

TRAVEL SOUTH DAKOTA

2022 ANNUAL REPORT

Dear Industry Partners,

2022 was another great year for the tourism industry in our state and we have all of you to thank for that. Your hard work, world-famous hospitality, dedication to excellence, and determination to give our visitors an outstanding experience helped set an all-time visitor spending record. While we are hosting and entertaining guests from around the globe, our industry makes a very significant impact on our state. From creating jobs and revenue to lessening our tax burden, the tourism industry in the Mount Rushmore State is - and will continue to be - a very positive force for generations to come.

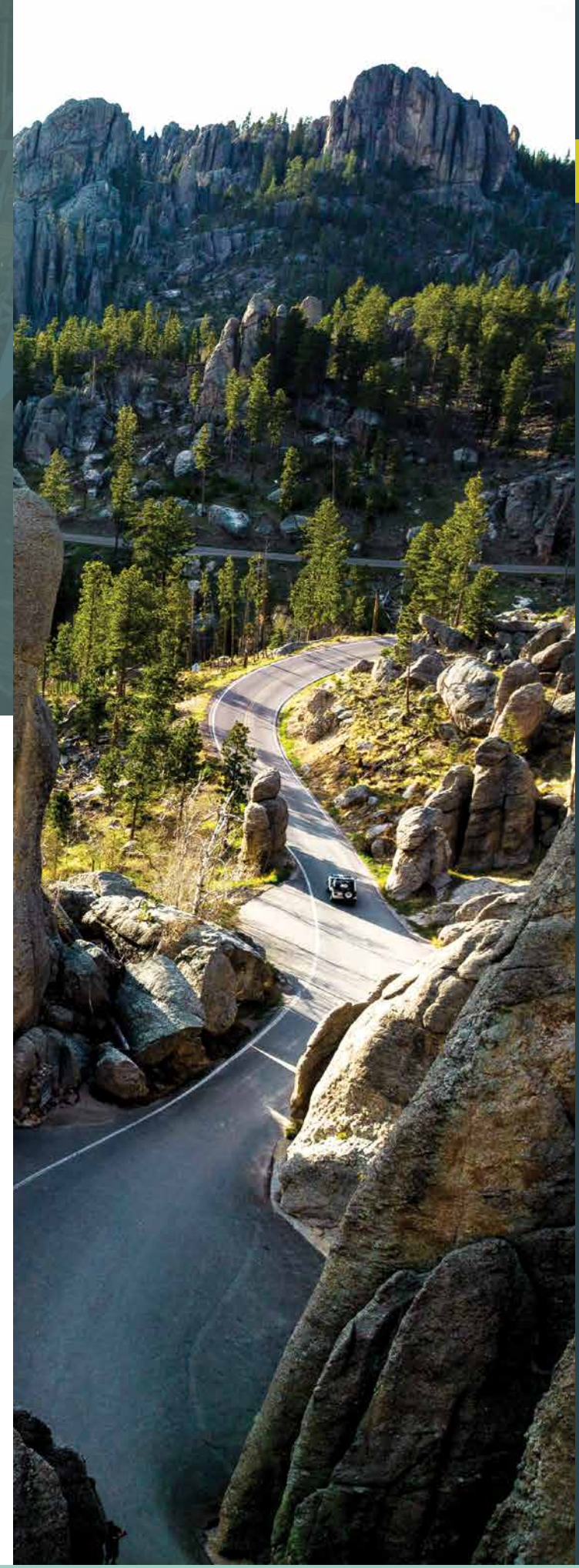
As you'll see throughout this report, our team at Travel South Dakota was focused on producing quality work that inspired visitors to make The Mount Rushmore State their vacation destination. We are proud to present these results to you and look forward to another outstanding year of working with you.

Thank you for all that you do to keep this industry so dynamic year in and year out. We appreciate your support, encouragement, friendship, and partnership more than words can express.

All our best,



James D. Hagen
Secretary, Department of Tourism



STRATEGIC DIRECTION

VISION

With a spirit of freedom and optimism, South Dakota's Great Faces and Great Places inspire and unite all visitors & residents through the transformational power of travel.

MISSION

We enhance the quality of life for all South Dakotans by strengthening our communities and their tourism economies, encouraging responsible stewardship of our destination, and creating meaningful experiences for all to enjoy.

VALUES

- Be kind, respectful, and understanding.
- Be creative, passionate, and open to ideas.
- Be positive and carry a can-do attitude.
- Be collaborative and communicative.
- Be bold and fearless.

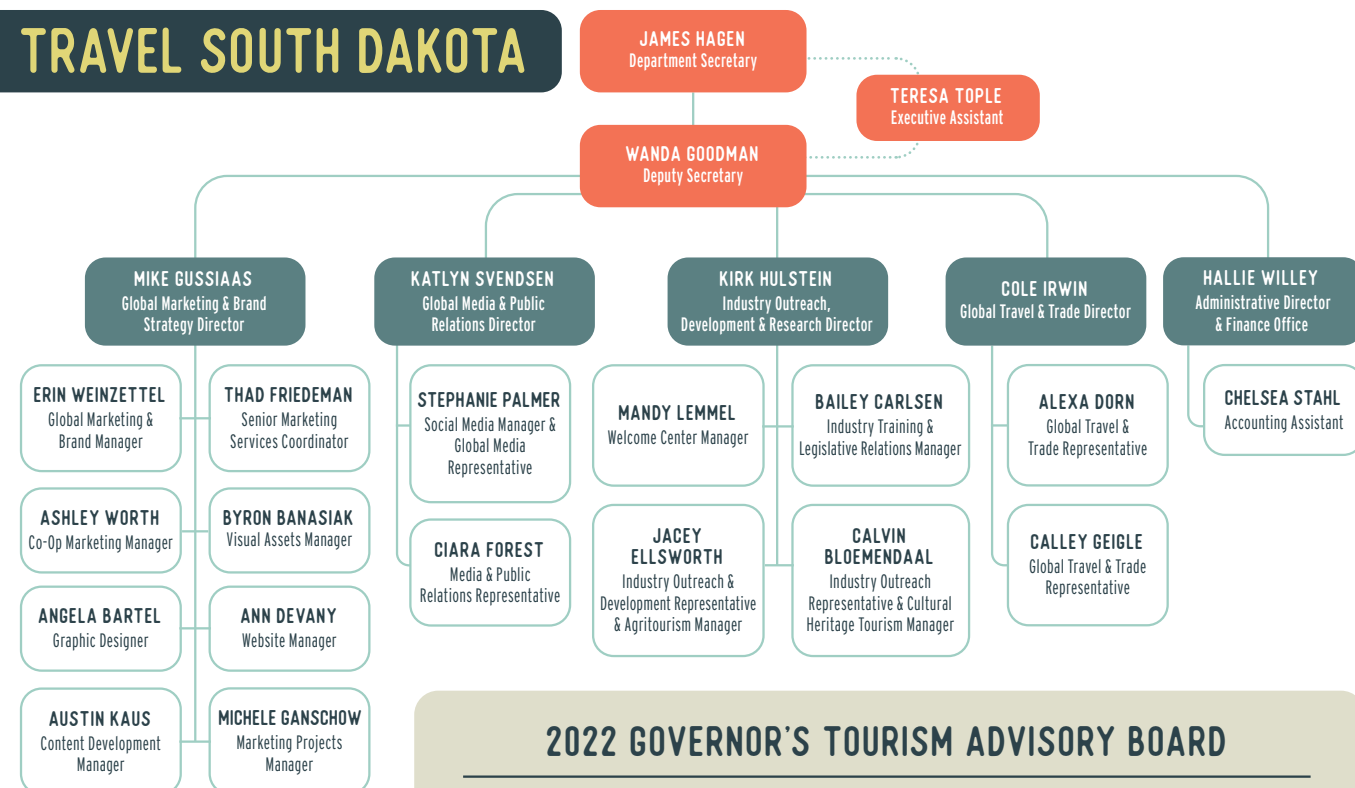
CULTURE

We are proud South Dakotans who share a passion for our state, its people, and our beautiful places. Our team strives for excellence in creative marketing, innovative thinking, and attentive service to our industry. We take pride in our can-do attitude and aspire to be a leader among state tourism offices nationwide.

MAJOR IMPERATIVES

1. Enhance & Expand the South Dakota Brand
2. Advance the Development of Our Destination
3. Advocate for Responsible Destination Management
4. Prioritize Operational Excellence

TRAVEL SOUTH DAKOTA

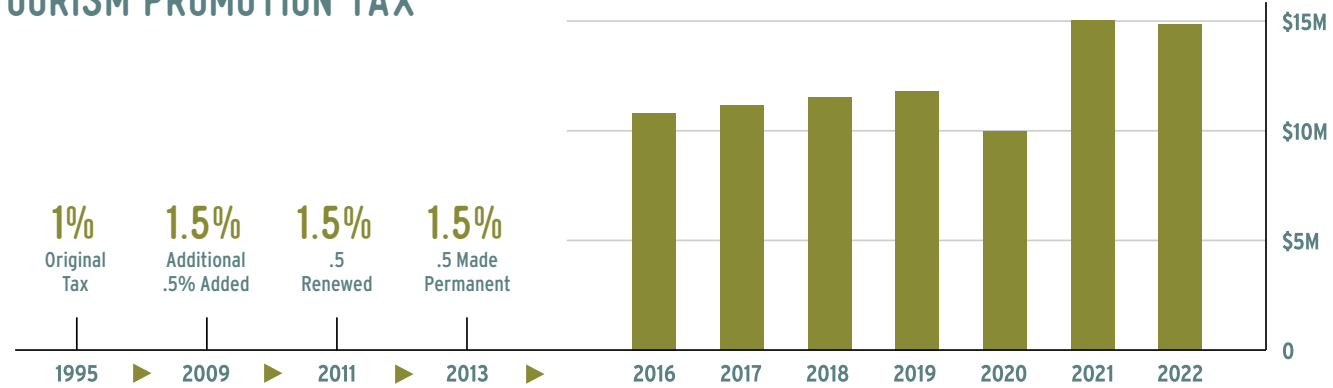


2022 GOVERNOR'S TOURISM ADVISORY BOARD

- Carmen Schramm, Yankton // Chair** **Ann Lesch, De Smet // Vice Chair**
- | | | |
|-----------------------------|----------------------------|--------------------------|
| Caleb Arceneaux, Rapid City | Ted Husted, Wall | Frank Smith, Gettysburg |
| Tom Biegler, Sioux Falls | Julie Ranum, Watertown | Ivan Sorbel, Kyle |
| John Brockelsby, Rapid City | Val Rausch, Big Stone City | Kristi Wagner, Whitewood |

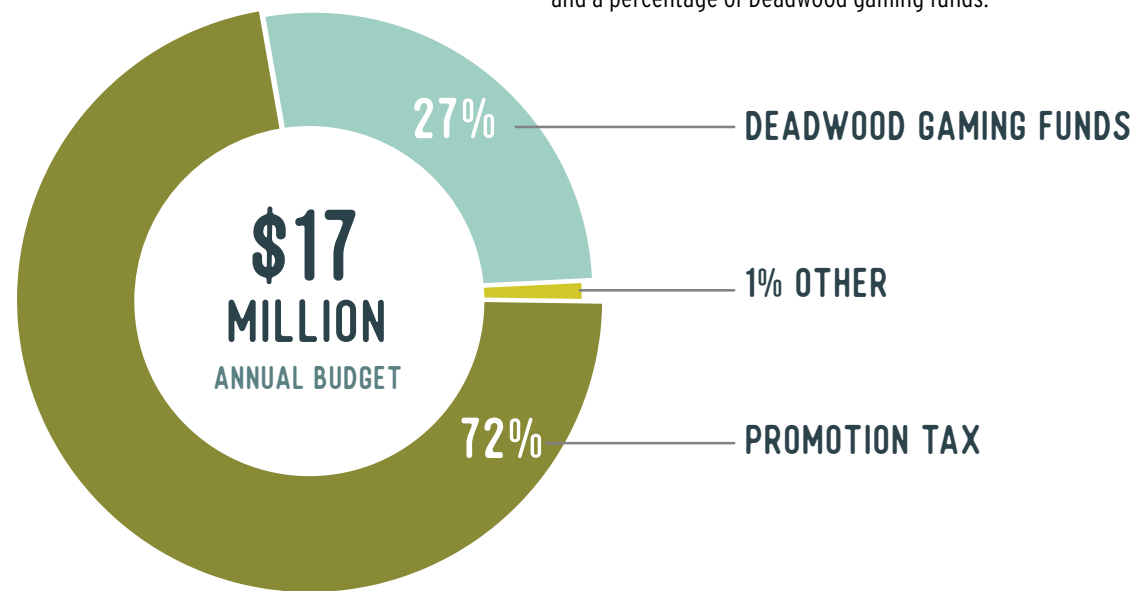
FUNDING

TOURISM PROMOTION TAX



ANNUAL BUDGET

Travel South Dakota is funded through a 1.5% promotion tax and a percentage of Deadwood gaming funds.



Source: South Dakota Dept. of Revenue



FEDERAL FUNDING

In 2022, the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, part of the American Rescue Plan, delivered \$350 billion to state, local, and Tribal governments in the U.S. to support recovery from the COVID-19 pandemic.

Travel South Dakota was fortunate to receive SLFRF funds from two sources: a grant from the Economic Development Administration, and an appropriation from the South Dakota legislature, both of which are to be used for the purpose of promoting tourism to the state.

Economic Development Association Grant amount: \$2,783,533
To be used by December 2026
Funds will be used as follows:

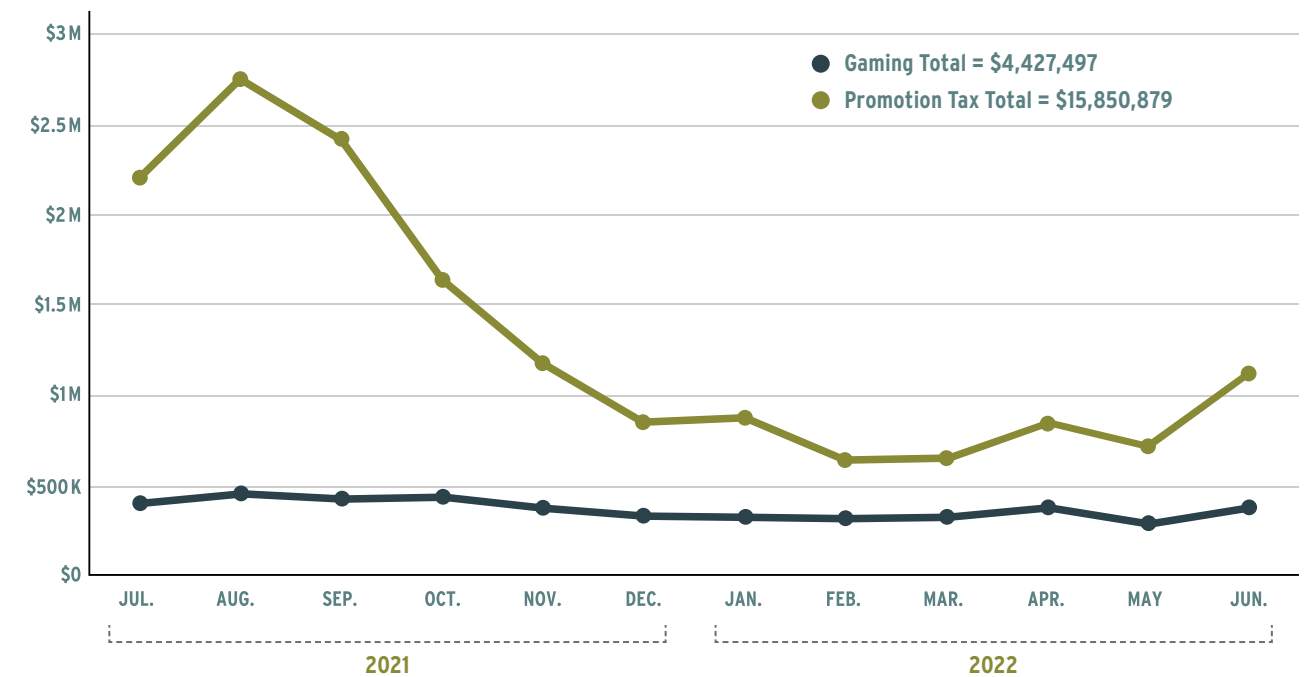
CAMPAIGN	FOUR-YEAR BUDGET
Domestic Marketing Efforts	\$2,700,000
• Print	
• Audio	
• Digital	
• Social	
TOTAL	\$2,700,000

LEGISLATIVE APPROPRIATION

Appropriated amount: \$35 million
To be used by December 2026
Funds will be used as follows:

CAMPAIGN	FOUR-YEAR BUDGET
Department Partnerships	\$2,680,000
TV, Print & Radio	\$14,925,000
National Digital & Social	\$2,675,000
Integrated Packages	\$5,320,000
DMO Marketing Assistance Program	\$5,000,000
Opportunity Allocation	\$4,400,000
TOTAL	\$35,000,000

2022 FISCAL YEAR REVENUE CHART



Source: South Dakota Dept. of Revenue

Note: Chart indicates the month revenue is deposited into Travel South Dakota's account and not necessarily when the activity took place.

ANNUAL TRAVEL INDICATORS

2022 ECONOMIC IMPACT



\$4.7 BILLION

Amount of visitor spending in 2022

▲ 8%



14.4 MILLION

Number of visitors that came to South Dakota

▼ 0.6%



\$3.3 BILLION

Amount of GDP contributed to the state's economy. This represents 5.1% of the South Dakota economy.



\$361 MILLION

State and local tax dollars generated by travel and tourism activity, representing 11% of state sales tax collections.



\$1,011

The amount of tax dollars each South Dakota household saved in 2022 because of the tourism industry.



56,826

Number of jobs supported by the tourism industry in 2022. This represents one out of 11 jobs in South Dakota.

Source: Tourism Economics

SOUTH DAKOTA TRAVEL INDICATORS



58%

Average hotel occupancy in 2022

▼ 0.2%



5.5 MILLION

Number of hotel room nights booked in 2022

▼ 0.6%



543,000

Number of room nights booked in alternative lodging in 2022

▲ 15.7%



9.6 MILLION

Number of visitors to South Dakota's state parks

▼ 5.5%

Camping units ▲ 1%



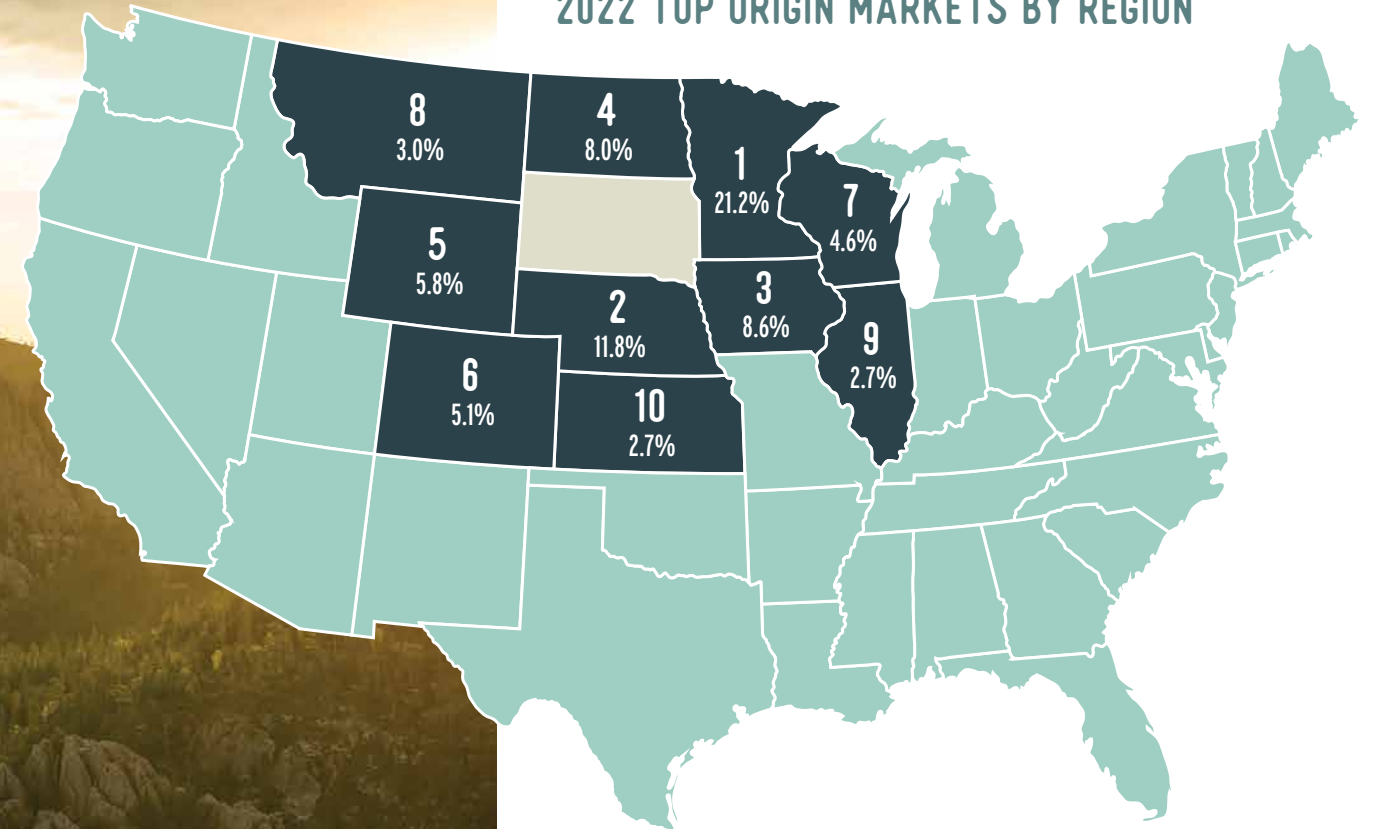
947,000

Number of arrivals at Sioux Falls and Rapid City regional airports

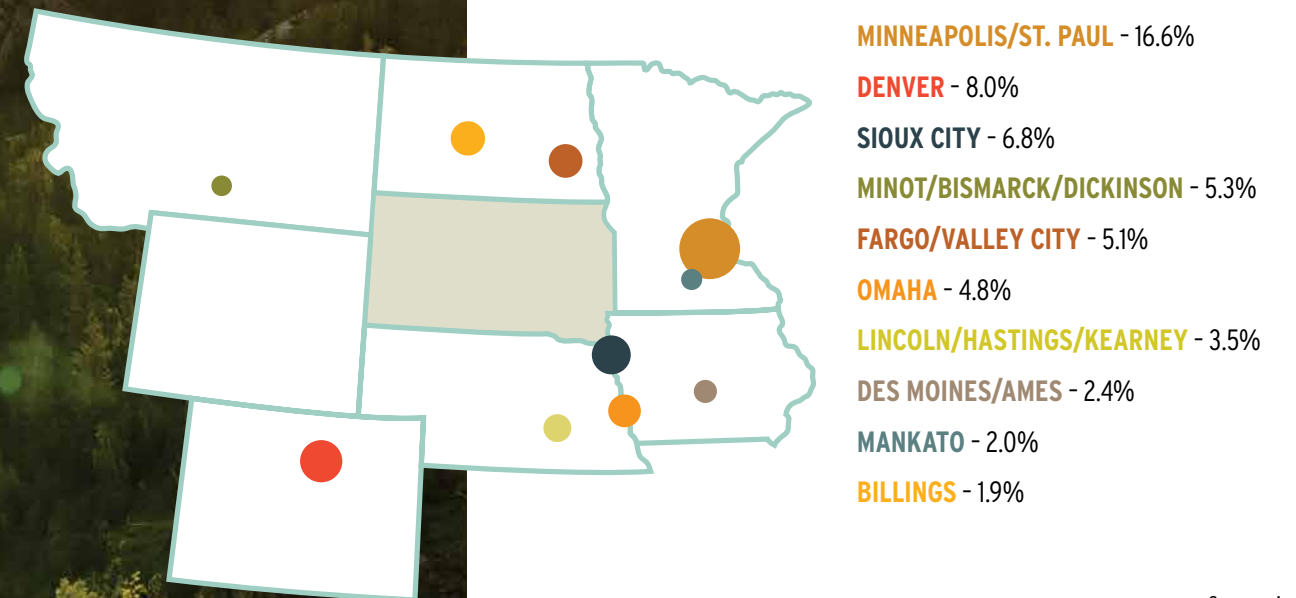
▲ 11%

Source: STR, AirDNA, SD Game Fish & Parks and Sioux Falls and Rapid City Regional Airports

2022 TOP ORIGIN MARKETS BY REGION

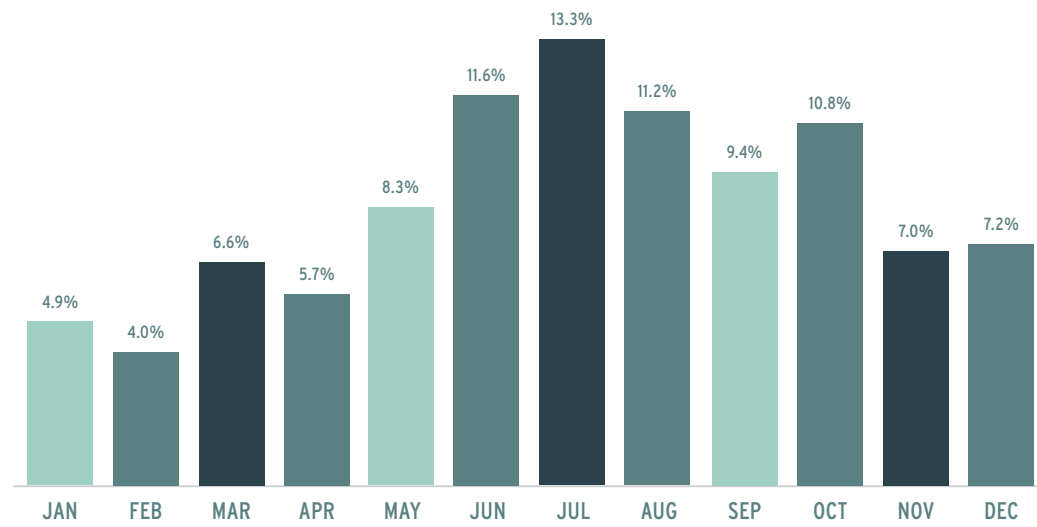


TOP ORIGIN MARKETS BY DMA



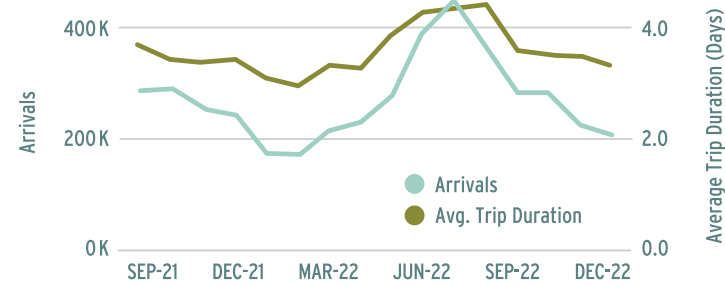
Source: Arrivalist

2022 TRIPS BY MONTH



Source: Arrivalist

ARRIVALS AND TRIP DURATION TRENDS



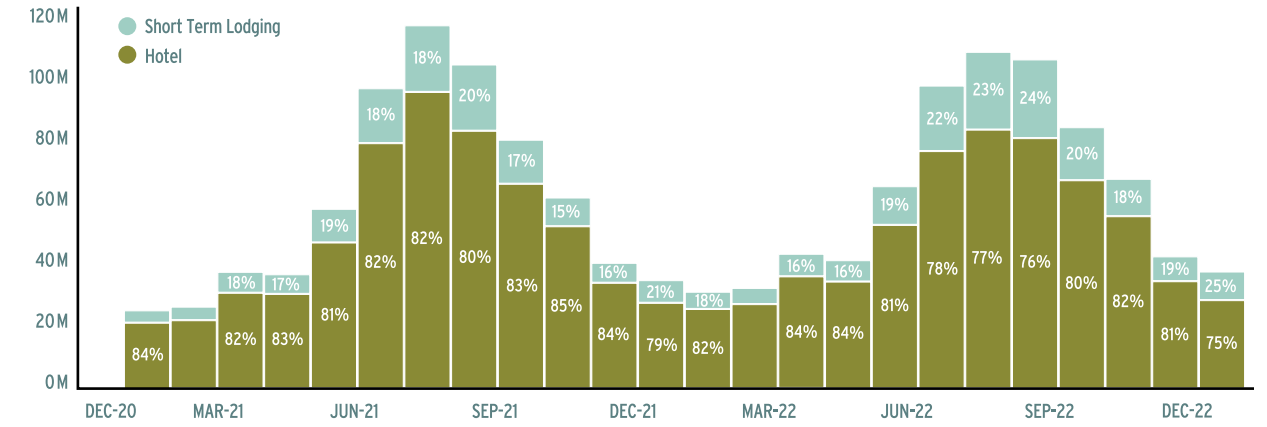
1.93 DAYS
AVERAGE TRIP DURATION

▲ 0.6%

Source: Adara Impact

Source: Arrivalist

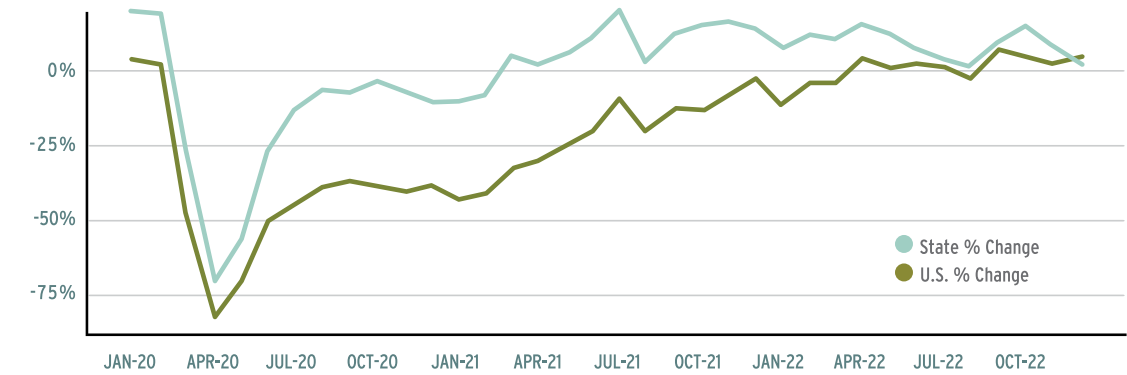
SOUTH DAKOTA LODGING REVENUE AND PERCENT SHARE BY LODGING TYPE



Source: STR and AirDNA

TRAVEL SPENDING (% CHANGE VS 2019)

South Dakota vs. U.S. total



Source: Tourism Economics



MARKETING

2022 PERFORMANCE

778.3MM+ Impressions
90.3MM+ Engagements

According to Longwoods International 2022 Advertising ROI Research, the Travel South Dakota peak marketing campaign generated an **ROI OF \$61** in visitor spending for each ad dollar spent.

Source: Longwoods International

PRESIDENTS' DAY ACTIVATION

Using the connection of Presidents' Day and Mount Rushmore National Memorial, Travel South Dakota drove awareness of the state as a vacation destination, while at the same time driving bookings, specifically targeting the Dallas, TX market.

For 30 days leading up to the holiday weekend, Travel South Dakota placed a 30- by 26-foot replica of Mount Rushmore on the ice rink at the Galleria Mall, one of the largest retail stops in Dallas, and placed paid media across digital and social channels that drove traffic to a landing page where visitors could sign up to win a South Dakota vacation.

On Presidents' Day weekend, several team members, along with the Rushmore mascots, manned pop-up kiosks, interacted with potential visitors, and conducted interviews with local Dallas media outlets.

In the nine months that followed, the campaign and activation drove 6,464 room nights, and generated \$1,653,617 in hotel revenue.



2022 CO-OP MARKETING

Travel South Dakota's cooperative marketing partnerships and campaigns are an ever-increasing and important part of the department's overall marketing strategy. Throughout 2022, the partners listed below were an integral part of the marketing funnel, reaching audiences at a crucial time during their vacation planning, and providing the push needed to convert.

- Aberdeen*
- Pierre CVB**
- Black Hills & Badlands Tourism Association**
- Rapid City*
- Brookings*
- Spearfish*
- Custer State Park**
- Sturgis*
- Custer BID**
- Watertown**
- Hill City*
- Yankton*
- Historic Deadwood**
- Hot Springs*
- Mitchell*

* Peak only
 ** Peak and Shoulder

PEAK END OF CAMPAIGN STATS:

(January 2022 through August 2022)

Hotel Room Nights - 429,827
 Booking Revenue - \$61,324,070
 Return on ad spend - 46:1
 Impressions - 228,763,477
 Engagement Rate - 6.59%

SHOULDER END OF CAMPAIGN STATS:

(July 18, 2022 through Feb 28, 2023)

Hotel Room Nights - 130,802
 Booking Revenue - \$16,479,011
 Return on ad spend - 33:1
 Impressions - 87,260,948
 Engagement Rate - 6.2%

2022 WEB STATS



2,237,285
Sessions
 ▼ 14.27%



51.37%
Engagement Rate

14,534,028
Total Events*
 ▲ 106.62%

*Events are user actions like link clicks, form completions, video views and other important actions.

Source: Google Analytics

SOUTH DAKOTA PASSPORTS

In 2022, Travel South Dakota launched the first of its free, mobile-exclusive passport programs, South Dakota Great Finds. This passport encourages users to explore and experience the hidden treasures found through the state. The passport showcases more than 100 locations at which visitors and locals alike can check in to unlock a range of prizes.

In June, Travel South Dakota launched its second passport, State of Create, which highlights the beautiful art and culture of South Dakota with 55 featured stops.



SHOULDER 2022 CAMPAIGN

Research shows today's travelers long for a time when a trip was more than sightseeing and standing in lines. They seek experiences filled with exploration and discovery that provide a truly transformational and fulfilling vacation. For shoulder season, 2022, Travel South Dakota unveiled "So Much South Dakota, So Little Time," a campaign which showed visitors that South Dakota has exactly what they crave: 77,000 square miles of pure wonder, filled with so many things to see, smell, taste, hear and feel.

GLOBAL PUBLIC RELATIONS & SOCIAL MEDIA



DOMESTIC PR CALENDAR YEAR 2022:

2,600 placements
48.2 billion earned media impressions
\$69.2 million estimated media value



INTERNATIONAL PR CALENDAR YEAR 2022:

190 placements
753,000 earned media impressions



THE CORN KID

In 2022, Travel South Dakota brought the viral sensation “Corn Kid” to South Dakota and documented his journey to being named the official “Corn-bassador” of South Dakota by Governor Kristi Noem. The department’s imagery, video content, stories and reels received national attention and produced more than 10.2MM impressions and 1.65MM engagements. The opportunity to create high-quality, on-trend content resulted in strong performance and high engagement rates across all platforms and paid dividends toward overall growth goals. This also resulted in more than 1,100 editorial placements including Good Morning America, The Today Show, NBC, NPR, Washington Post, and The Late Show with Stephen Colbert.



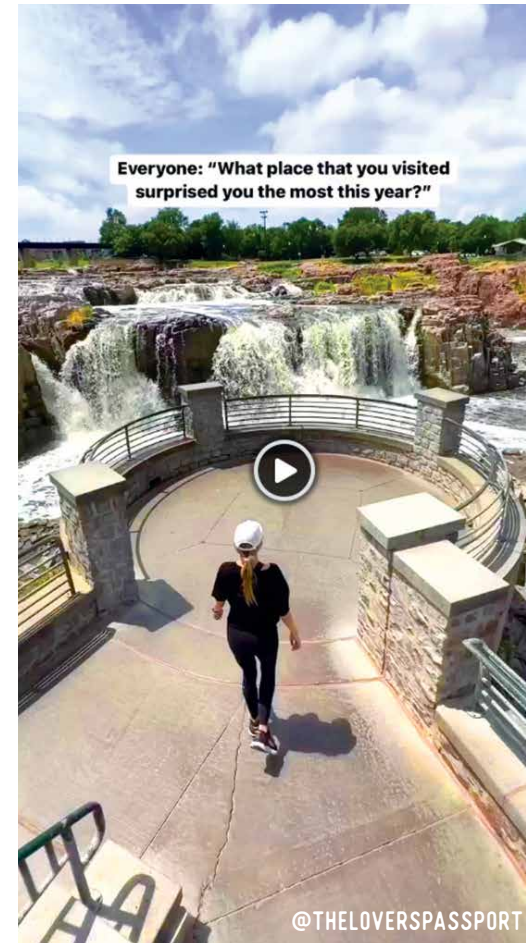
10.2MM+
Impressions



1.65MM+
Engagements



1,100+
Editorial Placements



SOCIAL MEDIA VIDEO INTEGRATION

Vertical video was a large part of the social strategy in 2022. The team focused on creating reels, as short-form video is one of the top performing content types on Travel South Dakota’s social channels. These efforts provide an opportunity to produce and share authentic views of South Dakota with potential visitors.

In 2022, Travel South Dakota saw record growth on social media, with a total audience of 514,000 across all channels. This is an increase of 18.9% over 2021. Total impressions were up 70.5% and engagements up 106.9%, indicating the extreme effectiveness of TSD’s social initiatives. Instagram saw unprecedented growth in 2022 with a growth rate of 18.3%, which is in the top 10% for growth of all Instagram profiles.



Facebook Impressions: 97,924,889 (104.2% up over 2021)
Facebook Engagements: 2,977,960 (56% up over 2021)
Facebook Web Sessions: 148,682 (1.17% down from 2021)



Twitter Impressions: 1,257,739 (28.5% down from 2021)
Twitter Engagements: 27,860 (23.8% down from 2021)
Twitter Web Sessions: 3,507 (20.7% up over 2020)



Instagram Impressions: 14,635,254 (13.9% down from 2021)
Instagram Engagements: 720,747 (3.3% up over 2021)
Instagram Web Sessions: 2,114 (23.19% up over 2021)

TOTAL IMPRESSIONS: 113,817,882 (70.5% UP OVER 2021)
TOTAL ENGAGEMENTS: 5,471,080 (106.9% UP OVER 2021)
TOTAL WEB SESSIONS: 167,918 (5.8% DOWN FROM 2021)



ARE YOU A 605 Super Fan?

MARK WHAT YOU'VE EXPERIENCED!

TRAINED IN HOT SPRINGS	TRAVELED NORTH DAKOTA	WROTE AT HOT & BLACK HILLS TOWN	NATIONAL MUSIC MUSEUM	DRINKS BOLD BEER
HIT ALLEY IN RAPID CITY	MIDWINTER PRODUCTIONS WOOD HILL	WALKED FLORENCE TRAIL	ROBBI MORGAN COUNTRY	CENTRAL SPINNET BOWL
WANTONKA WRESTLING SOUTH DAKOTA CENTER	FOUNDED IN MARIPOSA	FREE SPACE	DRAGGED BY CHUCKLE	NATURAL AMERICAN SCIENCE MUSEUM
TRAINED FOR GOLD	FOOT DRIFT ON HISTORICAL FESTIVAL	WISCONSIN LAKE HART	HOT AIR BALLOON RIDE	BUFFALO TRAFFIC JAM
SANBORN LARSEN STATE PARK	ICE CREAM AT FIELDS	COVENANT PARK AT BRAGG'S HORSE TRAIL	BIKE IN OPERATION	BIU STONE PUMPKIN PATCH

TEMPLATE BY SOUTH DAKOTA TOURISM



VACATION GUIDE



@BLACKHIKINGQUEEN



@THEMOMTROTTER

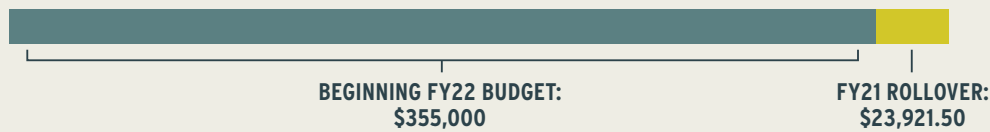
GLOBAL TRAVEL & TRADE



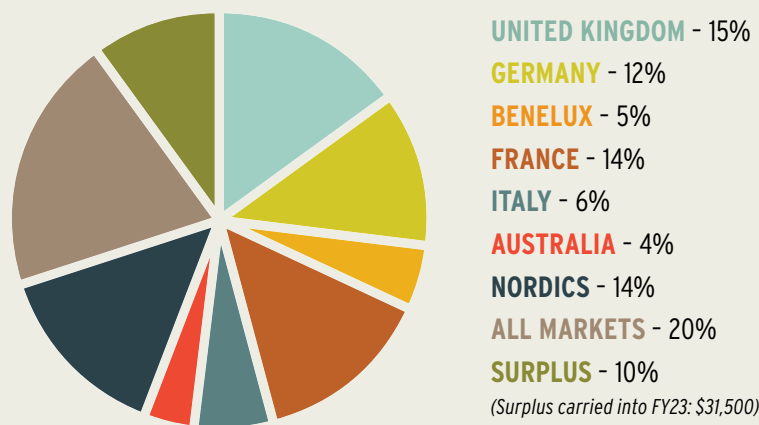
THE GREAT AMERICAN WEST

The Great American West (GAW) is the brand for the international marketing efforts of the state tourism offices of Idaho, Montana, North Dakota, South Dakota, and Wyoming. These states pool their resources and efforts to reach consumers, media and the travel trade through advertising, co-op marketing and public relations efforts. Target international markets include the United Kingdom, Germany, Benelux, France, Italy, Australia/New Zealand, and the Nordics.

TOTAL FY22 MARKETING FUND: \$358,921.50



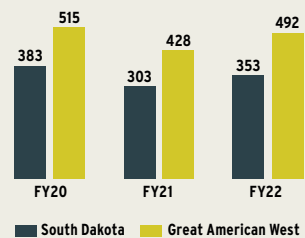
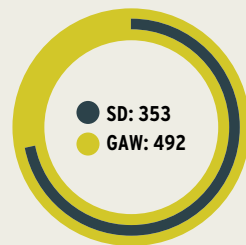
FY22 MARKETING FUND ALLOCATIONS



NOTE: The total marketing fund includes contributions from all five Great American West member states.

353 ▲ 16.5% YOY

In FY22, 353 tour operators offered overnights in South Dakota; 492 tour operators offered product in the Great American West region.



Note: All ROI calculations are proprietary models derived by RMI. International tourism trade partners provided the data included in this report exclusively to RMI on behalf of the state tourism departments of Idaho, Montana, North Dakota, South Dakota and Wyoming. Source: 2022 RMI TRIP Report.

29 → **30** → **73**
Fams Professionals Overnights

29 trade fams resulted in 30 trade professionals and 73 overnights hosted in South Dakota in FY22.

101 ▲ 55% YOY **286** ▲ 61% YOY
New Itineraries New Overnights

The GAW added 101 South Dakota itineraries and 286 overnights to its product offerings in FY22, as well as 196 new regional itineraries and 1,512 regional overnights.

6 → **11** → **23**
Fams Professionals Overnights

Six press trips resulted in 11 media professionals and 23 overnights hosted in South Dakota in FY22. Benelux had the most overnights with 7, followed by Germany and Australia with 5 each.

INTERNATIONAL MISSIONS

FRENCH MISSION

March 27-April 1, 2022

Delegates from all five states in the Great American West region traveled to Paris and Toulouse, France, for a week of product trainings, relationship building, lead development, and continued discussions on product development and cooperative opportunities. Representatives met one-on-one with some of the top tour operators in France including TUI France, Salaun Holidays, Comptoir des Voyages, Voyageurs du Monde, Le Cercle des Vacances, and Marco Vasco. The group also met two key contacts at major airlines into the GAW region with United and Delta.

LEADS

SALES STAFF TRAINED – 22
PRODUCT MANAGERS TRAINED – 11
AIRLINE APPOINTMENTS – 2 (DELTA & UNITED)
NETWORKING EVENT ATTENDEES – 31
(26 IN PARIS; 5 IN TOULOUSE)
TOTAL MISSION LEADS → 66



NORDIC MISSION

April 25-29, 2022

Representatives from the Great American West states traveled to the Nordic region for a week of trade, media and airline meetings. The group conducted in-depth travel trade trainings as well as led itinerary developments with trade contacts.

LEADS

TRADE – 52
MEDIA – 8
AIRLINES – 2
TRAINING – 61
TOTAL MISSION LEADS → 67

UK MISSION

December 4-8, 2022

Great American West state representatives spent a week in London participating in multiple business meetings and networking functions with targeted trade, airline, receptive and media contacts. The group fulfilled destination and product trainings, established new leads, and strengthened relationships in the market.

LEADS

TRADE – 53
AIRLINES – 4
RECEPTIVE – 2
MEDIA – 15
TOTAL MISSION LEADS → 74

INTERNATIONAL ROUNDUP

Fargo, ND

International Roundup (IRU) is an exclusive annual tourism tradeshow for suppliers and buyers focused on tourism in the Great American West (GAW) region. Held in a different GAW state each year, Fargo, ND was the host city for IRU in 2022. IRU consisted of 40 pre-scheduled business appointments with trade representatives from GAW's seven international markets. These were followed by post-familiarization tours throughout the region.

South Dakota hosted post-fams for 32 participants from six countries, May 19-23, visiting 30 South Dakota communities and traveling nearly 4,100 miles across the state.

NATIVE AMERICAN TOUR DEVELOPMENT

For the first time in the history of the department, Trafalgar, one of the top tour companies in the world, added an itinerary focused on tribal lands in South Dakota. After months of working with the South Dakota Native Tourism Alliance, George Washington University, and Destination America on the development of experiences, these tours will offer experiential, authentic, and immersive opportunities in Pine Ridge, Rosebud, and Standing Rock.

The nine-day tour begins in Rapid City and explores national parks and monuments before heading into Pine Ridge, Rosebud, then Standing Rock. The tour then extends into North Dakota and departs out of Bismarck.

At this time there are eight departures offered through Trafalgar, with additional tours added by Collette and Intrepid.

INDUSTRY OUTREACH, DEVELOPMENT, & RESEARCH

AGRITOURISMSD

In 2021, Travel South Dakota, in partnership with SDSU Extension, launched the very first class of AgritourismSD. This two-year intensive educational program was designed to provide the tools and skills necessary to develop an agritourism business.

After two years of workshops, webinars and hands-on experiences, the 22 graduates of the program are ready to move forward into building their own agritourism businesses. These graduates are the future of this growing niche in South Dakota.



AGRITOURISM LIABILITY BILL SUCCESS

On March 2, 2022, Governor Noem signed into law Senate Bill 135, an Act to revise provisions regarding agritourism liability. This was a bill that the department helped introduce with key legislative support. The bill strengthens liability protections for agritourism activity operators in South Dakota. With these protections, farmers and ranchers will preserve South Dakota's rich history of family-owned-and-operated agriculture operations while helping to grow their rural communities. The language in SB135 went into effect on July 1, 2022.

WELCOME CENTER ENHANCEMENTS

Throughout 2022, Travel South Dakota prioritized a few enhancements to the interstate Welcome Centers. Since mid-August, travelers along the interstates have had access to free wireless internet at the five official Welcome Centers located near Spearfish, Chamberlain, Valley Springs, Vermillion, and Wilmot.

Additionally, Travel South Dakota contracted with BPI for several upgrades and improvements to the Chamberlain Welcome Center and Lewis & Clark Exhibit. New exhibits will be ready for visitors in 2023 and include the installation of museum-quality displays that depict the history of Lewis & Clark's time in South Dakota, as well as modern day attractions and sites visitors can still experience today across the state, and interactive displays to engage families.

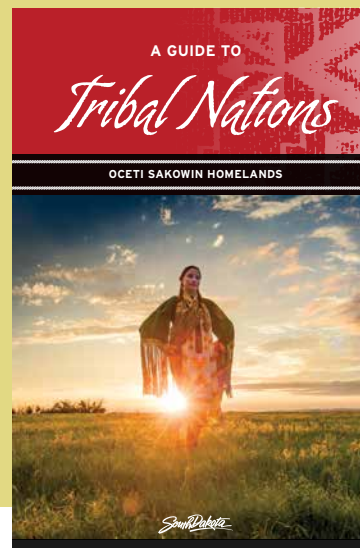


INDUSTRY TRAININGS

In 2022, Travel South Dakota saw 322 new signups for its Online Hospitality Training. This program continues to focus on basic soft skill knowledge while also incorporating knowledge of the state through four sub-lessons, one on each of the four tourism regions. Originally intended for all travel and tourism industry partners for assistance with training their staffs, the department began promoting the free training to a wider audience, knowing that any frontline professional can leave a lasting impression on visitors. South Dakota remains a leader as one of the only states to offer this sort of training opportunity to employers and their staffs, and at no charge.

In May, Travel South Dakota brought back Christine Cashen (2022 Governor's Conference on Tourism speaker) for the annual Spring Hospitality Training. Christine traveled to seven communities and spoke to a total of 521 attendees.

Our webinar series continues to be a popular resource for the tourism industry with 50+ industry members tuning in to each webinar. In 2022 the department hosted six webinars, ranging in topics from marketing, media, and public relations to the South Dakota passport program, Google business profiles, and data findings. All webinars are recorded and housed on SDVisit.com for easy access. After hosting a 2-part webinar series with Miles Partnership on Google Business Profiles, the department was able to offer industry members two months of free support with Google Business Profiles from the Miles Partnership team.



TRIBAL LANDS GUIDE

Travel South Dakota, in partnership with the South Dakota Native Tourism Alliance (SDNTA), released a new "Guide to Tribal Nations: Oceti Sakowin Homelands" visitor guide in 2022. The publication features a map of tribal lands, brief history of each tribe, visitor etiquette suggestions, and destinations that provide opportunities to learn more about each tribe. The guide's content was produced and approved through members of the SDNTA.



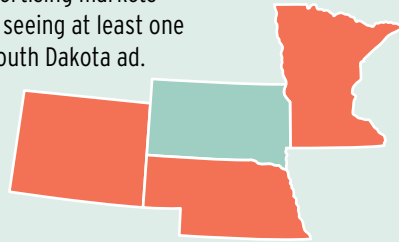
RESEARCH

2022 ADVERTISING ROI RESEARCH

In an effort to better understand the performance of Travel South Dakota's marketing efforts, as well as the perception of potential visitors toward the state, Longwoods International was commissioned to conduct a study measuring the impact of advertising awareness on image, the short-term conversion that occurred during and shortly after the campaign period, and the halo-effect of South Dakota's tourism promotion.

KEY FINDINGS:

ALMOST 2/3 of travelers in SD's advertising markets recalled seeing at least one Travel South Dakota ad.



Ad awareness was highest in MN, NE, and WY

The 2022 campaign produced an additional

692,000 TRIPS

to South Dakota that otherwise would not have materialized in the absence of advertising.

When related to advertising costs of **\$1.8 MILLION**, this translates to a return on investment of **\$61 IN VISITOR SPENDING** for each ad dollar spent.

Those incremental expenditures yielded \$8.9 million in taxes, equating to an **ROI OF \$5 IN TAXES FOR EACH AD DOLLAR SPENT.**

South Dakota's Image Strengths:

- WELL-KNOWN LANDMARKS
- NATIVE AMERICAN CULTURE
- AUTHENTIC HISTORICAL SITES
- EXCELLENT NATIONAL/STATE PARKS

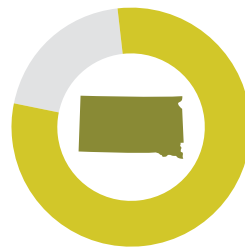
Source: Longwoods International

2022 SOUTH DAKOTA RESIDENT SENTIMENT

Throughout the pandemic, South Dakota's tourism industry fared very well. So well, in fact, that Travel South Dakota started to hear for the very first time about potential pain points in certain parts of the state. This prompted the department to prioritize residents in its most recent strategic plan, and commission a resident sentiment study to understand their perspective. The people who live here, raise families here, own and operate businesses, and work in South Dakota's communities, are key to what makes the South Dakota visitor experience so remarkable.

KEY FINDINGS:

There is strong support for tourism in South Dakota.



8 IN 10 RESIDENTS

surveyed think tourism is good for their state and South Dakota benefits from a strong tourism industry.

Tourism growth and the development of additional assets is supported by residents, especially if it's part of a planned and controlled development.



Around **7 IN 10** residents surveyed believe tourism should be encouraged in SD and support tourism growth.



6 IN 10 support developing/hosting more major events.



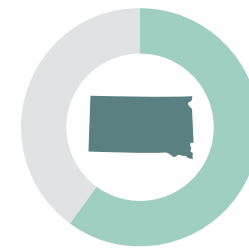
Almost **6 IN 10** support building new tourism facilities to attract more visitors.

Source: Longwoods International

Most residents understand the importance of promoting South Dakota.



HALF understand visitors won't just come to the state without promotion.



6 IN 10 RESIDENTS

surveyed agree that tourism is important to the local economy.

7 IN 10 RESIDENTS

South Dakota is welcoming to visitors, and seven in 10 are proud of what South Dakota has to offer tourists.



3/4 of residents welcome tourists to SD.



2/3 look forward to showing off SD when friends and family visit.



South Dakota

GREAT FACES. GREAT PLACES.

TRAVEL SOUTHDAKOTA.COM // SDVISIT.COM



711 E. WELLS AVENUE, PIERRE, SD 57501-3369
PHONE: 605.773.3301