

SOUTH DAKOTA

2016 ANNUAL REPORT
DEPARTMENT OF TOURISM



CONTENTS

Introduction	3	Strategic Planning	4	Funding	6
Economic Impact & ROI	7	Marketing	12	Public Relations	24
International Marketing & Trade	31	U.S. Travel Association Forecast Data	34	Information Center Revitalization Plan	35
Accolades & Awards	36	Year in Review	37		

INTRODUCTION



Dear industry partners,

What a year it has been! From kicking off the year with the Rose Parade, to the 75th anniversary of the completion of Mount Rushmore, to the centennial celebration of the National Park Service, 2016 was full of reasons to celebrate travel in South Dakota.

The Department of Tourism was busy this year, as you'll see in the pages to follow, and we know you were too. Your hard work and commitment to this industry show through in the year-end numbers. Together, we're making a difference in this state we love!

Thank you for your partnership this past year and for making our work possible. We're glad to reflect back on 2016 and share this report with you, and we look forward to the work we'll do in 2017.

Sincerely,
James D. Hagen
Secretary

2016 GOVERNOR'S TOURISM ADVISORY BOARD:

Ted Hustead, Chair, Wall
Ivan Sorbel, Vice Chair, Pine Ridge
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Tom Biegler, Sioux Falls
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STRATEGIC PLANNING

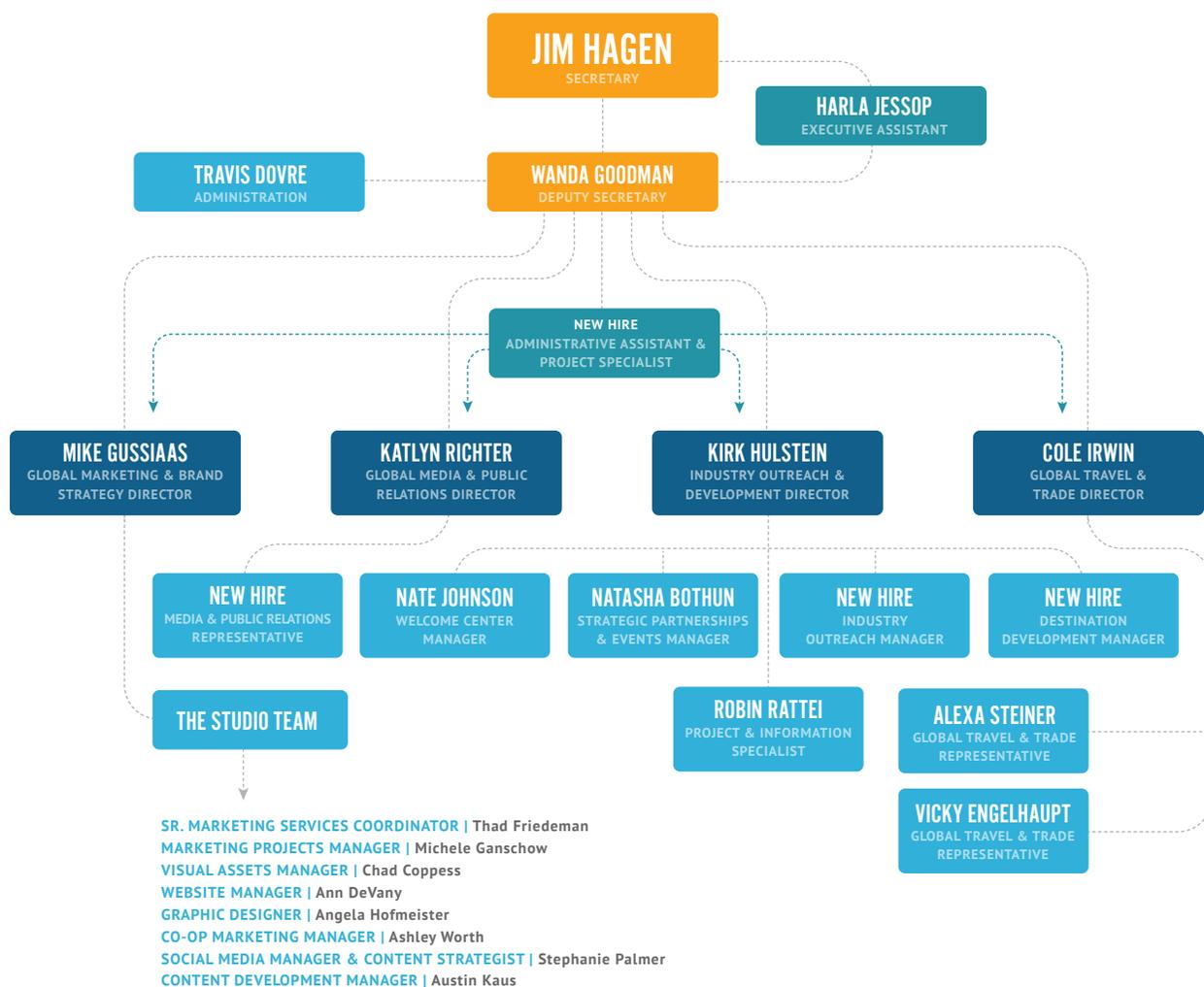
It's no secret that the travel and tourism industry is rapidly evolving and changing. It's important for South Dakota to be on the leading edge of this change. It's also important that, as an organization, we respond appropriately to the evolving needs of our stakeholders and remain a catalyst for the economic growth of our state.

Thus, in 2016 the department launched a strategic planning process that spanned nearly the entire year.

This process forced us to think critically about our goals for the future and what capabilities will be needed to reach those goals.

This process was about unlocking our full potential as an organization so that we can ensure the department continues to be a place of growth and innovation, and a place that is always working to better the tourism industry as a whole.

SOUTH DAKOTA DEPARTMENT OF TOURISM



STRATEGIC DIRECTION

Our Vision

With world-renowned monuments, breathtaking landscapes, rich culture and heritage and warm hospitality, South Dakota inspires a heightened sense of freedom and optimism and is one of America's most desired and meaningful vacation destinations.

Our Mission

We work to maximize tourism's impact on South Dakota's economy by increasing domestic and international travel to our state.

Our Values

- Collaborative culture
- Passionate enthusiasm
- Inclusive communication
- Can-do attitude
- Safe place to cultivate ideas

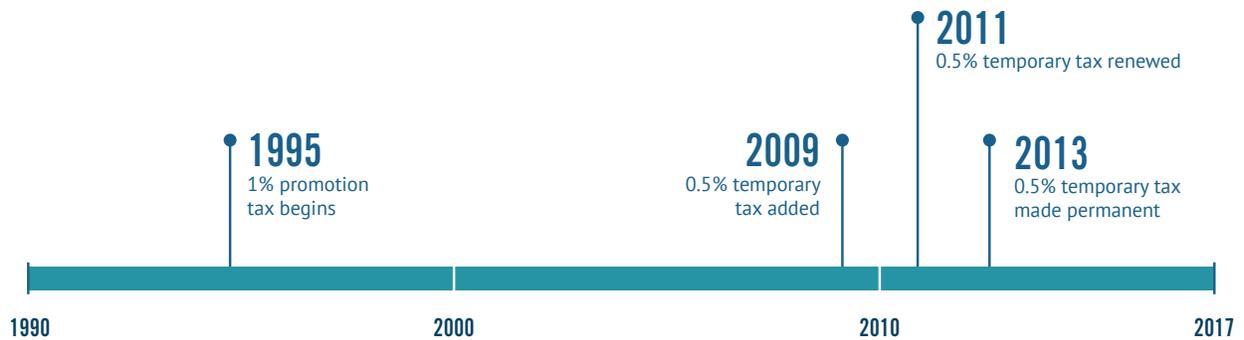
Areas of Focus

- Maximize South Dakota's visitor economy
- Enhance and expand sustainable industry success
- Maintain and expand South Dakota's brand presence
- Advance the development of the destination
- Ensure operational excellence



FUNDING

The Department of Tourism is funded through a 1.5% promotion tax.

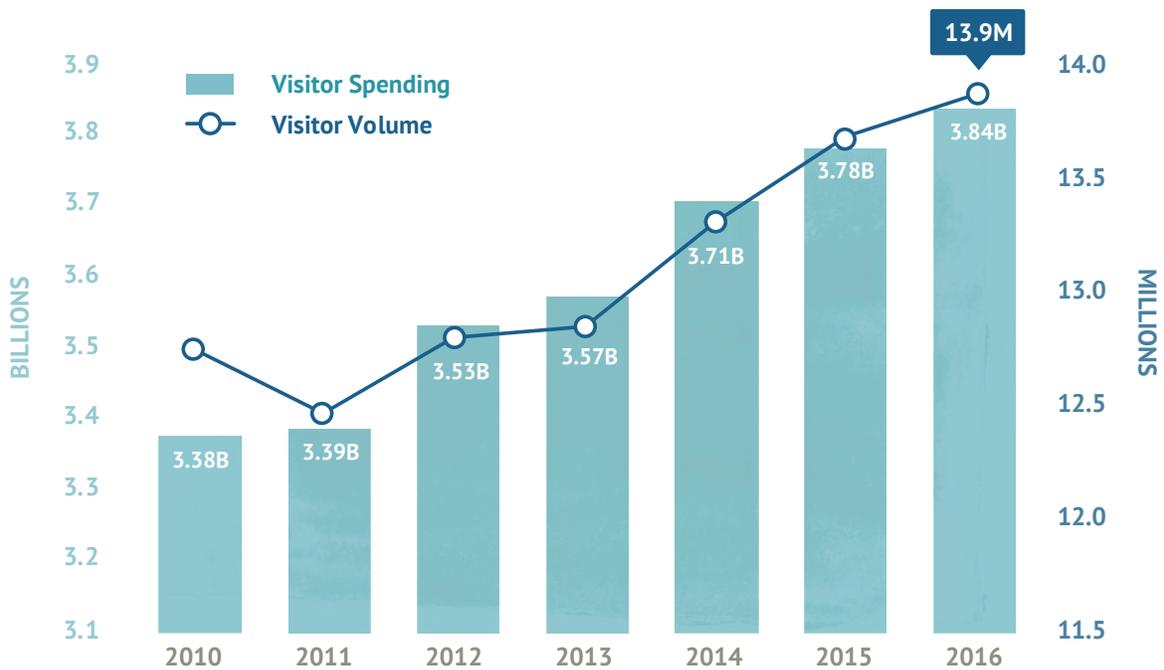


Each year, the Department of Tourism also receives approximately **\$3 million** of the taxes levied on Deadwood gaming establishments.



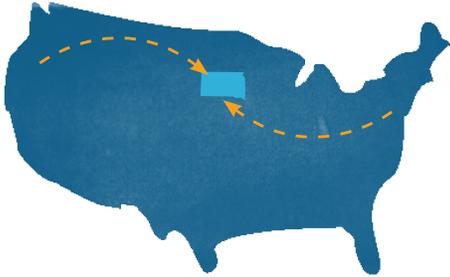
ECONOMIC IMPACT

Visitor spending reached **\$3.8 billion** in 2016, an increase of **1.5%**, and visitation to South Dakota increased **1.4%**, reaching **13.9 million** visitors.



Source: Tourism Economics

VISITOR SPENDING CONTRIBUTED **\$2.5 BILLION** IN GDP TO SOUTH DAKOTA'S ECONOMY



Domestic visitor markets comprise **68%** of tourism sales



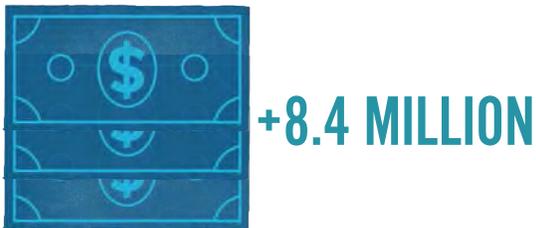
International visitor markets comprise **2.8%** of tourism sales

9.5% OF ALL JOBS IN THE STATE

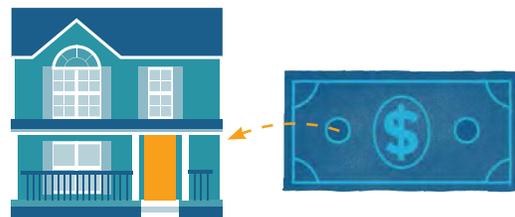
In 2016, the visitor economy sustained a total of **53,258** jobs in South Dakota.



Tourism employment grew **2.1%** in 2016, marking six straight years of employment growth



Travel in the state generated **\$279 million** in state and local taxes. This is an **\$8.4 million** increase over 2015.



Travel activity saves each South Dakota household **\$821 in taxes.**

Source: Tourism Economics

2016 TRAVEL INDICATORS

ADDITIONAL INDICATORS



1.0% increase in hotel occupancy



76,000 additional room nights booked at South Dakota hotels, producing **\$12 million** in additional hotel revenue



5.2 million visitors to South Dakota's national parks, an increase of **19%** over 2015



120,000 additional visitors to our state parks, which brought in **\$1.3 million** in additional revenue



200,000 additional arrivals at the Sioux Falls and Rapid City regional airports during the peak summer months

WEBSITE ENGAGEMENT

Goal completions

+11.04%

(Vacation Guide requests, Travelsmart signups, eVG views, video plays and other actions deemed highly favorable to a future visit)

VG requests

+11.45%

eVG views

+13.18%

Goal conversion rate

+5.9%

The most engaged user of TravelSouthDakota.com visited the site **516 times** from January-November, across mornings and nights, weekdays and weekends.



Facebook accounts for over **92% of traffic** to the site from all social networks

Sources: Smith Travel Research, National Park Service, South Dakota Dept. of Game, Fish & Parks, Sioux Falls Regional Airport, Rapid City Regional Airport



HALO EFFECT + ROI

South Dakota Tourism partnered with Longwoods International to conduct a study that measures South Dakota's image as a travel destination, return-on-investment and effectiveness of the 2016 peak marketing campaign, and the impact of tourism on economic development initiatives.

ROI AND ADVERTISING EFFECTIVENESS STUDY:



64%

of respondents were aware of at least one of the department's ads.



1.3 MILLION

incremental trips and **\$167 million** in spending were generated by the advertising campaign that would not otherwise have taken place. In addition to the short-term impacts, Longwoods estimates that the advertising has influenced the planning of an additional **4 million trips** to South Dakota in future years



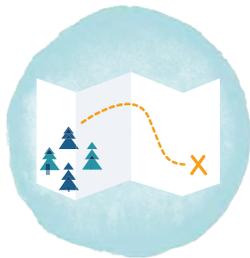
EVERY \$1

invested in the South Dakota ad campaign generated **\$51** in visitor spending and **\$4** in tax revenue for the benefit of South Dakota residents.

Source: Longwoods International

2016 IMAGE AND VISITOR PERCEPTION STUDY:

South Dakota's competitive set for this study included Colorado, Minnesota, Missouri, North Dakota, Wisconsin and Wyoming.



Perceived **STRENGTHS** versus these competitors:

- Well-known landmarks
- Native American culture
- Authentic historical sites
- Excellent national/state parks
- Great place for a classic American road trip
- Truly unique scenery
- Different cultures/ways of life
- Must-see destination



Perceived **WEAKNESSES** versus these competitors:

- Water-related outdoor adventure such as boating, canoeing, kayaking, fishing
- Snowmobiling
- Urban experiences such as interesting food and drink, theater/arts, live music
- Distance to travel for a vacation



Previous visitors versus those who had never visited:

- Previous visitors gave South Dakota substantially higher ratings for every attribute on which the state was rated
- This tells us that visitors are very pleasantly surprised by what they experience in South Dakota, our product delivers, and we consistently exceed expectations
- South Dakota's challenge is not product, but awareness

THE HALO EFFECT STUDY

As part of this effort, Longwoods International also included questions to determine if the Department of Tourism's advertising campaign had value above and beyond influencing travel and brand awareness. The findings concluded that it improved the state's image as a good place to:



Live



Do Business



Attend College



Retire

Thus, in addition to South Dakota's success in attracting visitors to the state, it also has a direct benefit on the state's economic development objectives.

Source: Longwoods International

MARKETING

AUDIENCES *(definitions apply to both Peak season and Shoulder season)*

The Department of Tourism's 2016 marketing approach focused on three main audiences: **Young Families**, **Active Couples** and **Bucket Listers**. Each audience was strategically targeted through traditional and digital media purchased specifically to reach them.



Young Families

This audience consists of 25-45 year olds with children under the age of 12 in the household, and a household income of between \$60-150k. These families typically have high social and digital engagement and prefer an active vacation for the whole family, rather than just sights to see.



Active Couples

These couples are 25-45 years old and mirror the young families on household income. This group either has no children in the home, or is taking frequent getaways without their children. Active couples prefer frequent, shorter trips, and want soft outdoor adventure. They are also active online and in social media.



Bucket Listers

Bucket listers are over the age of 50 with a household income of between \$50-100k. These travelers are looking for breathtaking, once-in-a-lifetime experiences. They enjoy national and state parks, and are active travelers who enjoy experiencing local culture. Traditional media is a great way to reach this group.

PEAK SEASON

Traditional Media



Young Families

- Targeted cable, broadcast and alternative television
- A unique direct mail piece
- Newspaper inserts and geographically targeted ads in Family Fun and Parents magazines



Active Couples

- Behavioral targeting on alternative television
- Newspaper inserts
- Geographically targeted ads in Martha Stewart Living, Every Day with Rachael Ray and Real Simple magazines



Bucket Listers

- Targeted newspaper ads
- Targeted broadcast television and news sponsorships
- Newspaper inserts
- Geographically targeted ads in Nature Conservancy, National Geographic Traveler, Midwest Living, Good Housekeeping, O Magazine and the AAA North Central Tour Book



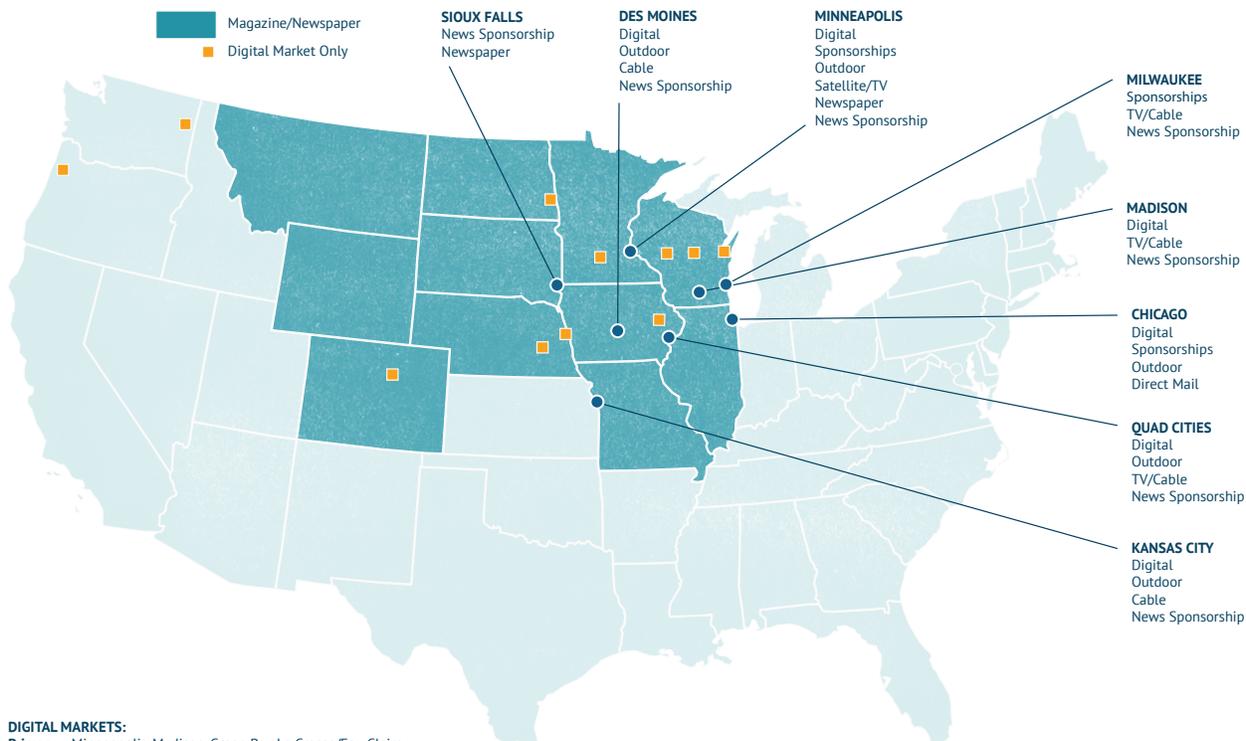
All audiences were reached through sponsorships with the Chicago White Sox, Minnesota Twins and Milwaukee Brewers; outdoor and mall advertising in Minneapolis; and outdoor advertising in Chicago, the Quad Cities, Kansas City and Des Moines

379,005,351:

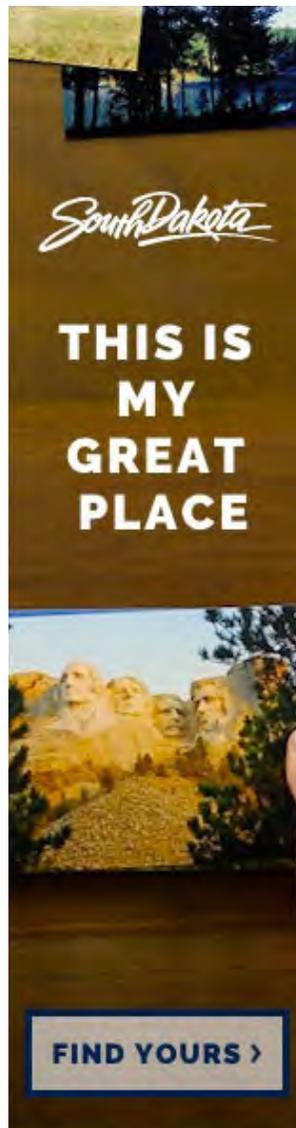
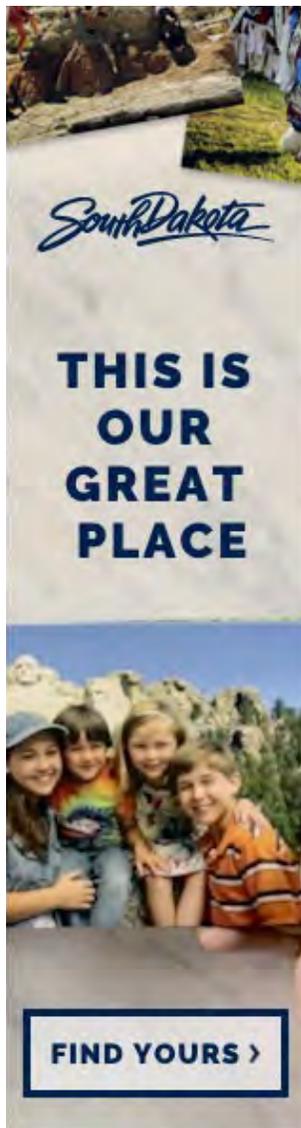
Impressions delivered through traditional media placements during the 2016 peak season



PEAK SEASON TARGET MARKETS



DIGITAL MARKETS:
Primary – Minneapolis, Madison, Green Bay, La Crosse/Eau Claire, Des Moines, Quad Cities, Kansas City, Omaha, Cedar Rapids, Milwaukee
Secondary – Chicago, Denver, Wausau, Mankato/St. Cloud, Fargo, Lincoln
Tertiary – Portland, Spokane



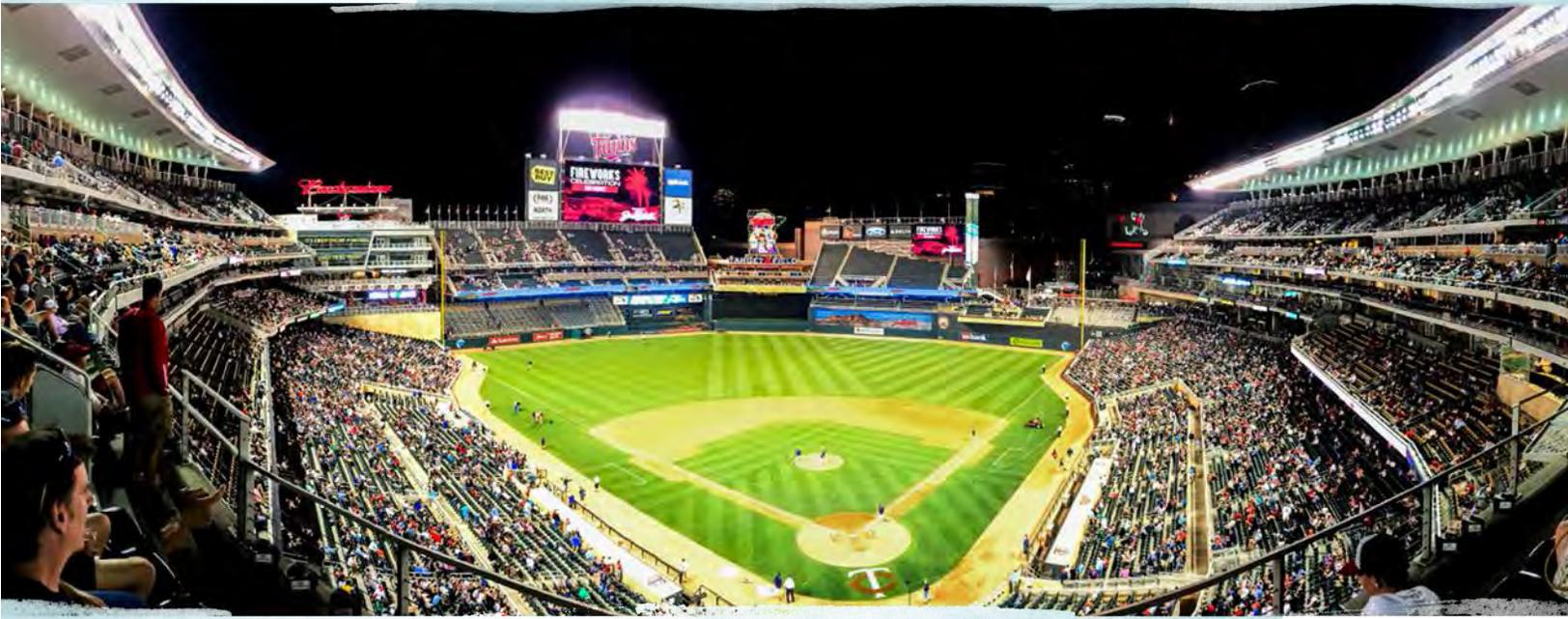
Peak Season Digital Media

In digital media, we reached audiences by utilizing a comprehensive media placement strategy that targeted based on demographics, geography and behavioral context.

Tactics included display banners, rich media, video banners and native content.

- Ad placements
- Travel endemic platforms such as Expedia, Matador and TripAdvisor
- Travel ad networks such as Adara and Sojern
- Lead generation platforms
- Native content platforms
- Custom content
- Editorial
- Video

RESULTS:
 The digital media campaign delivered **106,727,026 impressions** during the peak season.



BASEBALL SPONSORSHIPS

After seeing success with past baseball efforts, the Department of Tourism entered into three Major League Baseball sponsorships with the Chicago White Sox, Milwaukee Brewers and Minnesota Twins for the 2016 peak season.

Each sponsorship capitalized on highly visible in-stadium locations and keyed in on games where the sponsored team would be playing a team from another one of South Dakota's target markets.

RESULTS:

- 2,402,360 fans reached in-stadium
- 191,257,490 impressions from TV visible signage, in-stadium exposures and media promotion
- 50,342,000 national TV household impressions
- 4.66 hours of TV exposure

Icing on the cake:

On April 4, 2016, the San Francisco Giants hit back-to-back-to-back home runs against the Milwaukee Brewers while the South Dakota signage was being featured behind home plate. The replay of these highlights gained national exposure both on broadcast TV and online via YouTube and MLB.com.

Results from this one play:

- 210 DMAs; 11 national highlights; 4 networks
- \$430,329 in earned media
- 1,455,396 total viewership from national highlights
- Top two videos on YouTube on April 4

#MYGREATPLACE SOCIAL MEDIA PROMOTION

For peak season 2016, the department executed an influencer travel program that involved banner ads, feature content stories, Twitter chats, social media amplification, a promotional email blast, a partnership with iExplore network, public relations efforts and a contest sweepstakes.

Four influencers were sent out into South Dakota with one goal: to find their great place. They all had itineraries, but none of them knew what great surprises were around each corner. The department's social media followers were asked to follow the adventures of the four influencers: a foodie, a family, an outdoorsman and a guy with a long bucket list.

A landing page for the campaign lived on TravelSouthDakota.com and hosted a sweepstakes for one lucky winner to receive a trip to South Dakota based on the itinerary that inspired them the most. This was supplemented with email outreach to existing subscribers, as well as new people who signed up for email during the campaign. Through this campaign, we discovered how new and old visitors alike discover #MyGreatPlace.

RESULTS:

- 27,708,381 total campaign impressions
- 169,177 social media engagements
- 14,944 sweepstakes entries
- 11,870 TravelSmart e-newsletter signups
- 2,182 #MyGreatPlace mentions
- 244 new photo assets delivered from influencers
- All-time record for TravelSouthDakota.com website visits with 19,082 in a single day. 11,700 of those came from the e-newsletter that called out the #MyGreatPlace sweepstakes.





#605DAY SOCIAL MEDIA PROMOTION

South Dakota is one of a few states that have just one area code. In celebration of being proud to be from “the 605,” the Department wanted to engage with South Dakota residents to share pride on #605Day, on the date 6/05/16. The Department generated awareness with South Dakota’s travel industry by issuing emails regarding the event and efforts including Snapchat filters that were created for the industry to utilize in their own communities. The department also created unique GIFs that were marketed in several main target markets. The GIFs “South Dakota-fied” cities including Minneapolis, St. Louis and Chicago.



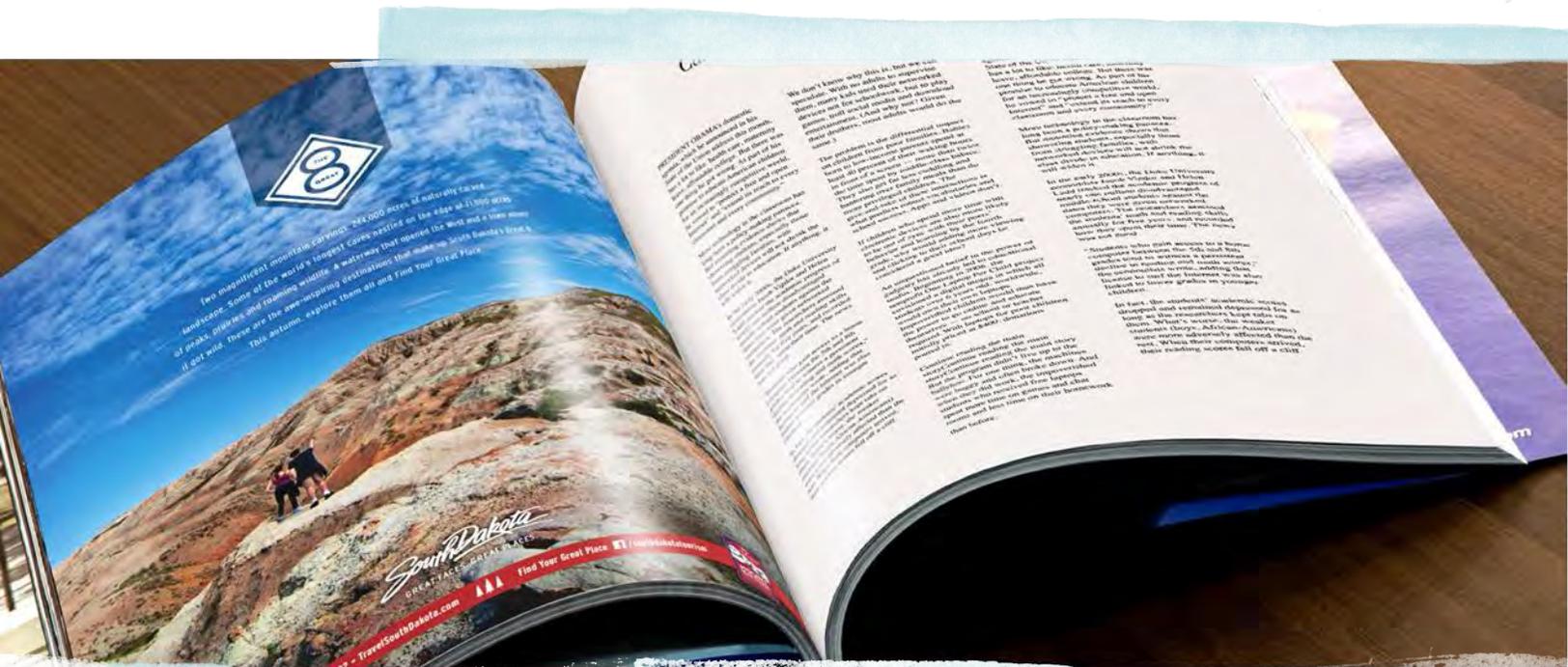
Twitter GIFs

- 2.63% engagement rate (beating travel benchmarks by 53%)
- 29.54% view rate (beating travel benchmarks by 80%)

A partnership with Matador Network was utilized in which they created unique content about what makes “the 605” unique and different. Matador Network’s social media following was also tapped for this event.

OVERALL SOCIAL MEDIA RESULTS:

- 2 million impressions
- 1.4 million reach
- 14,618 engagements



SHOULDER SEASON

(Visitation during the months of September, October or November)

Traditional Media:

With **Young Families** heading back to school in the fall, the shoulder season campaign focused efforts on **Active Couples** and **Bucket Listers**. Additionally, the department utilized hunting-specific efforts to reach pheasant hunters in target markets.

Active Couples were reached with 'My Great Place' messaging via behavioral targeting on alternative television, geographic targeting in Shape magazine and direct mail.

Bucket Listers were delivered 'My Great 8' messaging through a comprehensive campaign including newspaper inserts, broadcast and cable television, news sponsorships, and newspaper ads. This audience also saw geographically targeted ads in Real Simple, Better Homes & Gardens and Midwest Living magazines.

Pheasant Hunters saw 'Take Me Hunting' messaging with Gun Dog and Covey Rise magazine, as well as email messaging specific to hunters. The department also continued its partnerships with Gun It. With Benny Spies and Pheasants Forever.

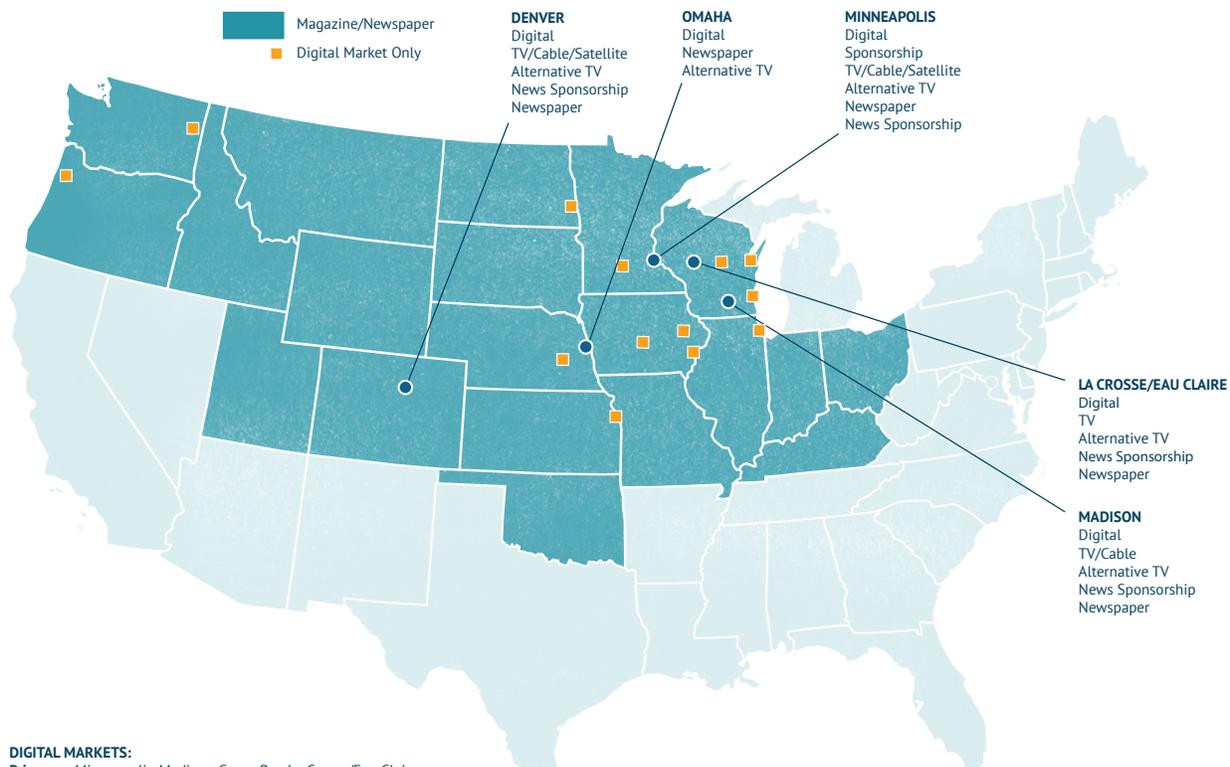
All audiences were reached through a season-long in-stadium sponsorship with the Minnesota Vikings.

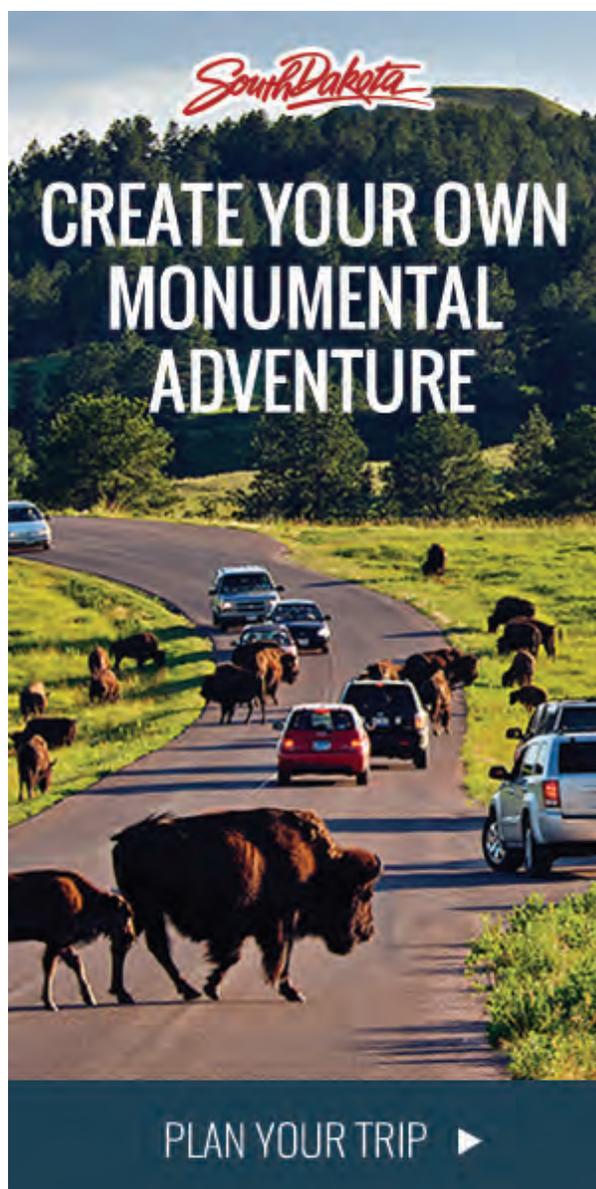
RESULTS:

Traditional media placements delivered 203,243,525 impressions during the shoulder season.



SHOULDER SEASON TARGET MARKETS





Shoulder Season Digital Media

The digital campaign for shoulder season was focused on both leisure and hunting audiences.

Media targeting leisure audience

All of the following ads were targeted by demography, geography and behavior.

- Display banners and pre-roll on travel ad networks
- Custom video through Matador channels
- TripAdvisor ads
- Native content and lead generation platforms

Media targeting hunters

- Display banners on outdoorsman site ScoutLook
- Custom dedicated email
- Pre-roll video

RESULTS:

The digital media campaign delivered 26,106,419 impressions during the shoulder season.

Vikings In-Stadium Sponsorship

Vertical LED boards

- Four :15 animations during pre-game presentation
- Four :15 animations during in-game presentation
- Average run time for the creative was 3:20 per game, which was 1:20 bonus time per game

IPTV (Internet Protocol Television System)

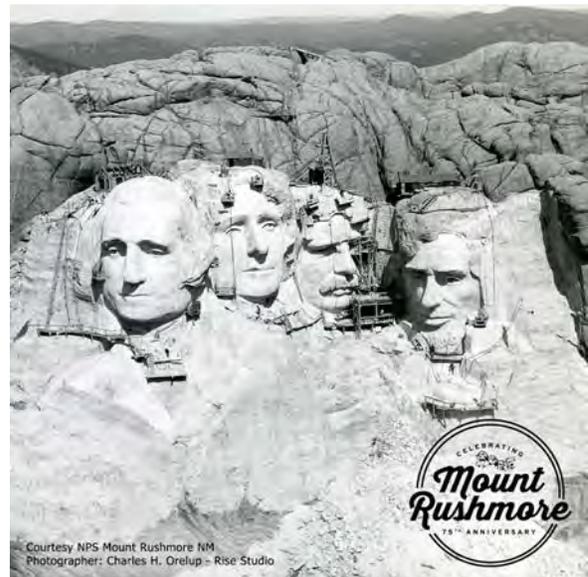
- Four minutes of messaging during each game on 20,000 in-stadium TVs
- Average run time for the creative was 5:30, which was 1:30 bonus time per game



Monumental Moments 75th Anniversary Social Media Promotion

In celebration of Mount Rushmore's 75th anniversary, South Dakota took its followers on a historic journey through the monument's 75 years. The #MonumentalMoments campaign ran from October 3-12 and encouraged followers to share photos from their visits to the monument.

To reward our audience for engaging with us during the campaign, we selected several winners to receive commemorative Mount Rushmore prizes. Through the campaign, the department received hundreds of photos (and even a few videos) of fans enjoying Mount Rushmore through the years. Comments surrounding memories of visiting South Dakota were too numerous to count and showcased the sentimental value of Mount Rushmore's presence in family vacations through the years.



RESULTS

5.4 million potential impressions
92,454 total engagements



HUNTING AUDIENCE

Gun It. With Benny Spies partnership

- Logo billboards – one per episode (78)
- Billboard on website sponsor page with link
- Billboard on Gun It. With Benny Spies Facebook page
- 6 episodes filmed on location in South Dakota
- Minimum of 5 social media posts to promote South Dakota
- South Dakota logo placed on show vehicles
- Benny Spies event appearance

Pheasants Forever partnership

- National sponsor
- Pheasants Forever magazine advertising (5 issues/year)
- Quail Forever magazine advertising (4 issues/year)
- Listing, SD logo and banner ad on Pheasants Forever and Quail Forever websites
- Pheasant Fest Gold Sponsor benefits
- Dog of the Day sponsor
- Day sponsor of 2016 Rooster Road Trip
- Dedicated email blast with content on Facebook page and Twitter feed

Rooster Rush

In 2016, the Department of Tourism offered funding to communities that wished to participate in a statewide campaign to promote pheasant hunting. The department awarded \$17,536 to 41 partners from 29 communities across South Dakota.

Pheasant opener countdown on social media

SouthDakota Outdoors @SDOutdoors - Oct 13
 IS IT SATURDAY YET?!?! #HuntInSD
 #SDInTheField @SDGameFishParks
 @pheasants4ever #hunting #pheasants
 #SouthDakota #Countdown



SouthDakota Outdoors @SDOutdoors - Oct 14
 The wait is almost over. See you in the field tomorrow! #HuntInSD #SDInTheField
 @SDGameFishParks @pheasants4ever
 #hunting #pheasants



PUBLIC RELATIONS

FY16 Earned Media



Domestic:
Impressions: 2,573,054,977
Ad Value: \$19,200,883
Number of clips: 521



International:
Impressions: 2,038,371,671
Ad Value: \$8,100,569
Number of clips: 247



Rose Parade

On Jan. 1, 2016, the Department of Tourism kicked off the year alongside dozens of floral-clad floats, marching bands and equestrians as they made their way through the 127th Rose Parade in Pasadena, California. The 2016 parade theme was “Find Your Adventure,” which helped shine a light on the centennial celebration of the National Park Service. The South Dakota float featured Mount Rushmore, which celebrated its 75th anniversary of completion in 2016.

RESULTS:

- 50 million domestic viewership
- 28 million international viewership
- 700,000 estimated parade attendance
- 31% increase in new users on TravelSouthDakota.com between Jan. 1-4, 2016
- Social media (just from Jan. 1, 2016)
 - 9,000 total engagements across all channels
 - 133,000 impressions on Facebook
- Earned media
 - 68 print, broadcast and online media clips
 - Total impressions: 153,831,391
 - Total ad value: \$536,896

CLIP HIGHLIGHTS



When the American Bison was named the national mammal, the department pitched a video and story about Custer State Park's first baby bison of 2016. The story was picked up by Mashable, Yahoo, TIME, T+L, Business Insider, MSN and Weather Channel.

- 8 news clips
- 227,660,468 impressions
- \$1,361,465 in ad value
- Facebook video
- 99,075 people reached
- 37,000+ views
- 3,000 reactions
- 1,017 shares
- 71 comments



There's Art in Them Thar Plains – an article by writer Carla Waldemar, who was a guest on our I-29 Cultural Corridor familiarization tour

- Appeared both in print and online
- Online unique viewers monthly of 48,033
- 66,031 impressions
- \$2,689 in ad value

TIME

<http://time.com/4508007/mount-rushmore-anniversary-photos/>

Mount Rushmore Is 75. See Early Photos of the Monument Under Construction



Mount Rushmore 75th anniversary yearlong pitching and coverage, including a mascot appearance on the TODAY Show

- 83 news clips
- 686,111,961 impressions
- \$3,088,252 in ad value

CLIP HIGHLIGHTS CONT.

The PR team worked with CBS Evening News to secure two feature segments on special 2016 state events; the 75th anniversary of Mount Rushmore and the 51st annual Buffalo Roundup. Correspondent Chip Reid, a producer and a photojournalist from CBS, visited South Dakota for several days to capture exclusive interviews and video for the segments.

BUFFALO ROUNDUP

- 2+ minute segment
- 6.9 million viewers
- \$224,000 in ad value
- CBS.com Buffalo Roundup photo essay, with 10.8 million unique monthly viewers

MOUNT RUSHMORE

- 2+ minute segment
- 6.5 million viewers
- \$215,000 in ad value
- #MountRushmore trended on Facebook following this coverage

Two Buffalo Roundup and one Mount Rushmore CBS Facebook short digital promo videos received a combined 113.8K views.

Both segments syndicated to numerous outlets including TV Guide, MSN, CBS Morning News and CBS Overnight News.



CLIP HIGHLIGHTS CONT.

Buffalo Roundup familiarization tour guests, Win Schumacher and Ram Malis, produced a piece for Spiegel.de, one of the top German online news platforms.

- 18,680,000 impressions
- \$752,895 in ad value

Buffalo Roundup familiarization tour guests, Silvia Ugolotti and Massimo Dall'Argine, produced a piece for DOVE, an Italian printed monthly magazine.

- 81,000 impressions
- \$250,000 in ad value

Freelance writer, Kirk Owers, produced an article for Get Lost Magazine after attending the Buffalo Roundup familiarization tour in 2015.

- 20,000 impressions
- \$48,000 in ad value
- Additionally, Kirk's piece "Under the Presidents Heads" was picked up by six Australian newspapers, with a combined circulation of 8,895,554 and combined ad value of \$300,000



MEDIA MAILERS

Rose Parade Los Angeles Mailer

Leading up to South Dakota's participation in the Rose Parade, we developed and delivered a media mailer to 15 Los Angeles-based journalists. The mailer contained a South Dakota mason jar vase and a float-themed bouquet of flowers.

Seasonal Summer Mailer

In celebration of the National Park Service Centennial and Mount Rushmore's 75th anniversary, we sent a special road trip kit to 20 top-tier U.S. journalists to encourage a visit to South Dakota. The mailer highlighted the state as the ultimate summer road trip destination and included several South Dakota-inspired items such as a president bobble head, buffalo jerky, South Dakota field notes and a South Dakota post card.

Chicago Travel Massive event and media blitz

To heighten awareness of South Dakota and celebrate Mount Rushmore's 75th anniversary, the department traveled to Chicago in June for a media blitz. The team met with eight travel journalists and hosted a Travel Massive event. Travel Massive is a global organization for travel professionals. Local chapters often have monthly meetups, allowing participants to network and collaborate.

More than 40 travel industry professionals and publication representatives attended the two-hour event in Chicago, including associates of The Daily Herald, Chicago Tribune, USA Today, Midwest Living, Chicago Sun-Times, Chicago Parent, CBS Chicago and FamilyTravelForum.com, among others.



Macy's Thanksgiving Day Parade

South Dakota joined the ranks of the Macy's Thanksgiving Day Parade for the 7th year in 2016. The NBC broadcast of the 90th anniversary of the parade set a 13-year high with adults 18-49.

The broadcast averaged a 13.5 rating, making it the year's biggest single-net telecast since the Oscars in February. It is estimated that 3 million spectators watched the parade on the streets of New York City, while more than 50 million television viewers nationwide tuned in. Ben Rector appeared on South Dakota's float this year with his song "Brand New." The float also featured the Mount Rushmore mascots wearing festive holiday scarves.



Race To NYC Social Media Campaign

To build excitement for the South Dakota float in the Macy's parade, we created a social media campaign in which the Mount Rushmore mascots would "Race to New York City." Each day, the campaign targeted Facebook followers in various geographic markets with videos of the mascots flying over their city on their way to NYC.



DOMESTIC FAMILIARIZATION TOURS

Mount Rushmore 75th Anniversary FAM (May 2016)

Journalists explored the Black Hills and Badlands region with exclusive Mt. Rushmore experiences including a helicopter ride above the monument and dinner with Nick Clifford, who is the monument's last living worker, and Jim Borglum, the grandson of sculptor Gutzon Borglum. Additional experiences included visits to Custer State Park, Crazy Horse Memorial, Badlands National Park, downtown Rapid City and more.

RESULTS

10 stories, 4 million impressions, 25 social posts

I-29 Cultural Corridor FAM (July 2016)

Journalists explored South Dakota's eastern arts and cultural offerings. Stops included Watertown, Brookings, Sioux Falls and Vermillion.

RESULTS

7 stories, 170,000 impressions, 27 social posts

Buffalo Roundup FAM (September 2016)

Twenty domestic and international journalists attended the 51st annual Buffalo Roundup and explored Western South Dakota. Experiences included visits to the Pine Ridge reservation, Mount Rushmore, Badlands National Park, Wall Drug, Hill City, Deadwood, Custer State Park, Crazy Horse Memorial and more.

RESULTS

6 domestic clips resulting in more than 38 million impressions
12 international clips resulting in more than 28 million impressions

The Department of Tourism also hosted several media on individual trips throughout the year representing regional, national and international publications.

INTERNATIONAL MARKETING AND TRADE

BRAND USA

Brand USA is the official destination marketing organization of the United States, created in 2010 by the Travel Promotion Act. Our Brand USA partnership continued its growth in 2016, and results of the co-op programs were strong.

2016 Inspiration Guide (four creative versions)

- Produced in 10 languages
- 13 country-specific versions
- Distribution in 21 countries
- 575,000 print impressions
- 30 million digital impressions through targeted consumer, trade and U.S. Embassy distribution channels.



Great Outdoors Initiative

The U.S. outdoor opportunities are endless, and Brand USA wanted to emphasize that point alongside the 100th anniversary of the National Park Service in 2016. The department participated in this co-op in order to highlight the state's vast array of outdoor experiences, including our own six national parks.

As part of the program, South Dakota was included in a social media promotion and an online hub of outdoor information that included six custom written articles and three custom produced videos.



- “South Dakota’s Great 8: Icons and Adventures”
- “Biking the Black Hills: 5 Days on South Dakota’s Mickelson Trail”
- “Custer State Park: A Nature Lover’s Dream Come True in South Dakota”
- “Where South Dakotans Go to Hike”
- “5 Unexpected Adventures in South Dakota”
- “Look Closely: Wildlife Watching in South Dakota”
- Three videos:
 - Custer State Park
 - Badlands National Park
 - Spearfish and Spearfish Canyon

SPRING MULTI-CHANNEL PROGRAM IN GERMANY

In partnership with Sioux Falls and Rapid City, the Department of Tourism participated in a spring multi-channel marketing program in Germany, including a print advertorial, digital banner ads, online content and booking and traffic generation through Expedia.

Digital display ads

- 1,606,809 impressions
- 13,210 clicks
- 0.82% click-through-rate (10x the industry average)

Traffic generation

- 1,495 clicks
- 1,395,608 total impressions

Travel USA print/digital content

- 652,000 total impressions between three print publications and a digital edition

Social media campaign

- Campaign reach – 2,084,797
- Campaign clicks – 9,314
- Engagement – 13,061

Global activation through Expedia Germany

- 341,812 total impressions
- 648 room nights booked during and 30 days post-campaign
- \$91,770 total gross revenue booked during and 30 days post-campaign



ROCKET FUEL PARTNERSHIP WITH SIOUX FALLS

This partnership came together as a result of a previous partnership in which a French in-language video was produced for Sioux Falls. The Department of Tourism and the Sioux Falls CVB partnered together on a Rocket Fuel program in France in February to boost exposure of the video.

RESULTS

- 259,537 views
- 354,732 impressions
- 1,141 clicks
- 0.32% click-through rate
- 73% view rate

FALL MULTI-CHANNEL PROGRAMS IN GERMANY, UK, AUSTRALIA

In an effort to sustain a consistent presence in our top international markets, the department continued a multi-channel marketing program in Germany, adding the UK and Australia for the fall. Just like the spring program, these multi-channel efforts provide exposure to the South Dakota brand across a diverse media mix, from a print advertorial to a digital campaign to traffic generation. Results pending.

CHINESE MEGAFAM

In late October, the Department of Tourism had the opportunity to host 11 Chinese tour operators in partnership with Brand USA for four days. The tour operators were all owners or top decision makers in the companies represented, and this was the first time to South Dakota for all of the tour operators.

Operators came from Shanghai, Chengdu, Shenzhen and Beijing. During the FAM, the group visited the Badlands, Wall Drug, Mount Rushmore, Crazy Horse, Hill City, Rapid City and Deadwood, among other cities and attractions.

Since the tour in October, Chinese tour operators have begun to develop and implement group tours including South Dakota. Participants highlighted the scenery, shopping, cuisine and meeting our partners as their favorite part of the trip.



ROCKY MOUNTAIN INTERNATIONAL

Rocky Mountain International (RMI) is the official regional destination marketing organization promoting Montana, North Dakota, South Dakota and Wyoming internationally as “The Real America” to travel trade professionals.

RMI implements complex and multifaceted tourism marketing strategies in major international inbound tourism markets with the goal of attracting more overseas visitors to The Real America and increasing length of stay and spend in the region.

FY16 RMI RESULTS (JULY 2015-JUNE 2016)

- 24 media familiarization tours hosted in the region for 63 media professionals
- 112,845 unique web visits to Real America websites, an increase of more than 530% over the previous year
- Overseas sales missions and trade shows delivered an additional 278 active sales leads
- RMI's network of overseas sales reps conducted a total of 668 sales calls, trainings and presentations

U.S. TRAVEL ASSOCIATION FORECASTS

U.S. TRAVEL FORECAST

	2016	2017	2018	2019	2020
GDP (billions)	18,673.9	19,653.2	20,658.3	21,522.8	22,350.5
Unemployment Rate %	4.8	4.6	4.7	4.7	4.8
Consumer Price Index (CPI)*	239.7	244.9	249.8	255.0	260.4
Travel Price Index (TPI)*	276.0	284.5	293.9	302.5	310.9
Total Travel Expenditures in U.S. (billions)	988.7	1,016.6	1,054.9	1,099.5	1,147.4
U.S. Residents	834.1	856.9	886.6	921.5	958.3
International Visitors**	154.6	159.7	168.4	178.0	189.2
Total International Visitors to the U.S. (millions)	76.8	78.6	81.8	85.9	90.1
Overseas Arrivals to the U.S. (millions)	38.6	40.0	41.9	44.2	46.5
Total Domestic Person-Trips*** (millions)	2,205.1	2,234.6	2,266.9	2,303.4	2,342.5
Business	457.2	459.4	463.0	466.5	471.1
Leisure	1,747.9	1,775.2	1,804.0	1,836.9	1,871.4

GROWTH FORECAST

	2016	2017	2018	2019	2020
Real GDP	1.9	2.3	2.3	2.1	2.1
Consumer Price Index (CPI)*	1.1	2.2	2.0	2.1	2.1
Travel Price Index (TPI)*	1.3	3.1	3.3	2.9	2.8
Total Travel Expenditures in U.S.	1.8	2.8	3.8	4.2	4.4
U.S. Residents	2.5	2.7	3.5	3.9	4.0
International Visitors**	-1.5	3.3	5.4	5.7	6.3
Total International Visitors to the U.S.	-0.9	2.4	4.1	4.9	4.9
Overseas Arrivals to the U.S.	0.5	3.7	4.7	5.4	5.3
Total Domestic Person-Trips***	1.2	1.3	1.4	1.6	1.7
Business	-0.6	0.5	0.8	0.8	1.0
Leisure	1.7	1.6	1.6	1.8	1.9



INFORMATION CENTER REVITALIZATION PLAN

Authorization of the Interstate Highway System in 1956 laid the groundwork for the construction of 41,000 miles of new roadway, as well as the construction of interstate rest areas which served as a place for travelers to stretch their legs and rest.

Of the 21 rest areas in South Dakota, most were in need of major maintenance, renovation or complete reconstruction. Additionally, the availability of information over mobile devices has changed the way visitors plan their travels. To address these challenges, Governor Daugaard assembled a work group of individuals from both the Department of Tourism and the Department of Transportation, asking them to develop a revitalization plan for the rest areas.

After nearly a year of review, analysis, research and discussion, this group developed a plan addressing the needs and expectations of today's motorists. Over the next few years, the plan will bring the state's rest areas into the modern era of travel and help the state prepare for the future. Upon full implementation of the plan, South Dakota will offer five staffed Welcome Centers at the state's borders and at Chamberlain, along with 12 additional rest areas along Interstates 29 and 90.

The plan includes construction of two new Welcome Centers near Vermillion and on the Minnesota border, as well as an expanded and remodeled Welcome Center at Wilmot. These centers will be staffed during the summer months and, in addition to providing a safe place for travelers to stop, they will serve as South Dakota's "front door" for vacationers seeking tourism information.

The Welcome Centers will be more extensive than the current rest areas. They will contain enhanced displays and exhibits as well as modern stations for travel-related information, such as road closures, weather conditions and construction.



2016 ACCOLADES

Travel + Leisure: Badlands National Park named best national park for solo backpackers

Fodors: SD is one of 10 best spots for seeing wildflowers

Thrillist: SD is #11 in terms of beauty among all 50 states

Travel Pulse: Mount Rushmore is named #2 in Power Ranking American Landscapes

Thrillist: Sioux Falls is one of the 25 best U.S. cities to spend a weekend in

Conde Nast: SD one of 17 trips you need to take your kids on before they're grownups

Elle Magazine: Rapid City one of 15 solo getaways every grown woman should take

Lonely Planet: Badlands National Park is #3 on list of most scenic national parks

Money Magazine: Badlands National Park one of 20 U.S. road trips with stunning scenery

Pollstar Magazine: Denny Sanford Premier Center 88th on list of world's top 200 concert venues

2016 AWARDS

ADDY Award (AAF-KC)

Along For The Ride video series
Internet Commercial Campaign category

ADDY Awards (SDAF-Sioux Falls)

My Great Place Sticker FSI
Newspaper Advertising/Specialty Advertising category
Black Hills Badlands Scratch & Sniff Mailer
Direct Marketing/Direct Mail category

Mercury Award for Print Advertising

My Great Place Sticker FSI

U.S. Postal Service Irresistible Mail Award

Black Hills Badlands Scratch & Sniff Mailer

HSMAl Adrian Awards

Gold – My Great Place Sticker FSI
Gold – The State Where the Buffalo Roam public relations campaign
Silver – My Great Place social media campaign

YEAR IN REVIEW

- Rose Parade, Pasadena, California
- Chicago Travel & Adventure Show
- Governor's Conference on Tourism

JAN

- NTA, Atlanta, GA
- GoWest Summit, Alaska
- NAJ
- Mount Rushmore Mascots on TODAY Show
- Secretary Hagen speaks at WY Tourism Conference

FEB

- ITB, Berlin, Germany
- French Sales Mission
- Active America China
- Destination Capitol Hill
- Strategic planning initiative begins

MAR

- Group Tour FAM
- Mount Rushmore Mascots appearance at the Cinema Falls Skullmore/Rushmore event, Sioux Falls
- Secretary Hagen speaks at ND Tourism Conference

APR

- RMI Roundup and post-FAM
- NTA Chinese FAM Tour/Seminar
- Japanese FAM Tour
- National Travel & Tourism Week
- Mt. Rushmore 75th Anniversary FAM
- TravelSouthDakota.com sets record for single day web traffic with 19,000 visits

MAY

- Dignity sculpture dedication ceremony
- Buffalo Roundup and FAM
- TTRA CenStates Chapter Annual Conference in Rapid City
- CBS Evening News features Mt. Rushmore and the Custer State Park Buffalo Roundup

SEP

- Japanese Los Angeles Sales Mission
- Japanese FAM
- ESTO, Boca Raton, FL
- Minnesota Vikings marketing effort begins in new U.S. Bank Stadium

AUG

- I-29 Cultural Corridor FAM
- Brand USA Immersion

JUL

- IPW, New Orleans, LA
- Travel Massive event and editorial appointments, Chicago, IL
- Snowmobile Congress, Rapid City
- 605 Day

JUN

- German Sales Mission
- Brand USA China FAM Tour
- Family Travel Association Summit in Tucson, AZ

OCT

- Mt. Rushmore's American Pride makes its 7th appearance in the Macy's Thanksgiving Day Parade®, along with the Rushmore Mascots
- NYC editorial appointments

NOV

- RMI mid-year meeting, Bismarck, ND

DEC



South Dakota

GREAT FACES. GREAT PLACES.

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