

Governor’s Tourism Advisory Board Minutes

Custer, South Dakota

April 18, 2018, 8:30 a.m.

**Board Present**

Stan Anderson

John Brockelsby

Ted Hustead

Ann Lesch

Julie Ranum

Carmen Schramm

Frank Smith

Ivan Sorbel

Steve Westra

Kristi Wagner

**Staff**

James Hagen

Wanda Goodman

Harla Jessop

Mike Gussiaas

Stephanie Palmer

Katlyn Richter

Kirk Hulstein

Keegan Carda

Thad Friedeman

Alexa Steiner

Ann DeVany

Natasha Bothun

Vicky Engelhaupt

**Others Present**

Karen Kern, SD Missouri River Tourism

Gary Keller, Southeast SD Tourism Association

Rosie Smith, Glacial Lakes and Prairies Tourism Assoc.

Michele Thomson, Black Hills and Badlands Tourism Assoc.

Jeff Oldham, Black Hills and Badlands Tourism Assoc.

Susan Giesel, Black Hills and Badlands Tourism Assoc.

Steve Olson, Custer Chamber of Commerce

Rachel Root, Miles Partnership

Jennifer Duncan, Miles Partnership

Carey Seabourg, Miles Partnership

Carrie Biondi, Lawrence and Schiller

Erin Weinzettel, Lawrence and Schiller

Rachel Root, Miles Partnership

Jennifer Duncan, Miles Partnership

Carey Seaborg, Miles Partnership

Leslie O’Neal, MMGY Global

Stephanie Hughes, MMGY Global

Cheryl Schreier, Mount Rushmore National Memorial

Dugan Smith, Missouri National Recreational River

Bradley Block, Jewel Cave National Park

Eric Leonard, Minuteman Missile National Historic Site

Vidal Davila, Wind Cave National Park

Michael Pflaum, Badlands National Park

Kobee Stalde, Custer State Park

Meeting was called to order by President Ivan Sorbel. Ivan thanked the Custer area residents for their warm hospitality.

Secretary Jim Hagen welcomed all attendees and thanked everyone for their support and hard work for the Tourism Industry.

Steve Olson, Custer Chamber of Commerce board member welcomed the Tourism Board to Custer. Steve gave an overview on what was new in the Custer area. They are looking forward to a busy summer season.

**Report from Board Members**

**Ann Lesch**

* Ann is finding that many guests come to South Dakota to enjoy the wide open spaces.
* They have lots of field trips and campers scheduled for visits this summer at the Ingalls Homestead in De Smet.
* Looking forward to a good season.

**Ted Hustead**

* Wall appears to be down 10% this spring because of the blizzards.
* Outlook looks good for this summer.
* With H-2B employees, it looks like most of seasonal positions will be full. He does have concerns for next year if this program doesn’t raise the caps for the number of workers allowed into the country.

**John Brockelsby**

* It has been a tough spring at Reptile Gardens because of the weather.
* They refurbished the gift shop and expanded in bird area.
* Tourism season is starting good!
* Terry is working on getting a Komodo dragon. They are excited and will have a ‘name the dragon’ contest. This will be the newest attraction for Reptile Gardens.

**Kristi Wagner**

* Kristi mentioned she read the press release sent out last week with the Economic Impact of Tourism by county. That was such a quality piece and should be shared a whole lot more!

**Julie Ranum**

* Watertown air service has exceeded goal set in in 2017 so getting million dollar enhancements at airport.
* BBB tax was up 7% in 2017. January 2018 was up from 2017.
* Julie invited everyone to come to Watertown to the largest fireworks show in South Dakota on July 3rd!

**Ivan Sorbel**

* Like most of state has been a rough spring because of the weather.
* Turkey hunting season is doing well in his area.
* 50th Anniversary of Red Cloud Art show is this year.
* Sport Show in Minneapolis had a lot of interest in the Pine Ridge area.

**Frank Smith**

* It has been a tough spring but we will get through it! They still have 26 inches of ice on lake.
* Motel reservations are down a bit but camping reservations look good.
* Biologists report shows that walleye fishing will be off from other years.
* Bass Master Elite Tournament June 29 – July 2 should be good for South Dakota.

**Carmen Schramm**

* Camping reservations are filling up this this year.
* Sales tax revenue is doing great
* New brewing company in Yankton and now have distillery coming as well.
* New 60 unit hotel will open in fall.

**Steve Westra**

* Weather tends to have an effect on travelers. That will show up in our occupancy rates in the coming months.
* The strength during session of the Tourism Department and Jim’s educating the legislature on the tourism tax shows how efficient the department is.
* Pheasant Fest was great opportunity for Sioux Falls and South Dakota.
* They said they had the largest number of guests for Saturday night banquet ever at Pheasant Fest. Once we get guests like that out here they will be back!

**Stan Anderson**

* Wall South Dakota is having the 50th annual chamber meeting this week.
* Wall is gearing up for busy tourist season.

**Regional Director Reports**

**Karen Kern, Missouri River Tourism**

* It has been 6 years since they moved to new site out on the river.
* Plan to stick with same travel shows as last year.
* Looks to be a busy summer season.

**Gary Keller, Southeast SD Tourism Association**

* Gary thanked everyone for being so welcoming and for the support of his newjob .
* He is excited to dig in with his new position at Southeast SD Tourism and is surprised at how many familiar faces are still around!

**Rosie Smith, Glacial Lakes and Prairies Tourism Association**

* Glacial Lakes residents are anxious for spring!
* They are running a “welcome back” fishing campaign in her region.
* New website will be up soon.
* Pheasant fest was great for her area and she was happy for those in her area that participated.

**MichelleThomson, Black Hills and Badlands Tourism Association**

* Black Hills maps and motorcycle maps are at the printer.
* Working on new website right now.
* Matching dollar campaign has 6 fantastic events.
* Thank you to Jim Hagen for his help on H-2B employees. It would be devastating to many businesses without it. Jim’s help on this is invaluable!

**National Park Representatives: Cheryl Schreier, Dugan Smith, Bradley Block, Eric Leonard, Vidal Davila, and Michael Pflaum**

* Each National Park representative shared plans for the upcoming summer and potential development plans in their future.

**Kobee Stalder, Custer State Park.**

* Custer State Park has interactive app that will be launched in 2018.
* Kobee updated group on what is going on following fire in the park.
* Burros will be released again with a few new additions.
* Creekside and Gamekeepers cabins have been updated with new siding.
* In 2019 Game, Fish and Parks will be 100 years old!

**Secretary Jim Hagen, Update and Report on 2018 Legislative Session**

* He provided a summary of HB 1206 and the department’s and industry’s successful efforts to defeat the bill in House Taxation.
* The secretary also provided updates on the successful passage of:
  + HB 1108 - the open waters compromise
  + Successful passage of SB 173 – the bill to give greater flexibility to breweries in our state to increase production limits, and, finally,
  + The successful passage of SB 59 – which allows the Department of Tourism to offer future marketing opportunities within the new Welcome Centers that are being built or remodeled.
  + The secretary relayed that it was a successful session for to

**Wanda Goodman, VIA Engagement and Welcome Center Updates**

2018 Advocacy/Awareness Initiatives

* Efforts fall into 4 buckets:
  + For the public
  + For state lawmakers
  + For federal lawmakers
  + For the industry
* For the public
  + Awareness campaign surrounding the importance of tourism to the South Dakota economy
  + Continued emphasis on National Travel & Tourism Week
  + Increased outreach to local media
* For state lawmakers
  + Packet for each at start of session – basic primer on tourism and tourism’s economic impact
  + Yearlong legislative outreach
* For federal lawmakers
  + Continued involvement in Destination Capitol Hill
* For the industry
  + Government affairs committee within VIA
  + STAN meetings
  + Creation of industry toolkits
  + Stragegic Partnerships
* Family Travel Association
  + Access to their research with Longwoods and with NYU
  + Sent in proposal to host the 2019 FTA Summit

Welcome Centers

* Provided updates on the rest area revitalization plan, which included
  + Security camera upgrades
  + Remodel at Wasta
  + Construction timeline for the Wilmot and Vermillion welcome centers
  + Update on exhibit designs for Wilmot and Vermillion
  + Transitioning the travel counselors from contract to state employees

**Alexa Steiner, Updates on Global Travel and Trade**

Group/Bus Tour

* Attended ABA, NTA and Circle Wisconsin. Focused on a larger presence at ABA with a sponsorship booth, mascots and trip giveaways to group tour operators.
* RMI Rebranding - New brand of the Great American West
* European and AUS Updates - sales Missions to Australia, France Austria and Nordic Markets in the last 6 months. Attended North American Journeys, Go West and International Roundup tradeshows.

China Market Update

* South Dakota won the most promising destination award from the China National Tourism Media Group.
* Hosted a Chinese Media FAM.
* Attending Brand USA events, conducting trainings in Beijing and Shanghai.
* South Dakota Tourism attended Active America China.

Japan Update

* Our Japanese representation will be conducting upcoming trainings in Hiroshima, Sapporo, Tokyo, Fukabori.

Upcoming FAM Tours & IPW in Denver

* Penta Reisen- Belgium, China Trade FAM, Travalco- Denmark, Travel Trend- Netherlands, SD/ND IPW Post FAM- Europe, Canusa- Germany, Le Cercle Des Vacaces- France.

Education, working with the international market

* Hosted hotel trainings in Rapid City and Sioux Falls to educate hoteliers how to work with receptive operators.

New International Travel Guides

* New In-Language guides in French, Italian, German, English, Mandarin Chinese
* <https://www.travelsouthdakota.com/international-visitors/south-dakota-united-kingdom>

**Wanda Goodman, Strategic Plan Update**

* Reviewed the five areas of focus
* Shared a few high level year one results
* Talked about year 2 planning – brainstorm new action steps with the team, and work to publish a printed plan with added context

**Mike Gussiaas, Global Marketing and Brand Strategy Update,**

Global Marketing and Brand Strategy Update

* Launched new “Great Faces Great Places” Campaign and creative this year across print, digital, out-of-home, direct mail, audio and TV.
* Three main audiences targeted are: Families, Seekers, and Wanderers.
* Main Traditional markets include: Chicago, Minneapolis, Denver and Madison.
* Also new this year is an official State Sponsorship with Midwest Living that gives South Dakota a presence in every 2018 issue. The key piece is 2018 Road Rally for July/Aug issue.
* Early results from campaign have organic traffic up 33.3% during first three-week run of TV spots vs. 19% site average for rest of calendar year.
* Total expected Winter & Peak paid marketing impressions of over 518 million.

**Stephanie Palmer, Social Media Update**

* State of Great is name of 2018 peak Social Media Campaign.
* Stephanie gave Seasons of SoDak campaign recap.
* On track or exceeding FY2018 goals.

**Katlyn Richter, Global Media and Public Relations Update**

Domestic media // July-current public relations efforts numbers:

* 1,000 placements
* 1.6 billion impressions
* $37.6 worth in ad value

Travel Massive NYC Recap

* Media Shows Attended
* Meredith Office in Des Moines travel show was organized for partners
* International Media Marketplace in NYC
* Midwest Travel Journalist Association
* IPW coming up in May

Upcoming Initiatives

* Several press trips both individual and group
* Additional media shows
* Sending a media mailer
* On-going newsletters to international media members

International media // July-current public relations efforts:

* 381 placements
* 1.2 million circulation
* 1.2 million readership
* $7 million in ad value

**Kirk Hulstein and Neil Wagner, Industry Outreach and Development Update**

* Our new hire, Jacey Jessop, starts in mid-May.
* In March we had a successful webinar called the "Rise of the Hyper Informed Traveler".
* Online training and spring hospitality programs will be updated.
* Our team had industry meetings or outreach efforts in over 20 communities.

Niche areas:

* Agritourism: we've created an agritourism workgroup and presented on the topic across the state.
* Tribal Tourism: we attended the AIANTA conference and developed our relationship with the Department of Tribal Relations and the North Dakota Tribal Tourism Alliance.
* Outdoor Adventure: we took a tour with the team at Black Hills National Forest, and connected with outdoor adventure groups across the state.
* Sports: we attended the NASC conference, and are listening to feedback from our stakeholders.

**Thad Friedeman, Travel Show and Pheasant Fest**

Travel shows

* Star Tribune Show was pretty slow for first annual but we are planning to go back in November.
* Chicago, Dallas and Denver were all solid, well-attended two day shows.
* Pheasant Fest was a huge success with more than 28,800 attendees.  We plan to have 24 SD Pavilion spaces for the Schaumburg, IL event next February.

**Natasha Bothun, Tourism Conference Recap and National Travel and Tourism Week**

National Travel and Tourism Week (NTTW)

* National Travel and Tourism Week is May 6-12, 2018.
* We have staff attending the Sioux Falls annual luncheon and the Rapid City Travel Rally Day as well as the Yankton FAM Day, the Mitchell, Brookings and DeSmet hospitality trainings*.*

Tourism Conference Recap

* There were 526 full registrations with 123 of those labeled first-time attendees.
* 71 attendees filled out the evaluations and almost all rated the conference excellent or good.
* There were some great suggestions for speakers and topics for next year’s conference that the speaker committee will begin looking into very shortly.
* The 2019 Conference is in the works, a theme has been determined and now we will begin the sponsorship flyer.

**Mike Gussiaas, VEP Program, SDVisit.com and TravelSouthDakota.com**

**Updates**

* Miles Partnership representatives previewed new SDVisit.com components and page mockups.
* We expect launch date early summer 2018 for SDVisit.com.

**Kirk Hulstein, Research Updates Travel Indicators and Forecast**

We are moving ahead with two research projects that should give us better insight.

* AirDNA - Monitors Demand, Revenue, RevPar and Supply of AirBNB properties in SD.
* Arrivalist - Will give us the ability to track actual arrivals to SD of those who have been exposed to our marketing.

The forecast for the upcoming season is looking promising.

* Consumer Confidence reached the highest level in 15 year this spring.
* Discretionary Spending per household is on the rise.
* More jobs have been added to the US Economy and businesses are expanding.
* Gas prices are expected to stay under $3 this summer.

**Jim Hagen, Secretary‘s Recap**

Secretary Hagen thanked the board members, the national park superintendents, tourism partners and the Department of Tourism team for a great meeting and for sharing so many good insights.  He encouraged all attendees to be sure and contact the department if they had any questions, or if the department could be of any assistance.   He reminded the board members of the tours the next morning at Jewel Cave National Monument and Crazy Horse Memorial.  The secretary also relayed that the late summer board meeting will be held in DeSmet, SD.

Meeting adjourned.