

# NORTH DAKOTA TOURISM ANNUAL REPORT 2015



50th Anniversary of North Dakota State Parks

Legendary experiences, rich culture and four seasons of recreation continue to attract more visitors to our state. Tourism is North Dakota's third-largest industry with visitors spending \$5.1 billion in 2013. As one of our five targeted industries, investments in tourism have continued to produce great results for North Dakota. In 2015, we broadened our tourism reach through funding for infrastructure grants, as well as expanding our markets both regionally and internationally. These efforts will continue to grow our visitor base and attract more people to the authentic experiences North Dakota provides.



Governor Jack Dalrymple

*Jack Dalrymple*



**Governor Jack and First Lady Betsy Dalrymple**

First as Lt. Governor (2000-2010) and then as Governor beginning in 2010, Jack Dalrymple has worked with the North Dakota Legislature to champion tourism projects in the state. That effort included funding for large infrastructure projects, the expansion of the State Museum at the North Dakota Heritage Center and funding for improvements to the North Dakota State Parks and Recreation system.

Awareness of North Dakota as a travel destination is growing. As the North Dakota Department of Commerce works to diversify our state's economy, growth in tourism and its partners bolsters our economy in many ways. With thousands of private businesses, attractions and events across the state, tourism brings visitors and dollars to our main streets. It provides recreational opportunities to visitors and citizens alike and continues to deliver on our legendary quality of life. Our investment in tourism is one that contributes to our state and our communities, and will last long into our future.



Commerce Commissioner Alan Anderson

*Alan Anderson*

Our state's travel industry continues to contribute to North Dakota's economy by offering consistent travel experiences statewide every day, every year. While there are factors outside of our control, like the exchange rate, weather and gas prices, our businesses and outdoor experiences are diverse enough to continue attracting niche travelers who provide a sustainable income for our state.



Our strategic marketing programs are building awareness and inspiring travel to North Dakota. Our 2015 media investment garnered more than 338 million impressions, resulting in increased website traffic. NDTourism.com had 821,500 unique visitors, up 29% from 2014. Our social media channels continue to build strong engagement with more than 125,400 fans driving more potential visitors to our sites and our tourism partners. Our media relations efforts led to 70 story pitches and 320 stories on North Dakota, many featuring the 50th anniversary of our state parks.

Visitor dollars are important to our state and we will continue to work to bring groups, outdoor lovers and international visitors through targeted efforts. As we look toward 2016, we need to remember marketing our state is an investment that pays back statewide.

Tourism Director Sara Otte Coleman

*Sara Otte Coleman*

*Tourism is not commodity-based and helps diversify the economy*

## The Importance of Tourism to the State's Economy

- **24 million people visited North Dakota in 2013.**
- Tourism expenditures reached \$3.6 billion.
  - All 53 counties experienced visitor spending increases, with an average of 16.4%.
  - Even the smallest two counties had more than \$2 million in expenditures.
- **Tourism generated \$307 million in state and local government taxes in 2013.**
- Tourism makes up 3.6% of gross state product but generates 5% of state and local taxes.
- Core Tourism is the fifth-largest private sector employer in the state.
- Leisure travel accounts for 24.5% of spending growth.

## Investing in Tourism Pays Off for North Dakota

- Tourism has shown consistent growth since 1990 when NDSU began measuring the impact.
- Research (2002-2014) shows tourism marketing:
  - Is a safe and sound investment.
  - Measurably elevates the state's image.
  - Benefits the entire state.
- Tourism development efforts have helped attract new tourism businesses and expanded offerings.
- Experiences that attract visitors also attract and engage new residents.
- In 2011, liability legislation for agritourism operators spurred a 41% growth. Since the legislation was adopted, the number of agritourism providers has increased by 13 new businesses to a total of 31.

### TOURISM INDUSTRY EMPLOYMENT

Jobs: 26,000      Payroll: \$787 million

Source: Job Service ND

### TOURISM GRANTS

2015: 18 totalling \$141,158

**NOTE:** Numbers do not reflect all hotels statewide but represent those tracked by Smith Travel Research. North Dakota Tourism is aware of 319 hotels built between 2005 and 2015, including 19 new properties opened offering 1,553 more rooms in 2015.

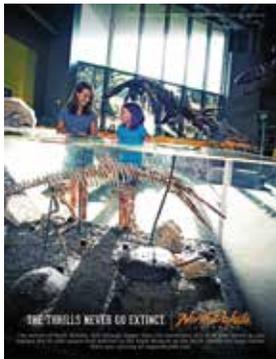
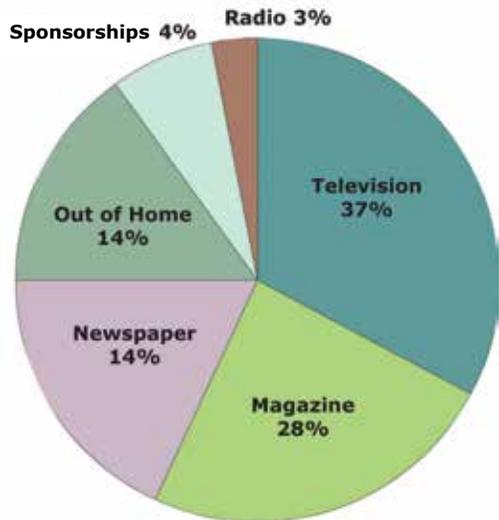
## Lodging Trend 2005-2015



# MARKETING

North Dakota Tourism has research-driven marketing strategies using visitor profiles, advertising effectiveness insights, visitation and inquiry tracking and trend reports to develop creative campaigns and targeted media buys.

North Dakota's integrated marketing included television spots, print ads, outdoor billboards, bus wraps, truck wraps, airport signage, sponsorships of programming filmed in North Dakota, online advertising, email marketing and social media advertising.



The advertising campaign that began in 2014 introduced **two new creative executions** to the mix in 2015 with one ad showcasing the expanded State Museum at the North Dakota Heritage Center and another highlighting motorcycling routes in North Dakota to capitalize on national attention leading to the 75th anniversary of the Sturgis Motorcycle Rally.

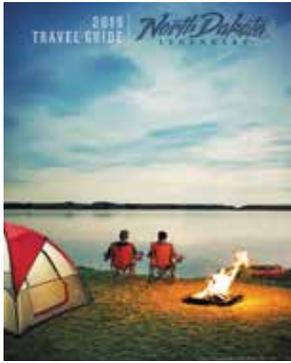
## WHO'S INVESTING IN TRAVEL

The state continued its focus on key markets of Minnesota, Wisconsin, South Dakota, Montana and Saskatchewan and Manitoba, Canada. However, North Dakota's budget continued to lag – **ranking 40th out of 47 reporting states**.



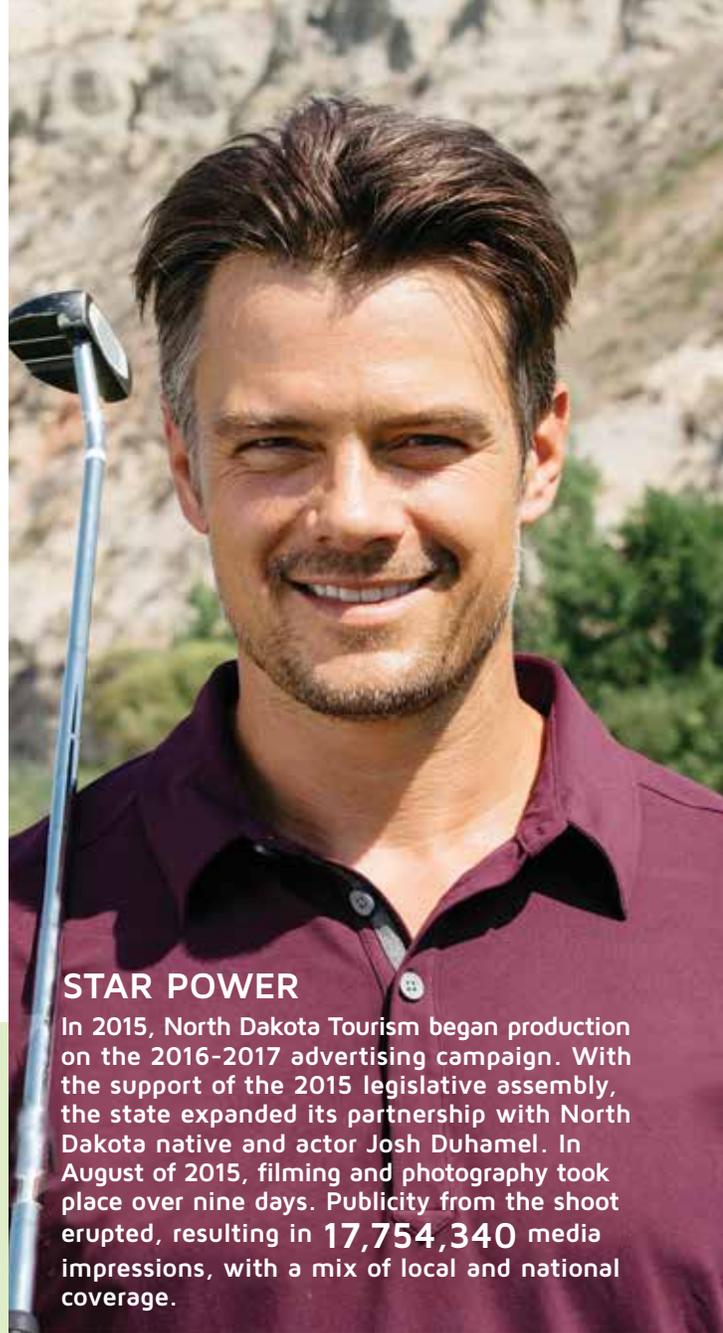
**2015 TARGET MARKETS**





## PUBLICATIONS

North Dakota Tourism works in partnership with the North Dakota Department of Transportation and North Dakota Association of Rural Electric Cooperatives for in-state distribution of promotional materials. Beyond our borders, guides and maps are distributed at sport shows, U.S. and international travel and trade shows, visitor gateways like the Minneapolis-St. Paul airport and other ports of entry and through lead-generation programs and requests for information. In 2015, North Dakota Tourism printed and distributed more than **280,000 Travel Guides** and **51,000 Hunting and Fishing Guides**.



## STAR POWER

In 2015, North Dakota Tourism began production on the 2016-2017 advertising campaign. With the support of the 2015 legislative assembly, the state expanded its partnership with North Dakota native and actor Josh Duhamel. In August of 2015, filming and photography took place over nine days. Publicity from the shoot erupted, resulting in **17,754,340 media impressions**, with a mix of local and national coverage.

## NDtourism.com

The North Dakota Tourism Division website is the primary call-to-action on all advertising and promotion of the state. The site reached a major milestone in 2015 with more than 1 million visits – a **28% increase** over the previous year. NDtourism.com has more than **11,000** links on the site – most of them directing visitors to **900-plus** accommodations, more than **700** attractions and activities and hundreds of annual events. How visitors were most likely to find us online:

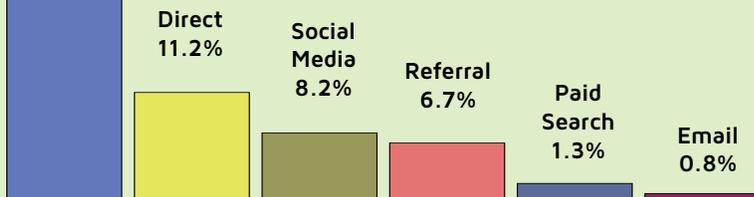
Organic  
59.5%

### Website Traffic Sources

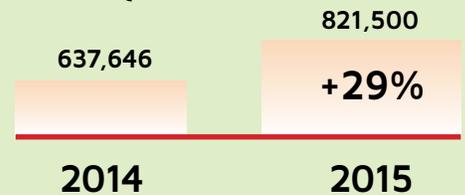
**Organic:** Visitors referred by an unpaid search engine listing, e.g. a Google.com search.

**Direct:** Visitors who came to the site by typing the URL directly into their browser or those clicking their bookmarks/favorites, untagged links within emails or links from documents that don't include tracking variables.

**Referral:** Visitors referred by links on other websites.



## UNIQUE WEB VISITS



## TOTAL WEB VISITS



# RESEARCH

## The Halo Effect of Marketing

### North Dakota is ...

A good place to live  
**Up 41%**

A good place to start a career  
**Up 100%**

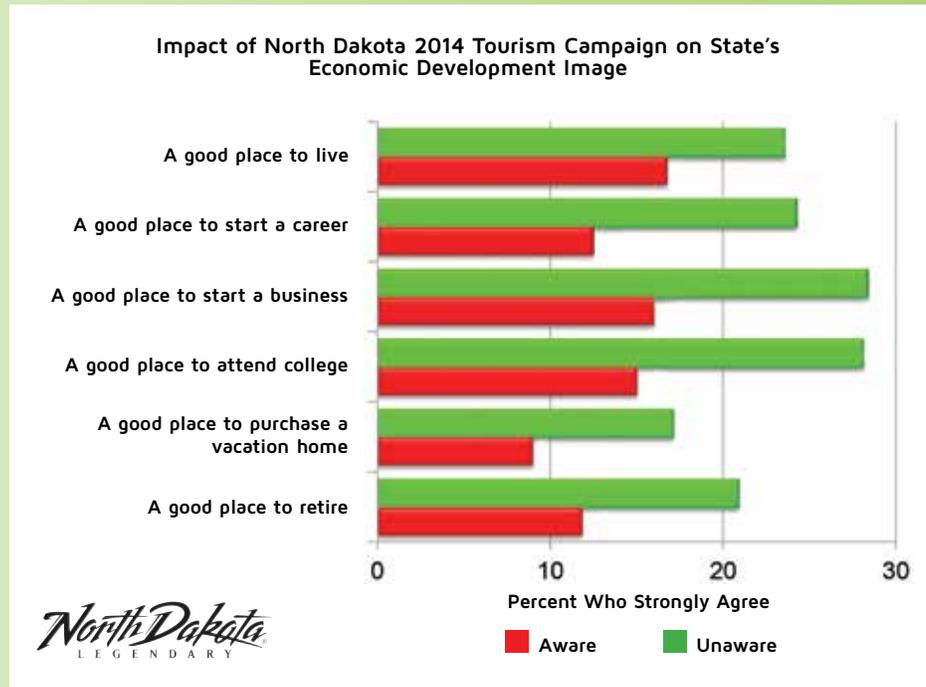
A good place to start a business  
**Up 75%**

A good place to attend college  
**Up 87%**

A good place to buy a second home  
**Up 113%**

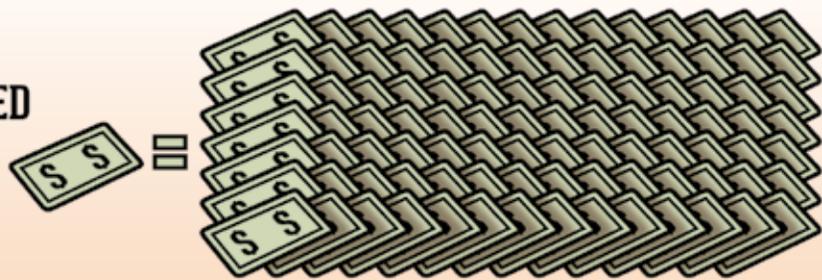
A good place to retire  
**Up 75%**

In 2015, Forbes released new research by Longwoods International which showcased North Dakota in a report on the Halo Effect of tourism advertising. The research showed how the state's tourism advertising campaign influenced overall image perceptions of the state.



A measurement of the Legendary advertising campaign in 2014 reported that the investment of **\$2.5 million in paid media motivated 1.2 million trips to North Dakota** and resulted in **\$236.4 million of additional visitor spending**. Meaning, for **every \$1 invested in marketing, North Dakota earned back \$94**. In 2015, this impact was shown to have ancillary effects.

**IN 2014, TOURISM ADVERTISING MOTIVATED 1.2 MILLION TRIPS, RESULTING IN \$236.4 MILLION IN SPENDING.**



**\$1 Invested = \$94 in Spending**

Source: Longwoods International 2014

# ND TRAVEL INDUSTRY GROWTH

TRAVEL SEGMENT	2014	2015	+/-	
 STATE PARKS	1,051,957	1,211,838	15%	
 NATIONAL PARKS	546,946	611,651	12%	
 MAJOR ATTRACTIONS	3,256,847	4,165,807	28%	
 VISITOR CENTERS	98,966	116,529	18%	
 CANADIAN BORDER CROSSINGS	842,574	737,718	-12%	
 DEPLANEMENTS	1,223,624	1,179,199	-4%	
 LODGING TAX	\$10,175,559	\$8,881,204	-13%	
TAXABLE SALES & PURCHASES	Through Third Quarter	2014	2015	+/-
ACCOMMODATIONS, FOOD SERVICES		\$1,436,512,166	\$1,393,712,863	-3%
ARTS, ENTERTAINMENT, RECREATION		\$84,567,050	\$86,333,491	2%

## CANADIAN VISITORS

Border crossings into North Dakota in 2015 were down 12%. The 737,718 passenger autos crossing into North Dakota was consistent with levels seen in 2008 and about 2% below a 10-year average. The value of the Canadian dollar in U.S. funds is impacting travel to North Dakota and the U.S. At year's end, the Canadian dollar was at its lowest point since 2003. According to Statistics Canada, North Dakota is one of the top 15 states visited by Canadians and has been since 2006. In its most recent report, **Canadians spent 379,000 more nights** in North Dakota and **increased their spending 19%**.

## NONRESIDENTS SPENT \$5.1 BILLION IN 2013

The Department of Agribusiness and Applied Economics at North Dakota State University produces an annual report on the economic base of the state – described as the state's income through sales of goods or services to out-of-state markets in six primary industries. NDSU economists point out that the stable and growing pace of North Dakota's tourism industry is good for the state's economy. **From 2000 to 2013, nonresident tourism spending in the state increased 40%.**



### 2013 Canadian Visits

WELCOME TO NORTH DAKOTA

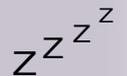
Overnight Visits

788,000



Total Nights

1,966,000



Spending in Canadian Dollars

\$317,000,000



# SPREADING THE WORD



## DID YOU KNOW?

North Dakota Tourism sells officially licensed clothing and novelty items. In 2015, 20,999 items were sold.



The American Bus Association annually selects its Top 100 Events. In 2015, the Norsk Høstfest in Minot and Big Iron Farm Show in West Fargo were selected for inclusion by ABA.



**Norsk Høstfest**  
Minot



**Big Iron**  
West Fargo

## GROUP TRAVEL

Since 2011, North Dakota Tourism has conducted group travel FAM (familiarization) tours for nine companies that have introduced more than 1,000 new guests to North Dakota. These tours have **generated more than \$3 million in economic impact**.

The 2015 group travel FAM tours connected **31 communities and more than 90 attractions** with tour operators from Canada, Wisconsin, Arizona and Illinois.

More than 800 group travel marketing pieces were distributed to tour and motorcoach operators and travel industry professionals at six group travel marketplaces, which are used for sales pitches and follow-ups.



Digital and print advertising, editorial and eblasts included 10 publications and websites: Canadian Traveller, Canadian Travel Agent, Group Tour Magazine, Leisure Group Travel, Groups Today, Red Hot Celebrations, Shebby Lee Tours, Travel Alliance Partners LLC, Bus Tours Magazine and Sam's Club RV magazine.



## OUTDOOR RECREATION

For the past decade, outdoor enthusiasts have made outdoor recreation the top motivator of trips to North Dakota. We have seen notable increases in an already strong market segment over the past five years based on visitor studies.

North Dakota's nonresident fishing license sales have set record highs each of the past four years, increasing 5,000 from the previous season and setting a new mark near 65,000 licenses. Since the 2011-2012 season, nonresident fishing license sales in North Dakota are up 58% with a notable shift from short-term licenses to annual licenses. More than **3.5 million angler days were fished in North Dakota during 2014-15** and the number of anglers ice fishing — more than 100,000 (of which almost 32,000 were nonresidents) — also smashed previous records.

Good fish populations, an increased number of lakes, favorable winters and the efforts of North Dakota Tourism and its partners have contributed to all of these new records. The 2015-16 fishing season already looks to be another great year!



## INTERNATIONAL TRAVEL

The Real America consortium for North Dakota is paying dividends in its first year. North Dakota Tourism joined the program to market the state to a world-wide audience. It hosted eight familiarization tours, including four media and 33 travel trade reps from 12 different countries. **These FAMs resulted in the equivalent of more than \$3.4 million in earned media** reaching out to 17 million people around the world.

In 2015, 68 tour operators offered North Dakota products. **Travel to North Dakota was sold in 10 countries, in addition to the five Nordic markets.** These included more than 210 overnights in the state.

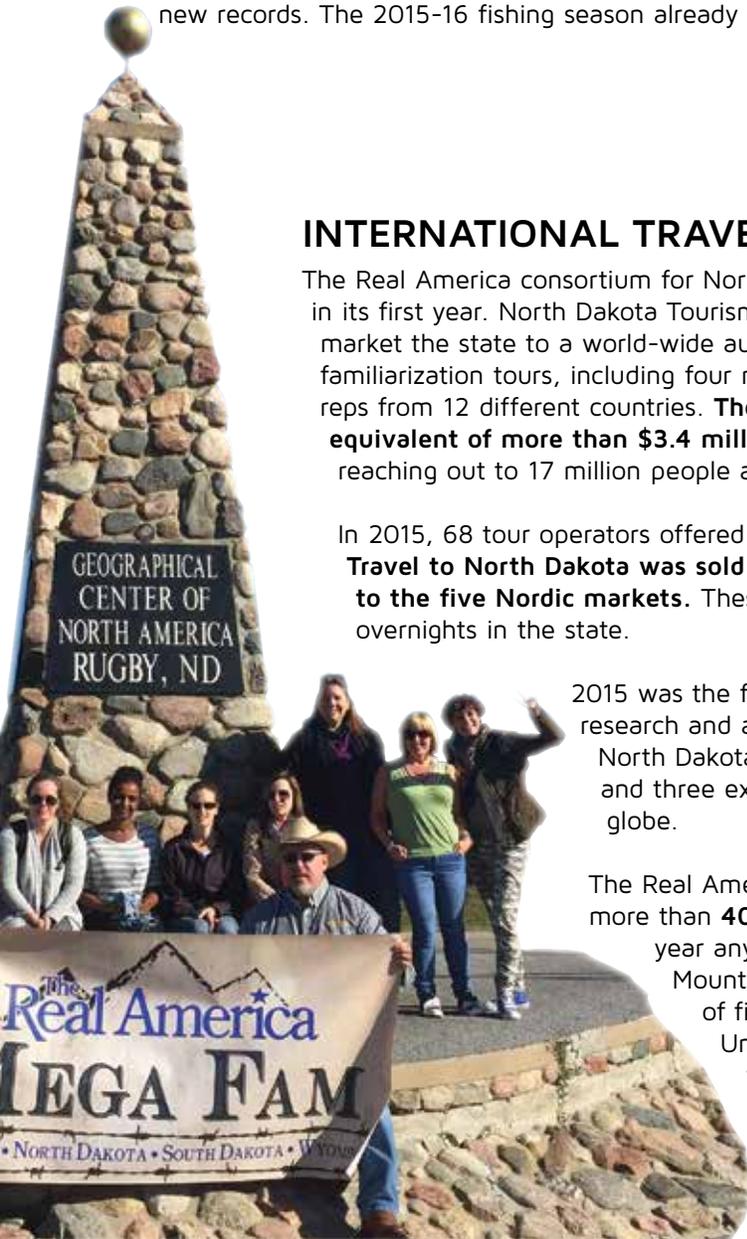
2015 was the first year with detailed market research and a great starting point for North Dakota in three brand new markets and three expanding markets around the globe.

The Real America consortium is helping North Dakota get to the desks of more than **400 tour operators in these new markets**, as 2015 was the first year any of our North Dakota partners were able to attend the Rocky Mountain International Roundup. North Dakota Tourism also had a year of firsts, attending the Italy Mission in Milan and Rome and the United Kingdom (UK) Mission around London. Following the trip to the UK, North Dakota will have product on the shelves of at least three new UK tour operators.



### Top Overseas Markets Requesting ND Info

1. United Kingdom
2. Germany
3. Australia/New Zealand
4. Italy
5. France/Nordic Region



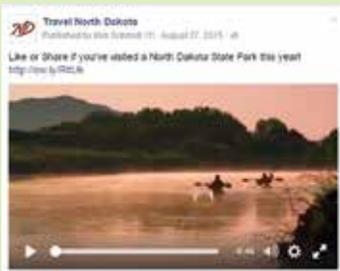
# PROMOTING NORTH DAKOTA

North Dakota Parks and Recreation celebrated its 50th anniversary in 2015. North Dakota Tourism incorporated promotion of a park in each monthly effort and dedicated the cover of the 2015 ND Travel Guide to parks. This provided some additional attention to the state parks, which reported a \$233 million visitor spending impact.

1 Million  
Visitors



Impact:  
\$233 Million



Another new opportunity for 2015 was a partnership with Cooperatize, a content platform that showcased some of North Dakota's unique opportunities through bloggers and writers like "Johnny Jet," who has been featured on the Today Show. This partnership generated **49 new stories resulting in 124,664 unique readers and 935,905 social impressions.** We continue to showcase these posts on our social platforms today.



North Dakota Tourism also had an opportunity to host four media FAM tours in 2015, from world-traveling "Getting Stamped" duo to Chicago-based writer "Traveling Ted." These tours garnered fantastic earned media and exposure for North Dakota's travel offerings.



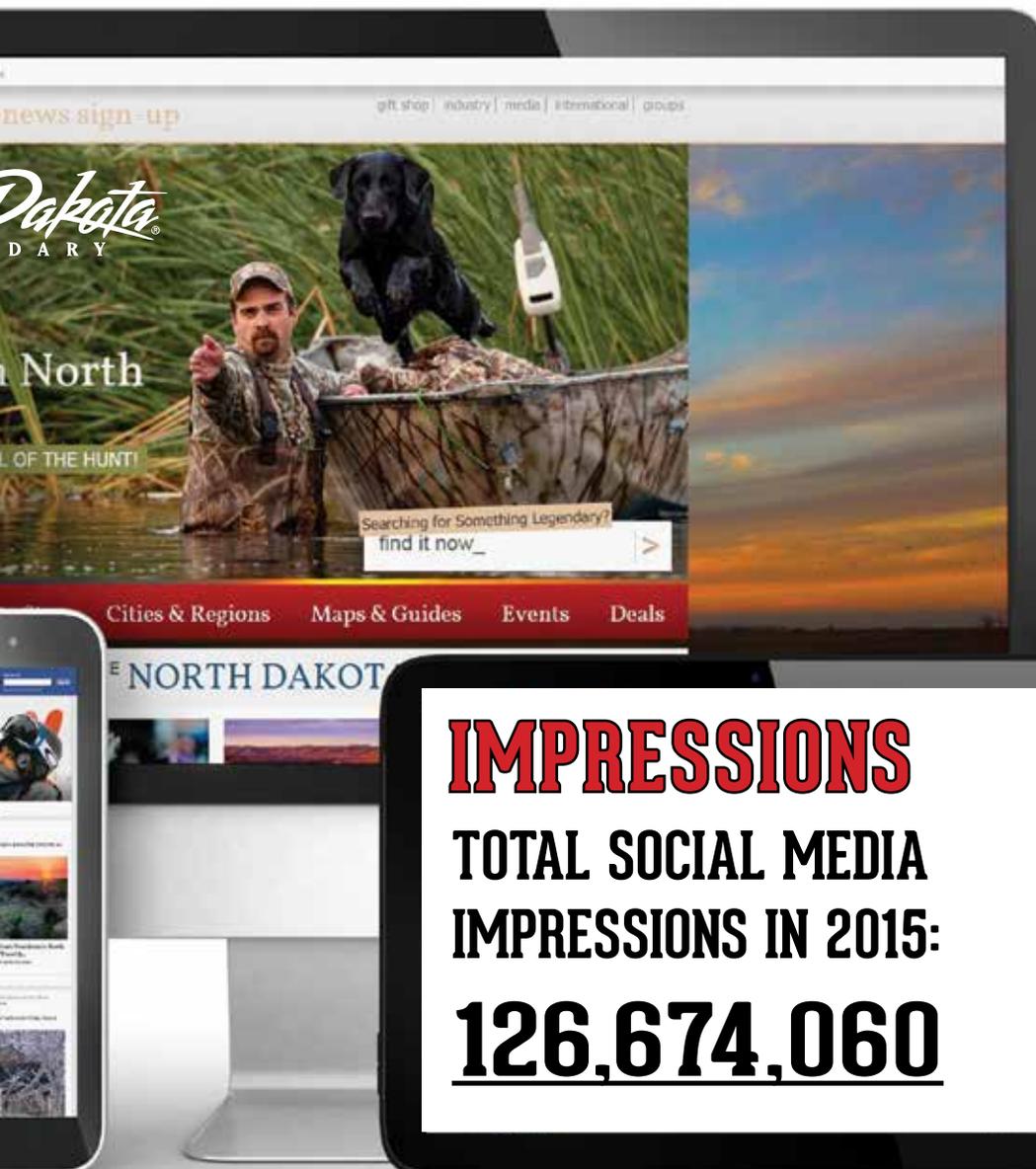
## PUBLIC RELATIONS AND SOCIAL MEDIA

ND Tourism's public relations efforts work to earn positive, informative media coverage on North Dakota in-state, nationally and worldwide. Its public relations efforts in 2015 included **70 pitches** leading to **320 stories.** Social media efforts work to share information and encourage conversation about our Legendary experiences and opportunities while traditional public relations efforts work more closely with direct interactions with writers and media to garner positive stories. Major outlets we worked with in 2015:

- People Magazine
- USA Today Travel
- Travel and Leisure Magazine
- Man Tripping
- True West Magazine



Colossal Catch! Josh Duhamel Reels In a 'Whopper' of a Fish in North Dakota



**YouTube** You Tube

- 19% audience growth
- 290 subscribers

**flickr** Flickr

- 19% audience growth
- 725 members

**f** Facebook

- 21% audience growth
- 54,298 fans
- #1 referrer to NDTourism.com in 2015

**Twitter**

- 22% audience growth
- 27,581 followers

**Instagram**

- 56% audience growth
- 10,117 followers

**Pinterest**

- 22% audience growth
- 1,238 followers

**IMPRESSIONS**  
**TOTAL SOCIAL MEDIA**  
**IMPRESSIONS IN 2015:**  
**126,674,060**

# NORTH DAKOTA TOURISM BY THE NUMBERS

**\$3.59 billion**

Total economic impact to North Dakota in 2013

Source: IHS 2013

**\$236.4 million**

Visitor spending in North Dakota businesses due to advertising in 2014

Source: Longwoods International

**24 million**

Total number of visitors to North Dakota in 2013

Source: IHS 2013

**\$17.8 million**

State tax revenue received by North Dakota from visitor spending as a result of advertising in 2014

Source: Longwoods International

**6,105,825**

Visits to North Dakota attractions in 2015

Source: ND Tourism

**26,600**

Number of North Dakotans employed by tourism businesses in 2013

Source: IHS 2013

**128%**

Increase in the number of North Dakota Instagram followers in 2015

ND Tourism

*North Dakota*  
LEGENDARY

North Dakota Department of Commerce  
Tourism Division

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