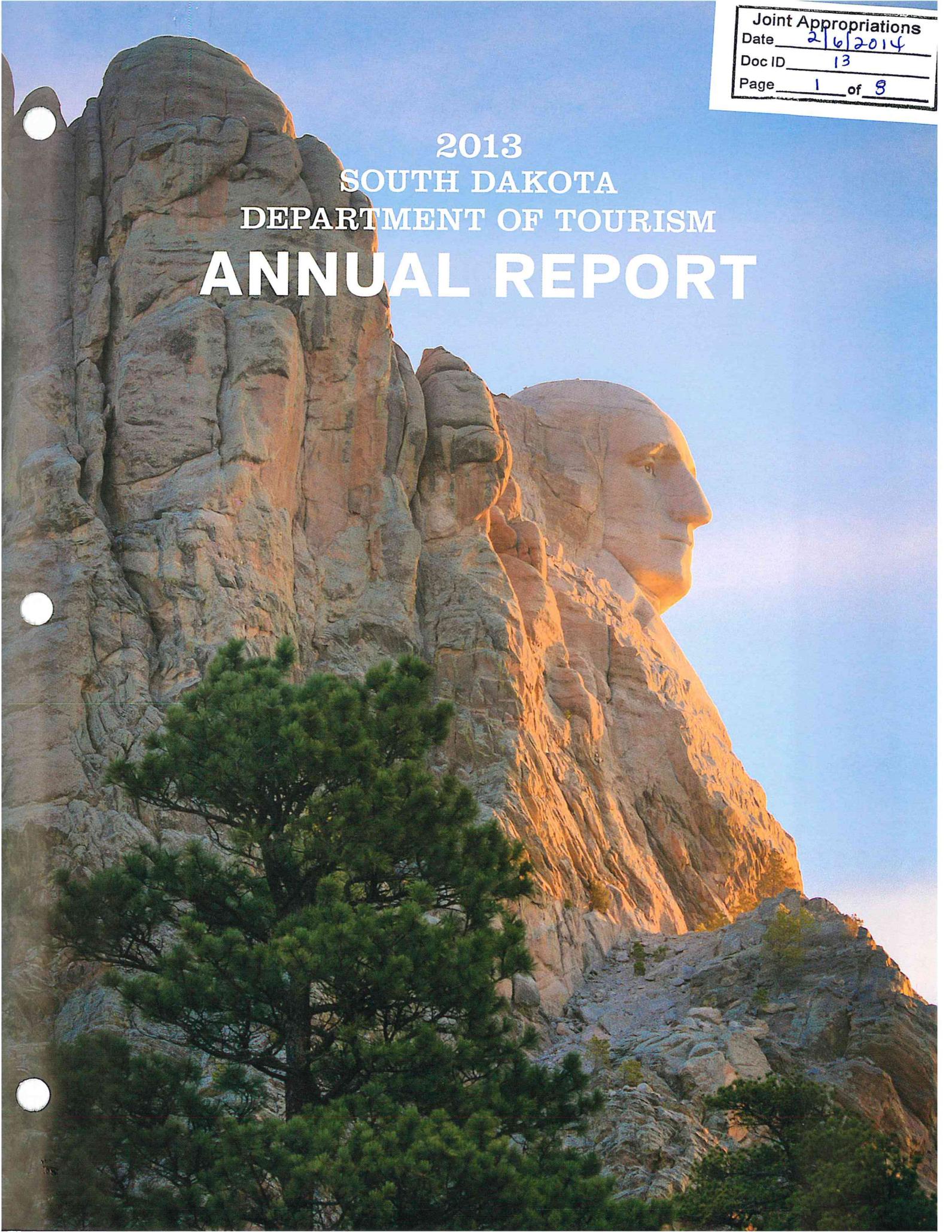


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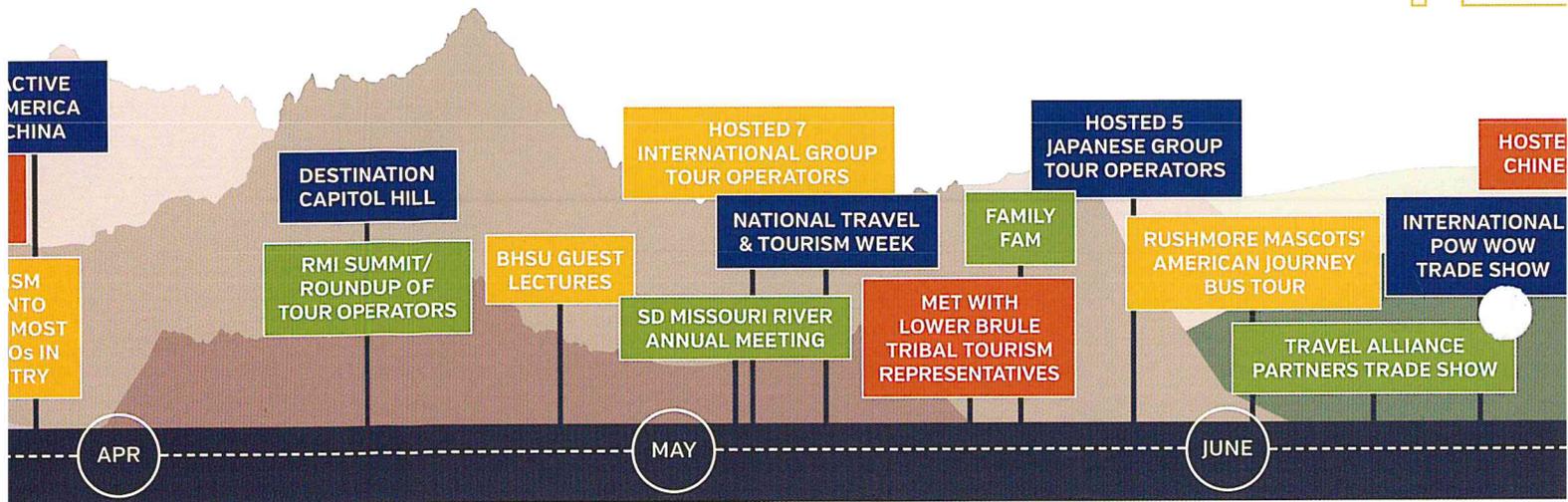
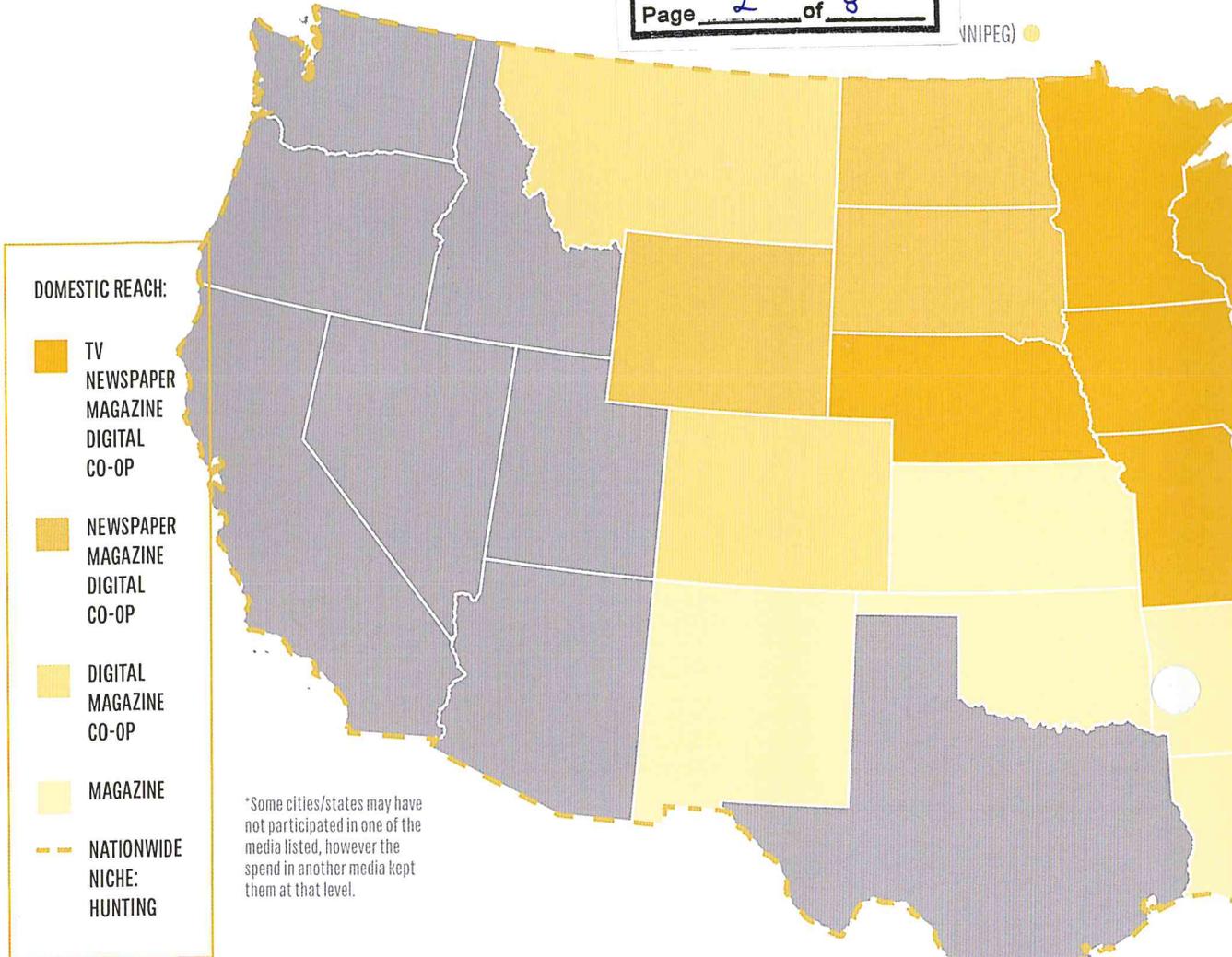
2013
SOUTH DAKOTA
DEPARTMENT OF TOURISM
ANNUAL REPORT



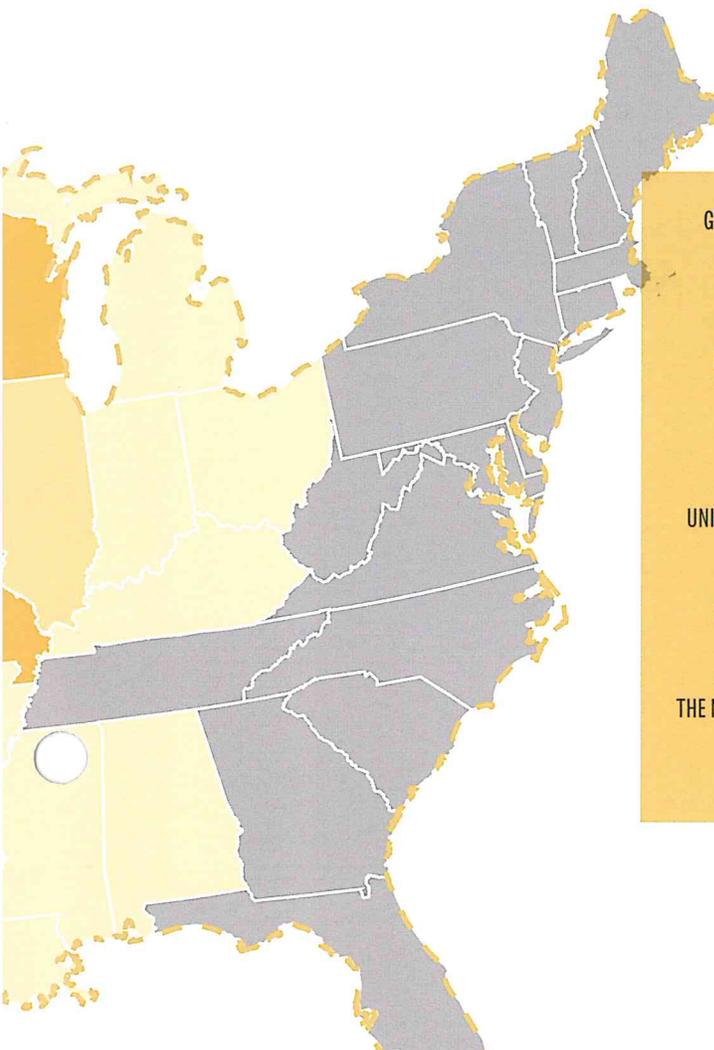
GLOBAL & DOMESTIC

Joint Appropriations

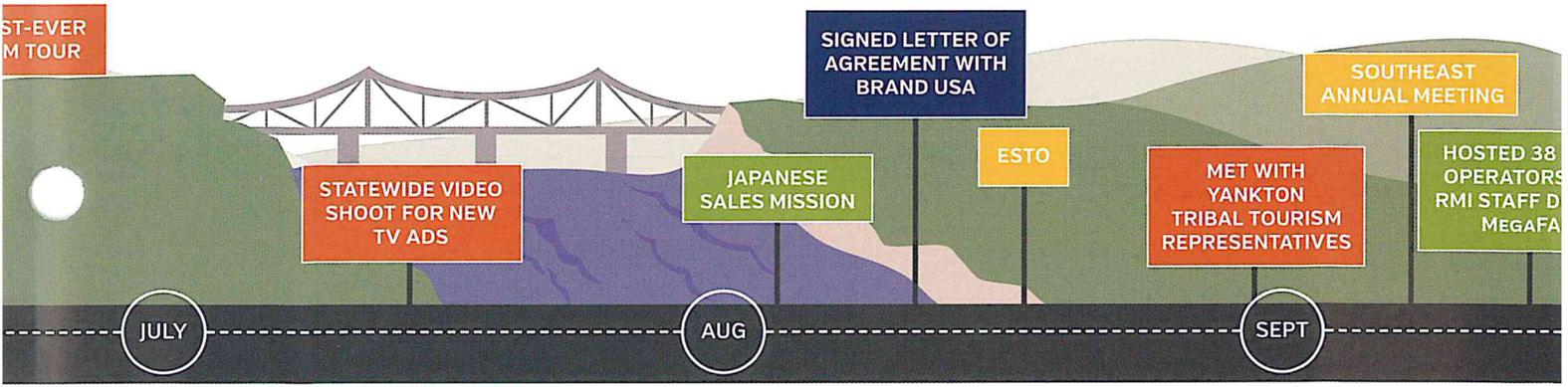
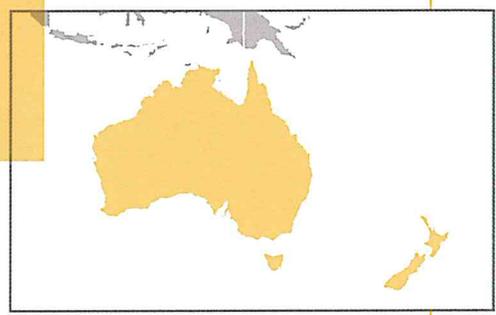
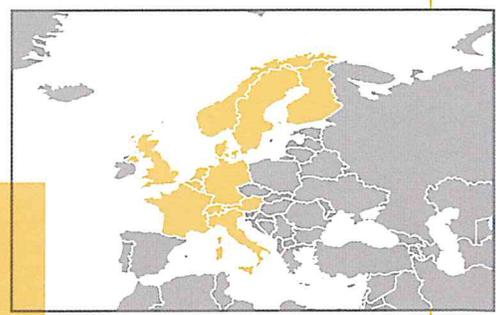
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MARKETING REACH



- GLOBAL REACH:**
- CHINA
 - JAPAN
 - AUSTRALIA
 - NEW ZEALAND
 - FINLAND
 - NORWAY
 - DENMARK
 - SWEDEN
 - UNITED KINGDOM
 - GERMANY
 - AUSTRIA
 - SWITZERLAND
 - BELGIUM
 - LUXEMBOURG
 - THE NETHERLANDS
 - ITALY
 - FRANCE



THE ROLE OF SOUTH DAKOTA TOURISM

OUR MISSION

THE SOUTH DAKOTA DEPARTMENT OF TOURISM'S MISSION IS TO MARKET THE STATE AS A PREMIER VACATION DESTINATION TO DOMESTIC AND INTERNATIONAL VISITORS. OUR GOAL IS TO INCREASE THE LEVEL OF TOURISM BUSINESS AND RELATED EMPLOYMENT BY WORKING CLOSELY WITH THE STATE'S VISITOR INDUSTRY TO PROMOTE ATTRACTIONS, EVENTS, AND OUR STATE'S NATURAL RESOURCES, CULTURE, HISTORY AND ITS PEOPLE.

ON YOUR BEHALF

- Promote South Dakota as a premier travel destination.
- Promote your destination through the following:
 - › South Dakota Vacation Guide
 - › 1-800-S-DAKOTA
 - › Tourism websites:
 - » www.TravelSD.com
 - » www.SDVisit.com
 - » www.HuntinSD.com
 - » www.FishinSD.com
 - » www.MediaSD.com
 - » www.TourSDakota.com
 - » www.FilmSD.com
 - › Press releases
 - › Familiarization tours
 - › Consumer, domestic and international trade shows
 - › Special interest publications
 - › Statewide, regional, national and international marketing
 - › Consumer promotions
 - › E-newsletters
 - › Social media channels: Facebook, Twitter, Pinterest, Instagram, Google+, YouTube and two blogs
- Maintain www.SDVisit.com, the industry website that houses resources and information on how to partner with the Department of Tourism.
- Retain memberships with the American Bus Association, National Tour Association, U.S. Travel Association, Public Relations Society of America, Association of Great Lakes Outdoor Writers, Brand USA and others to gain access to travel buyers and promotion opportunities otherwise unavailable.
- Partnership in Rocky Mountain International (RMI), a consortium of states that promotes the Rocky Mountain region in Australia, Austria, Belgium, Denmark, Finland, France, Germany, Italy, Luxembourg, the Netherlands, New Zealand, Norway, Sweden, Switzerland and the United Kingdom. RMI assists in generating media coverage for South Dakota in international markets, and enticing international consumers to visit South Dakota.
- Marketing and promotion in additional international markets outside of RMI, which includes China and Japan.
- Promote tourism assets to the thousands of annual visitors who stop at the state's visitor information centers
- Work with the Visitor Industry Alliance to actively advocate for the visitor industry during legislative sessions through testifying and lobbying on legislation.

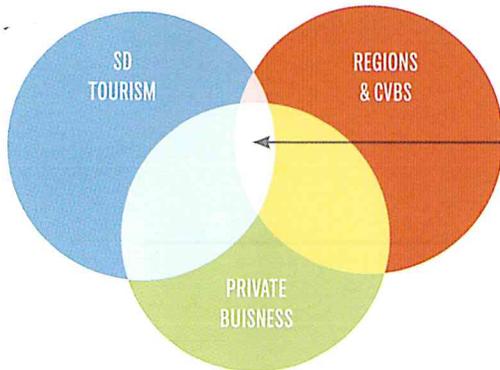
PAID CO-OP OPPORTUNITIES

- Co-op opportunities at consumer and domestic trade shows
- Participate in state hosted familiarization tours for tour operators, travel agents, domestic and international media
- Giant Step magazine ads
- Great Getaways newspaper inserts
- Matching Dollar Challenge
- Group Tour Co-op
- Group Tour Planning Guide
- Community Co-op Marketing

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NO-COST OPPORTUNITIES

- Interstate Information Center programs: publications, posters, t-shirts
- Photo and video assets available
- Online calendar of events
- Listings on www.TravelSD.com
- Vacation packages and hot deals on www.TravelSD.com
- Great Service Star
- Governor's Hospitality Certificate
- Online customer service training
- Access to research
- Spring hospitality training
- Rooster Rush
- National Travel & Tourism Week
- Department of Tourism staff available to speak at programs, meetings and conferences



The South Dakota Department of Tourism, regional associations, convention and visitors bureaus and private businesses each play a vital role in the success of the visitor industry. Our roles may vary, but our goal is the same: to increase visitation in South Dakota.

PEAK 2013

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YOUR AMERICAN JOURNEY BUS TOUR

• The Tour

- 8 states
- 14 cities
- 60+ stops
- 250,000+ direct, in-person impressions



• Earned Media

- 30 minutes of earned TV airtime
- 420,000+ impressions
- Advertising value of more than \$76,000

• Social Media

- 11,175 sweepstakes entries
- 19,823 new Facebook likes
- 8,729 shares on Facebook
- 5.8 million Facebook impressions

• Digital Media & eCRM

- 2.5 million digital media impressions
- 420,000+ emails sent

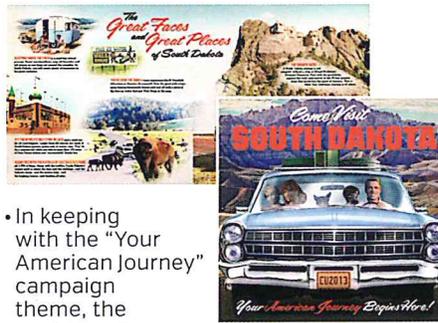


MACY'S AMERICAN ICONS

• The Macy's American Icons campaign partnership came about as a result of the Department's partnership with Macy's through the Thanksgiving Day parade. The campaign kicked off Memorial Day weekend and ran through Independence Day. South Dakota and Mount Rushmore National Memorial were included in the following:

- Two direct mail fashion books, each of which was mailed to approximately **33 million people**
- In-store visuals across the country
- Featured on the home page of the American Icons campaign on Macys.com
- Select shopping bags and window displays

FREE-STANDING INSERT



• In keeping with the "Your American Journey" campaign theme, the peak insert was one that hearkened back to the classic family road trip.

- **Markets:** Des Moines, Kansas City, Minneapolis
- **Circulation:** 1,302,540
- **Impressions:** 2,735,334



GIANT STEP

- The 2013 peak season Giant Step cooperative marketing piece was a 4-page spread that inserted in Better Homes & Gardens, Country Living, Family Circle, Good Housekeeping, Ladies Home Journal, Midwest Living, O Magazine and Woman's Day.
- **Impressions:** 39,675,470

GREAT GETAWAYS

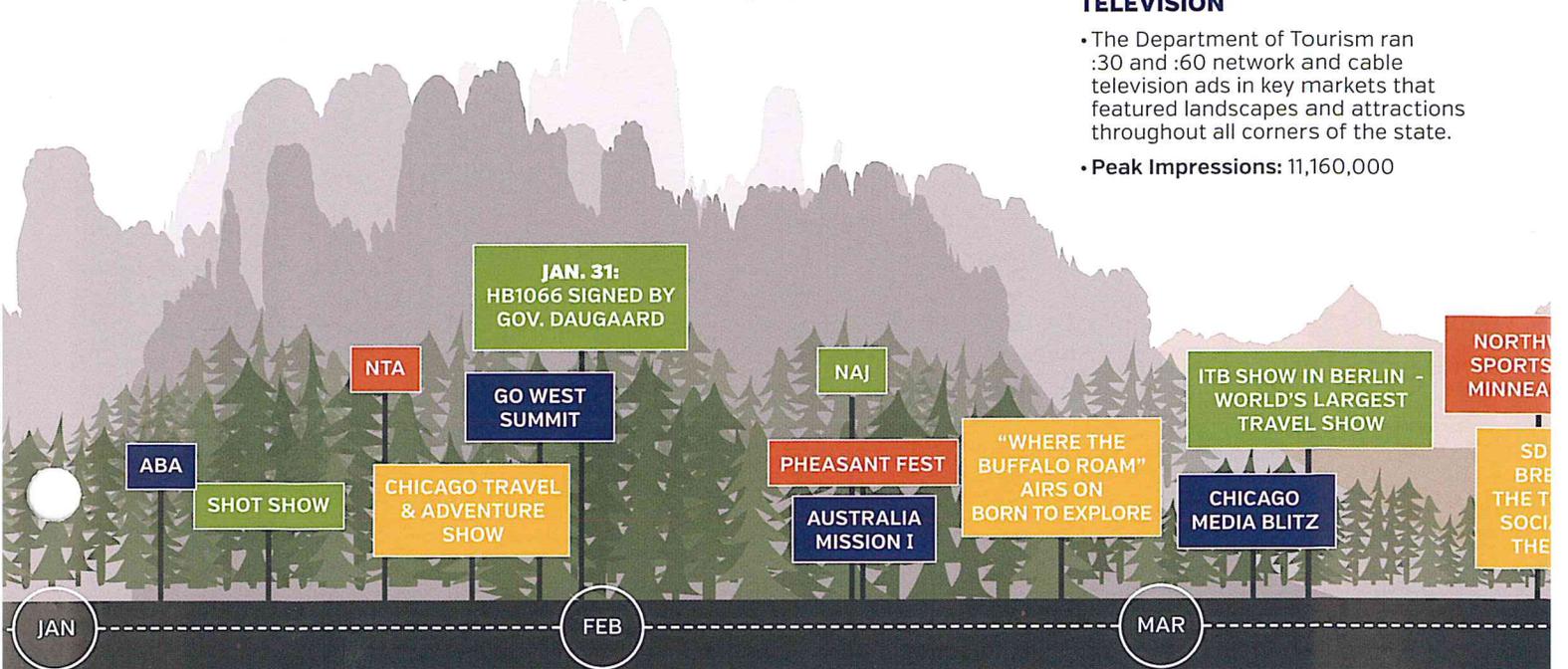
- The 2013 peak season Great Getaways cooperative newspaper insert was a multi-page piece that reached audiences in Colorado, Iowa, Nebraska, North Dakota, Minnesota, South Dakota, Wisconsin and Wyoming.
- **Impressions:** 1,367,079

DIGITAL EFFORTS

- Digital efforts in the peak 2013 campaign included SEO, display ads, rich media, search retargeting, partnerships with online travel agents (OTAs) and lead generation.
- This campaign resulted in:
 - 49 million impressions
 - More than 31,000 inquiries
- Paid search outperformed site averages by 40%.

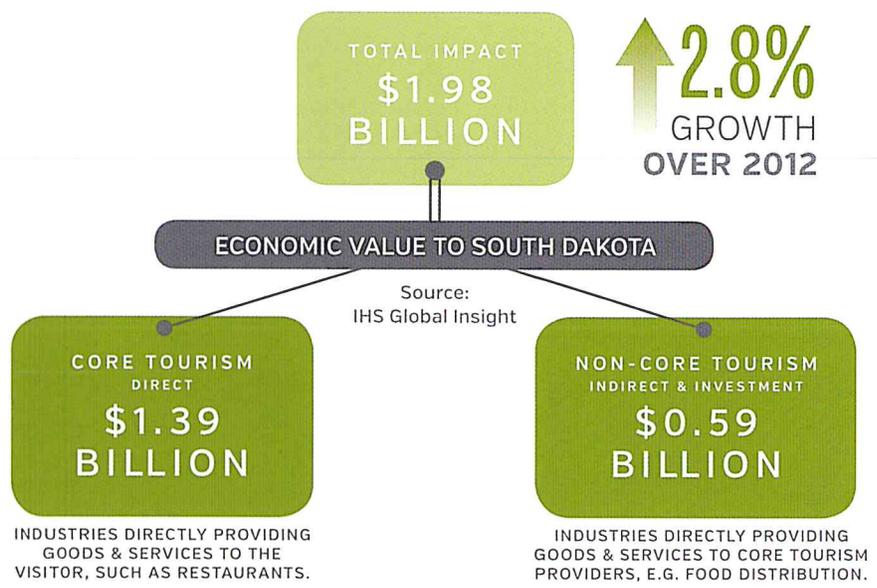
YOUR AMERICAN JOURNEY TELEVISION

- The Department of Tourism ran :30 and :60 network and cable television ads in key markets that featured landscapes and attractions throughout all corners of the state.
- **Peak Impressions:** 11,160,000

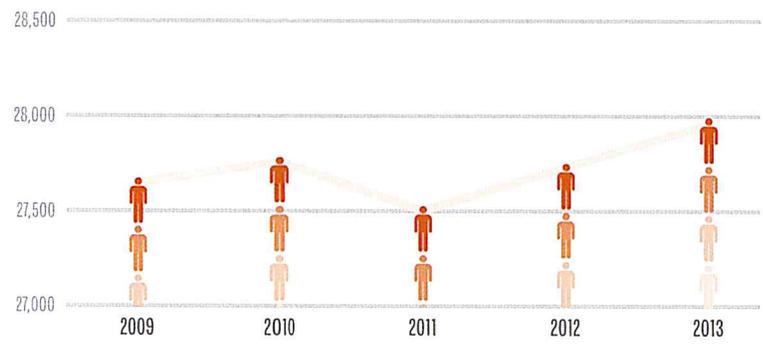


TRAVEL IMPACTS

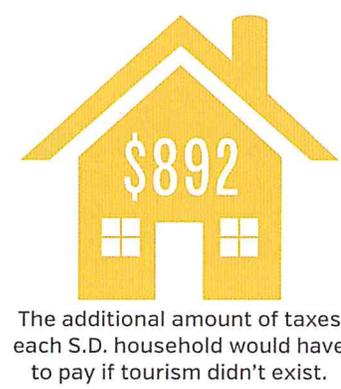
SOUTH DAKOTA TRAVEL INDUSTRY ECONOMIC IMPACT



VISITOR INDUSTRY JOB GROWTH



HOUSEHOLD TAX SAVINGS



ECONOMIC IMPACT

TOURISM-RELATED ACTIVITY GENERATED

19.41%

OF ALL STATE AND LOCAL TAX REVENUE IN 2013, OR **\$295 MILLION**

\$ = \$\$\$\$

FOR EVERY \$1 SPENT ON TRAVEL MARKETING, SOUTH DAKOTA RECEIVES **\$5 BACK IN TAX REVENUES**

DIRECT SPENDING BY TRAVELERS TO SOUTH DAKOTA AVERAGED

\$3.8 MILLION PER DAY & **\$159 THOUSAND PER HOUR**

INTERNATIONAL VISITORS TO SOUTH DAKOTA ACCOUNT FOR **8.6%** OF OVERALL VISITOR SPENDING

1 OUT OF 11 JOBS IN SOUTH DAKOTA DEPENDS ON TRAVEL AND TOURISM

AVERAGE SPENDING PER VISITOR IN 2013 WAS \$242



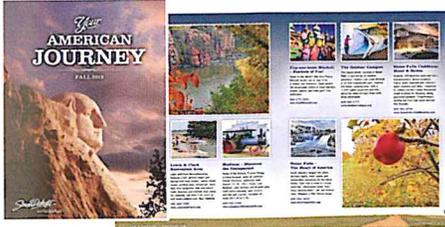
Sources: IHS Global Insight, Longwoods International

SHOULDER 2013

GIANT STEP

- The 2013 shoulder season Giant Step cooperative marketing piece was a 4-page spread that inserted in Better Homes & Gardens, Family Circle, Ladies Home Journal, Midwest Living and O Magazine.
- Impressions: 30,565,990

GREAT GETAWAYS



- The 2013 shoulder season Great Getaways cooperative newspaper insert was a multi-page piece that reached audiences in Colorado, Iowa, Nebraska, North Dakota, Minnesota, South Dakota and Wyoming.
- Impressions: 1,270,135

WIN IT. WITH BENNY SPIES

- The Department of Tourism entered into a partnership with South Dakota outdoor show host, Benny Spies, in 2013. The agreement included:
 - › Four episodes filmed in South Dakota
 - › One commercial per airing, totaling 78 over the course of 3Q-4Q
 - › One billboard per airing, totaling 78 over the course of 3Q-4Q
 - › On-screen South Dakota-themed pop-ups
 - › Tourism logo on two featured Gun It vehicles used in the show

PHEASANTS FOREVER

- The Department of Tourism continued its partnership with Pheasants Forever in 2013, which included:
 - › Two 2-page spreads and three full-page ads in Pheasants Forever Magazine
 - › Four full-page ads in Quail Forever Magazine
 - › Listing, logo and banner ad on PheasantsForever.com
 - › Gold sponsor benefits at the National Pheasant Fest & Quail Classic
 - › One-time use of the Pheasants Forever member mailing list

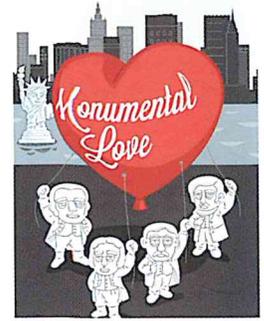


DIGITAL EFFORTS

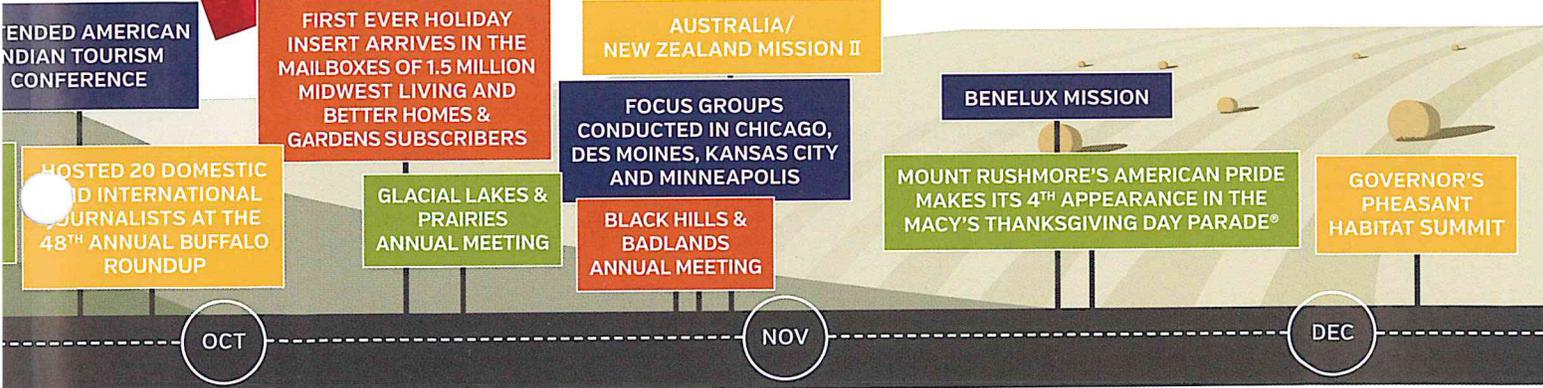
- Digital efforts in the shoulder 2013 campaign included SEO, display ads, rich media, search retargeting, partnerships with online travel agents (OTAs) and lead generation.
- This campaign resulted in:
 - › 20 million impressions
 - › More than 6,000 inquiries
 - › More than 125,000 media engagements
- Email marketing delivered more than 6.8 million emails in 2013, resulting in 9,500 visitor guide requests.
- 37,351 new subscribers to TravelSmart were generated in 2013.

MONUMENTAL LOVE

- The concept
 - › Tell a love story via social media about the Rushmore Mascots traveling to NYC to win the love of Lady Liberty
 - › Utilize Storify to chronicle the story and allow fans to easily follow along
 - › Tell the South Dakota story and complement the "Mount Rushmore's American Pride" Macy's Thanksgiving Day Parade® float
- Social Media
 - › 195 new Twitter followers
 - › 807,784 Twitter users reached
 - › 1,186 new Facebook fans
 - › 811,449 Facebook impressions
 - › 373 Storify views
- Earned Media
 - › KSFY-TV: Four online articles and three TV segments
 - » 409,885 impressions
 - » \$949.80 ad value
 - › Fox & Friends morning news show: Rushmore Mascots and Presidential Trivia
 - » 1.2 million impressions
 - » \$80,999 ad value
 - › SiLive.com: Mount Rushmore Mascots on the Staten Island Ferry?
 - » 665,000 impressions
 - » \$19,971 ad value



8,900 Sweepstakes entries
 4,000 Travelsmart subscriptions



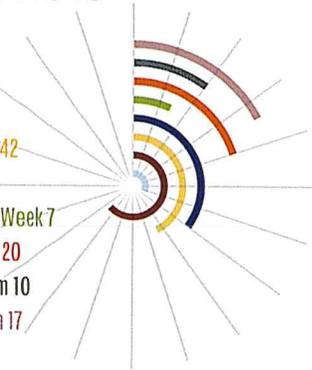
YOUR AMERICAN JOURNEY TELEVISION

- The Department of Tourism ran :30 and :60 network and cable television ads in key markets that featured fall scenery from around the state.
- Shoulder Impressions: 6,400,000

SOUTH DAKOTA

CO-OP MARKETING PROGRAMS IN 2013

- Giant Step Partners 32
- Peak Great Getaways 63
- Shoulder Great Getaways 42
- Rooster Rush 35
- National Travel & Tourism Week 7
- Hospitality training grant 20
- Community Co-op Program 10
- Group Tour Co-op Program 17



• Through these co-op programs, \$3.9 million was invested into South Dakota's visitor industry by South Dakota Tourism and industry partners. (Representative of co-op marketing only; does not include direct marketing by South Dakota Dept. of Tourism.)

FY13 HOSTING AND EARNED MEDIA

- Hosted 53 domestic travel writers, resulting in 838 million impressions and \$2.47 million in advertising value.
- Hosted 39 international travel writers, resulting in 95 million impressions and \$14.6 million in advertising value.
- Hosted 33 domestic tour operators and travel agents.
- Hosted 74 international group tour operators.

EARNED MEDIA HIGHLIGHTS

EVENT	MEDIA OUTLET	IMPRESSIONS	AD VALUE
Jan. 1: The Notebook	Field & Stream	1,258,410	\$115,800
May 12: Nature: Bison Moms	CBS Sunday Morning	3,366,100	\$234,400
May 20: Lunchbreak: Wild Idea Buffalo Burgers	WGN-TV	335,600	\$30,240
May 30: Morning News (with the Rushmore Mascots)	WGN-TV	288,018	\$42,486
July 7: Nature: Mount Rushmore	CBS Sunday Morning	3,366,100	\$58,600
Oct. 27: Come for the Soybeans, stay for the wine	New York Times	1,280,402	\$430,542
Nov. 26: Rushmore Mascots and Presidential Trivia	Fox & Friends	1,242,326	\$80,999

EVENT	MEDIA OUTLET	IMPRESSIONS	AD VALUE
Rawhide in South Dakota	Numerous, Netherlands	981,555	\$453,565
Nov. 7: States of Play	Travel Weekly, United Kingdom	44,355	\$268,331
Nov. 23: and Nov. 30: Two television episodes	Dreams Road USA, Italy	3,400,000	\$4,000,000
Dec. 5: "La Dernière Chevauchée" The Last Ride	VSD Magazine, France	969,999	\$102,240

SOCIAL MEDIA

GENERAL CONSUMER CHANNELS:

- Facebook likes: 81,381
- Facebook impressions (Jan.-Dec. 21): 33,879,148
- Twitter followers: 11,955
- Twitter impressions (Jan.-Dec. 23): 46,850,500
- Pinterest likes: 1,467
- Google+ followers: 172
- YouTube subscribers: 726
- Referrals from social channels to TravelSD.com (Jan.-Dec. 23): 29,817

OUTDOOR CONSUMER CHANNELS:

- Facebook likes: 1,333
- Twitter followers: 3,656

TRAVEL PROFESSIONALS CHANNELS:

- Facebook likes: 796
- Newsletter subscribers: 6,551

INFORMATION CENTER COUNTS

- ↑ 9.1% PEOPLE
- ↑ 8% CARS
- ↑ 2.8% CANADA CARS
- ↑ 38.2% BUSES CARRYING FOREIGN VISITORS
- ↑ 9% TOUR BUSES
- ↑ 13.7% FOREIGN CARS

FUNDING

- The Department of Tourism is funded through a 1.5% promotion tax, which was self-imposed starting in 1995. The original tax was 1%, and an additional .5% was added in 2009, renewed in 2011, and made permanent in 2013, to replace a loss of general funds.
- The Department of Tourism also receives roughly \$3 million of the taxes levied on Deadwood gaming establishments.

BUDGET-TO-VISITOR RELATIONSHIP (IN MILLIONS)

