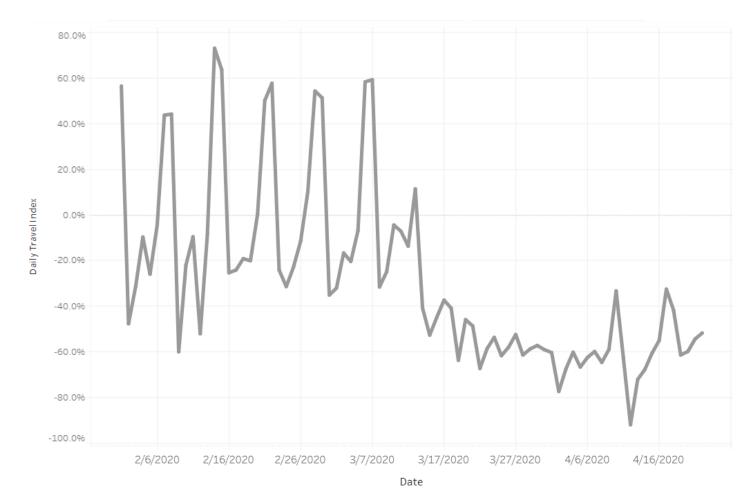
ARRIVALIST DAILY TRAVEL INDEX

ROAD TRIPS OF 50 MILES OR MORE TO AND WITHIN SOUTH DAKOTA

Daily Travel Index

-52%

April 22, 2020, Wednesday







SOUTH DAKOTA 20 WEEK OUTLOOK

SD HOTEL AND FLIGHT SEARCH VOLUME

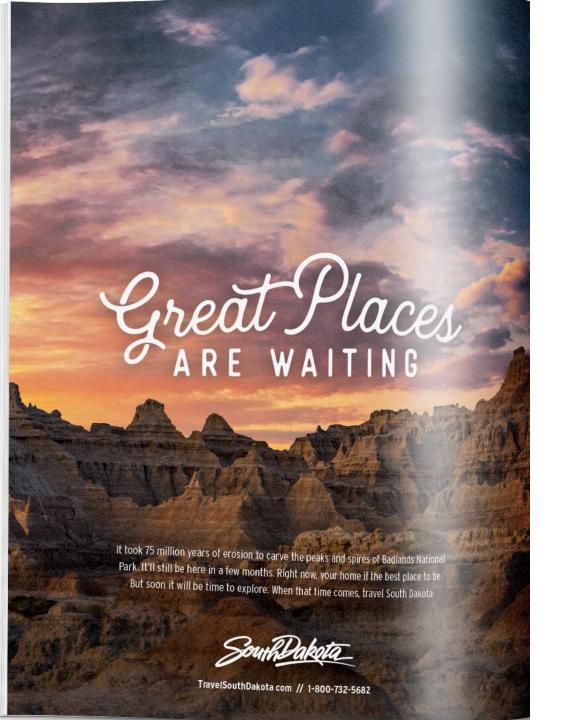




%Change (Year-over-Year)







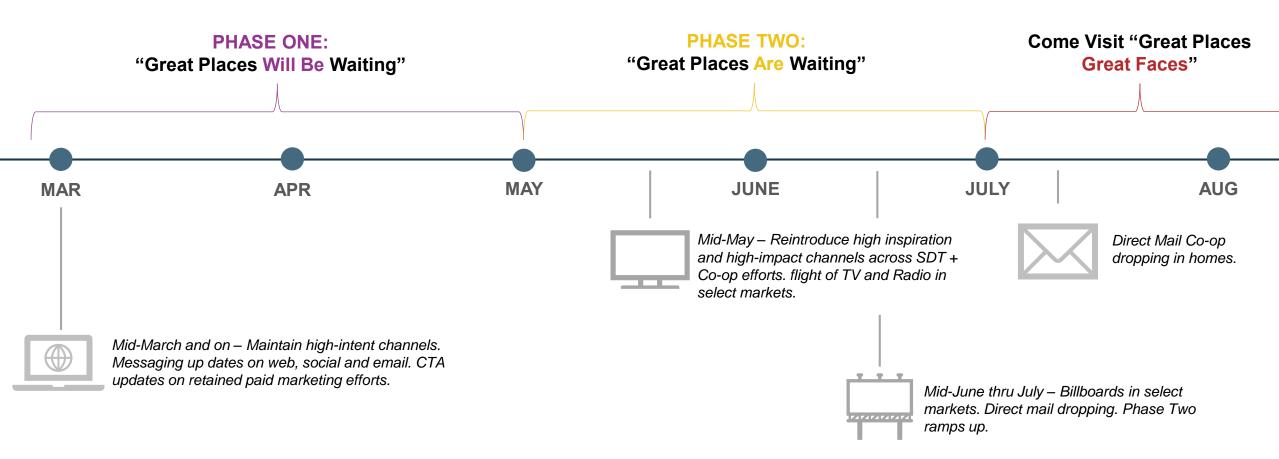
REBOUND CAMPAIGN

Industry Video Available at: https://youtu.be/LKAUiLhqP |



REBOUND CAMPAIGN

Timeline, Tactics and Messaging





AUDIENCE & MARKETS

- Emphasis on Searchers and Wanders
- Secondary emphasis on Families
- Adjust target demographics
- Target markets will shift focus to drive markets







REBOUND CAMPAIGN

New:60 TV Spot - YouTube.com/SouthDakotaTourism



BABY BISON COVERAGE

MATADOR

FODOR'S

FROMMER'S

FORBES
PENDING COVERAGE

UVM: 1,078,585

UVM: 934,090

UVM: 331,112

Fodor's Trave

Q Search cities, hotels...

DESTINATIONS

HOTELS

NEWS

CRUISES

0

FORUMS

TRIP IDEAS

JBSCRIBE

a LOGIN







605 DAY



- Celebrating 605 Day on June 5 (6/05)
- Sharing SoDak memories, photos, stories, etc. on social media
- Celebration ideas:
 - Host a community Zoom get-together
 - Download 605 Day Zoom backgrounds
 - 605 Day greeting card mail an encouraging note to your favorite businesses



NTTW 2020



- May 3rd 9th
- Press Release & Media Advisory
- Media Interviews
- Social Media Efforts





MESSAGING

Q.

What is South Dakota's unified message to travelers?



WHEN TO OPEN

Q.

Are we taking too big of a risk by opening early?

Q.

We want to get our local economy open but want to be smart about it.
How do we accomplish this?



HOW TO OPEN

Q.

Is there a standard protocol for how to open responsibly?

Q.

What are affordable marketing solutions we can take advantage of right now?





SPIRIT OF TRAVEL

- Lighting of iconic South
 Dakota Monuments
- Social media



STRONG The Road to Recovery



- SDVisit.com/Governor-Noem-Announces-Back-Normal-Plan
- Due diligence and personal responsibility



HEALTH, CLEANING, AND SANITIZING RESOURCES FOR SOUTH DAKOTA TOURISM BUSINESSES

FOR GUIDES AND CHECKLISTS BY ORGANIZATIONS LIKE:

World Health Organization

Center For Disease Control

South Dakota
Department of Health

American Hotel & Lodging Association

Go to:

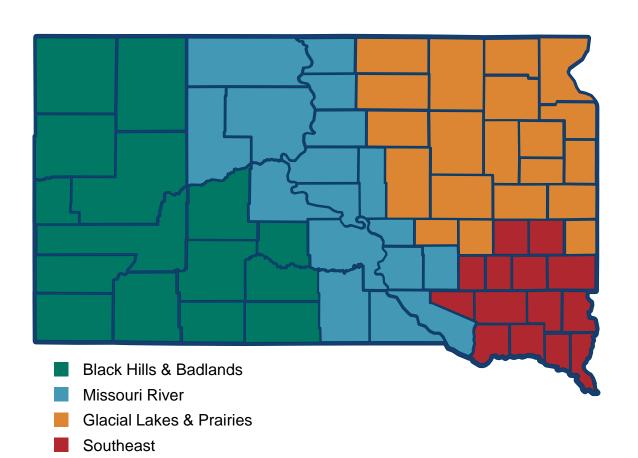
SDVISIT.COM

search:

CLEANING RESOURCES



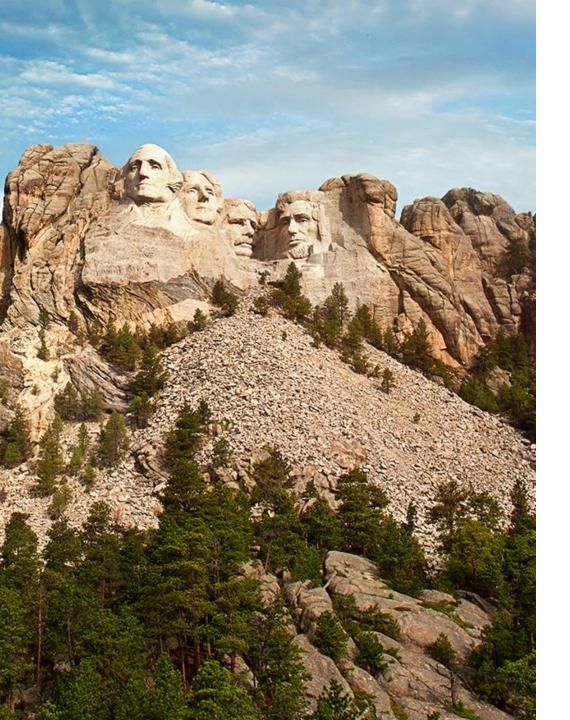
REGIONAL ASSOCIATIONS



Visit with your Regional Association

We have supplied them with all updates and the list of resources





CLOSING THOUGHTS

- Past pandemics have demonstrated there will be pent-up travel demand
- Road trips will be popular
- Keep in close contact with us



