Embracing Technology
Motivating Travel
This past year has been a memorable one - kicking off with Josh Duhamel touting travel to North Dakota on NBC’s Today Show. The partnership with Duhamel allowed our team to creatively use the photos, videos, quotes, soundbites and behind-the-scenes clips across multiple media channels throughout the year and into 2017. The partnership also opened the door to a late-season Vikings promotion, which resulted in tremendous in-stadium exposure, as well as measureable referrals to NDtoirism.com.

I hope you will take time to read this annual report and understand the various metrics we employ to deliver a strong return on investment (ROI) for the dollars we invest. The new Tourism Satellite Account research measures the impact of the travel and tourism industry.

I am often asked what counts as a trip. Our big picture research measures all impacts of travel and tourism. We do not isolate only leisure vacations - just like you would not isolate only money spent by fracking crews in the petroleum sector study or count only wheat sold at locally owned elevators in an agriculture impact study. To drill down further, we measure the impact our advertising had in motivating visitors to our state. This is our ROI metric and also provides insight into which media and creative executions were the most successful. This is the portion of travel that North Dakota Tourism motivated to visit our state from our target markets of Minnesota, Wisconsin, Illinois, Saskatchewan and Manitoba. This excludes those traveling in-state. In order to be accountable for the tax dollars we invest, we have done this research since 2003.

Also, check out the new mobile device tracking technology we used in 2016, which allows us to see visitors who interacted with our digital ads or website and shows us when and where they arrived in North Dakota.

These are some examples of how our team uses data every day to drive better decisions aimed at attracting more nonresident visitors and their dollars to North Dakota. All the research, along with current dashboards, can be found in the industry section at NDtoirism.com.

The results of our international marketing, group travel bookings, outdoor promotions and tourism business development are also summarized. Together, we help diversify our economy and generate revenue for the state and businesses. On behalf of the Travel and Tourism Team, we look forward to working with you in 2017!
North Dakota billboards could be seen in Minneapolis and Milwaukee. A prominent wall wrap in the Minneapolis-St. Paul airport was on display May 9 through the end of the year. An estimated 24,263 travelers passed the ad in the terminal daily.

Newspaper inserts were distributed to 2.2 million potential travelers in Minnesota, Wisconsin, Manitoba and Saskatchewan. North Dakota was featured in 33 magazines with a circulation of 7.8 million. North Dakota’s printed guides featured listings for 1,660 tourism partners. More than 330,000 Travel Guides and Hunting and Fishing Guides were distributed.

TV spots ran in two Canadian, two Minnesota and one Wisconsin market for four weeks, and combined with Fox Sports North sponsorships of Minnesota Twins and Milwaukee Brewers baseball and UND hockey, netted 62 million impressions.

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North Dakota’s printed guides featured listings for 1,660 tourism partners. More than 330,000 Travel Guides and Hunting and Fishing Guides were distributed.

292,262 Travel Guides Distributed
41,766 Hunting/Fishing Guides Distributed
334,571 Maps Distributed

Newspaper inserts were distributed to 2.2 million potential travelers in Minnesota, Wisconsin, Manitoba and Saskatchewan. North Dakota was featured in 33 magazines with a circulation of 7.8 million. North Dakota’s printed guides featured listings for 1,660 tourism partners. More than 330,000 Travel Guides and Hunting and Fishing Guides were distributed.

10 million
Print Circulation Reach

62 million
TV Spots

51 million
Out-of-Home Impressions

2016 Targets

Television 34%
Magazines 24%
Digital 23%
Out-of-Home 7%
Newspapers 7%
Direct Mail 5%
Tourism’s Importance to North Dakota’s Economy

- 21.9 million people visited North Dakota in 2015
- Visitor expenditures reached $3.1 billion
- Makes up 4% of the state’s gross domestic product
- Core tourism is the fifth-largest private sector employer in the state
- Impacts all 53 counties
- Tax revenue of $327 million was generated through visitor activity; generates 5.8% of all state and local taxes

Tourism: Third-Largest Economic Driver

Tourism remains the state’s third-largest industry and is a top contributor to North Dakota’s gross state product:

Source: NDSU Economic Base 2014

Visitor Spending (in billions)

Nights on Trip

Regional Visitation

Seasons Traveled

Primary Visitor Origins

Source: Strategic Marketing and Research Insights 2014
Arrivalist
Arrivalist is a technology that tracks actual arrivals in North Dakota after exposure to digital advertising and NDtourism.com through mobile devices. In 2016, 50 million exposures and 13,179 verified arrivals were tracked, representing approximately 30% of digitally motivated arrivals.
- Locations where a traveler clicked or opened digital content outside of North Dakota
- Location where the same traveler arrived within North Dakota
Social media efforts work to inspire, share and engage awareness in conversation about our Legendary experiences. In 2016, Tourism garnered 1.6 billion impressions and was successful in referring fans and followers to NDtourism.com.

Results
Tourism continued its partnership with Cooperatize, a content platform that showcased some of North Dakota’s opportunities through bloggers and writers. Cooperatize generated:
- 19 new stories
- 5,408 unique readers
- 421,001 social impressions

Tourism continues to showcase these posts on its social platforms today.

DIGITAL MEDIA

Analytics
Tourism uses Google Analytics to track web visits and reinforce target marketing efforts. Top states and provinces visiting NDtourism.com:
1. North Dakota
2. Minnesota
3. Illinois
4. Wisconsin
5. California
6. Texas
7. Manitoba
8. New York
9. Nebraska
10. Florida
11. Saskatchewan
12. Michigan

NDtourism.com Site Traffic

- 9.4% Digital Advertising
- 5.3% Referral Links
- 3.7% Social Media
- 1% Paid Search
- 1% Email
- 66% Organic Search

Total Web Visits

<table>
<thead>
<tr>
<th>Year</th>
<th>Visits</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>808,302</td>
</tr>
<tr>
<td>2015</td>
<td>1,035,562</td>
</tr>
<tr>
<td>2016</td>
<td>1,053,838</td>
</tr>
</tbody>
</table>

Impact
Tourism’s digital sites had 2.2 million page views in 2016. New mobile-friendly enhancements went live in May 2016, resulting in:
- A 2.51% increase in time on site
- A 4.19% decrease in the bounce rate

Click-Through Access

NDtourism.com had 176,717 click-throughs to partner websites in 2016.

Social Audience

<table>
<thead>
<tr>
<th>Platform</th>
<th>Subscribers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook fans</td>
<td>60,208</td>
</tr>
<tr>
<td>Twitter followers</td>
<td>35,341</td>
</tr>
<tr>
<td>Instagram followers</td>
<td>19,052</td>
</tr>
<tr>
<td>YouTube subscribers</td>
<td>350</td>
</tr>
<tr>
<td>Pinterest followers</td>
<td>1,515</td>
</tr>
<tr>
<td>Newsletter subscribers</td>
<td>21,908</td>
</tr>
</tbody>
</table>

Results
Social media efforts work to inspire, share and engage awareness in conversation about our Legendary experiences. In 2016, Tourism garnered 1.6 billion impressions and was successful in referring fans and followers to NDtourism.com.

Source: Google Analytics

Visits by Device

- Desktop: 41.3%
- Mobile: 45.6%
- Tablet: 13.09%

Source: Google Analytics
BY THE NUMBERS

North Dakota Travel Industry

<table>
<thead>
<tr>
<th>Travel Segment</th>
<th>2015</th>
<th>2016</th>
<th>+/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Parks</td>
<td>1,180,997</td>
<td>1,232,281</td>
<td>4%</td>
</tr>
<tr>
<td>National Parks</td>
<td>611,651</td>
<td>793,384</td>
<td>30%</td>
</tr>
<tr>
<td>Major Attractions</td>
<td>4,354,594</td>
<td>4,395,408</td>
<td>1%</td>
</tr>
<tr>
<td>Visitor Centers</td>
<td>97,716</td>
<td>88,842</td>
<td>-9%</td>
</tr>
<tr>
<td>Canadian Border Crossings</td>
<td>737,718</td>
<td>660,668</td>
<td>-10%</td>
</tr>
<tr>
<td>Deplanements</td>
<td>1,179,199</td>
<td>1,048,841</td>
<td>-11%</td>
</tr>
<tr>
<td>Lodging Tax</td>
<td>$8,881,204</td>
<td>$7,276,559</td>
<td>-18%</td>
</tr>
<tr>
<td>Statewide Hotel Occupancy Rate</td>
<td>55.3%</td>
<td>50.3%</td>
<td>-9.1%</td>
</tr>
</tbody>
</table>

North Dakota Tourism Jobs

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Dakota Travel Industry</td>
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Through Third Quarter 2016

<table>
<thead>
<tr>
<th>Taxable Sales and Purchases</th>
<th>2015</th>
<th>2016</th>
<th>+/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodations/Food Services</td>
<td>$1,401,757,331</td>
<td>$1,288,107,481</td>
<td>-8%</td>
</tr>
<tr>
<td>Arts, Entertainment, Recreation</td>
<td>$86,894,518</td>
<td>$93,736,865</td>
<td>2%</td>
</tr>
</tbody>
</table>

Return on Investment

- $3.17 Million Advertising Investment
- $328.3 Million Influenced Visitor Spending
- $1=$5.90 State and Local Taxes
- 354,000 Trips Motivated
- $1=$104 Return on Investment

Resident Tax Savings

In the absence of state and local taxes generated by visitors, each North Dakota household would pay $1,092 additional taxes to fill the gap.

Source: Tourism Economics 2015

Source: Strategic Marketing and Research Insights 2016
Campaign helped increase park visitation

THEODORE ROOSEVELT NATIONAL PARK

2016 Visitation Numbers

760,458 Visitors in 2016 = 29.64% Increase over 2015

Theodore Roosevelt National Park was a prominent advertising message in 2016, capitalizing on the 100th anniversary of the National Park Service. There also were 35,371 overnight stays within park boundaries.

North Dakota Game and Fish sold nearly 223,000 resident and nonresident fishing licenses and 59,272 nonresident hunting licenses in 2015-16. It was the fourth consecutive year of record license sales. Year-to-date numbers for the 2016-17 season indicate an 8.9% increase of nonresident fishing license sales on top of the previous year’s record. 59,272 nonresident hunting licenses were sold in 2016-17.

Tourism attended 5 shows with 7,727 contacts with attendees at Denver International Sportsmen’s Exposition; Chicago Travel & Adventure Show; Minneapolis Camping & RV Show; Milwaukee Journal Sentinel Sportshow; and the Northwest Sportshow – Minneapolis.

2,700 Travel Guides distributed; 1,850 Hunting & Fishing Guides handed out.

The OutdoorsND Facebook page has 11,495 followers with a total reach of 246,274.

The OutdoorsND Twitter page has 6,049 followers.

Trip Activities
Visitor research on overnight trips to North Dakota shows that top activities are motivated by outdoor experiences.

Source: Strategic Marketing and Research Insights 2014
North Dakota’s inclusion in the Real America consortium built awareness and bookings in 2016. North Dakota Tourism works with South Dakota, Wyoming and Montana through Rocky Mountain International to increase its presence in many overseas markets.

**Brand USA Global Campaign Results**

Tourism increased its digital presence in collaboration with Brand USA and Miles Media. This resulted in an impressive digital advertising reach into international markets.

**79 International Tour Operators Offering New ND Product 2014-2016**

- **Benelux**: 15
- **Germany**: 18
- **Italy**: 18
- **UK**: 14
- **France**: 9
- **Australia**: 5

**United Kingdom**: 7,178,833 impressions and 28 room nights booked during and 30 days post campaign.

**Australia**: 340,269 impressions and 19 room nights booked during and 30 days post campaign.


*Expedia/Meiers Weltreisen

**International Products**

North Dakota numbers reflect a two-year investment; South Dakota, Wyoming and Montana reflect 30-year investments.

**North Dakota**

- **2,808 Overnights**
- **2.256 Overnight**
- **6,653 Overnights**

**Group Travel Highlights**

(Self-Reported)

- **Total Tours**
  - 2015 - 115
  - 2016 - 232
- **Tour Guests**
  - 2015 - 3,957
  - 2016 - 5,412
- **Total Overnights**
  - 2015 - 196
  - 2016 - 357

Tourism had 3,200 group travel appointments and sales calls in 2016, mostly from marketplaces like the American Bus Association (ABA), National Tour Association, Heartland and Travel Alliance Partners. From those, 30 new tours were arranged. ABA estimates that one overnight generates $4,000 per tour.
PUBLIC RELATIONS

Public relations efforts work to earn positive, media coverage on North Dakota, both in-state and nationally. These efforts resulted in **325 story placements** and **25 media trips** in 2016. Major outlets:

- NBC Today Show
- New York Times
- USA Today Travel
- Food Network
- National Geographic Traveler


INDUSTRY DEVELOPMENT

New Hotel Construction

<table>
<thead>
<tr>
<th>Year</th>
<th>West</th>
<th>Central</th>
<th>East</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>500</td>
<td>200</td>
<td>100</td>
</tr>
<tr>
<td>2011</td>
<td>1000</td>
<td>400</td>
<td>200</td>
</tr>
<tr>
<td>2012</td>
<td>1500</td>
<td>600</td>
<td>300</td>
</tr>
<tr>
<td>2013</td>
<td>2000</td>
<td>800</td>
<td>400</td>
</tr>
<tr>
<td>2014</td>
<td>2500</td>
<td>1000</td>
<td>500</td>
</tr>
<tr>
<td>2015</td>
<td>3000</td>
<td>1200</td>
<td>600</td>
</tr>
<tr>
<td>2016</td>
<td>3500</td>
<td>1400</td>
<td>700</td>
</tr>
</tbody>
</table>

Visitor Spending Supports

- 2,785 tourism businesses registered with the Secretary of State
- 2,002 entities offering experiences on NDtourism.com
- 6 new tourism businesses
- 7 new hotels (547 rooms)
- Tribal tourism expansion in partnership with the North Dakota Native Tourism Alliance

134 hotel projects in North Dakota from 2010–2016 added 10,312 additional rooms statewide. Of those, 87 projects were in cities over 10,000 in population, while 47 projects were in cities under 10,000 population.
INDUSTRY DEVELOPMENT

Tourism Construction Grants Totaling $781,475
Added New Experiences in 2015-16

North Dakota Rock Climbing

**County** | **2015 Visitor Expenditures** | **County** | **2015 Visitor Expenditures**
--- | --- | --- | ---
Cass | $839.98* | Foster | $7.26
Burleigh | $470.33 | Traill | $6.01
Ward | $374.37 | Dickey | $5.61
Grand Forks | $287.80 | Ransom | $5.60
Williams | $254.45 | Cavalier | $4.55
Stark | $145.90 | Hettinger | $4.50
McKenzie | $111.79 | Divide | $4.10
Mountrail | $79.89 | Nelson | $3.65
Stutsman | $62.39 | Emmons | $3.50
Morton | $47.10 | Burke | $3.37
Ramsey | $39.26 | LaMoure | $3.30
Richland | $36.27 | McIntosh | $3.03
Rolette | $29.14 | McHenry | $2.74
Mercer | $22.17 | Kidder | $2.65
Barnes | $20.55 | Griggs | $2.39
Bottineau | $18.80 | Golden Valley | $2.02
Sioux | $16.76 | Sargent | $1.99
Benson | $15.77 | Renville | $1.98
Billings | $16.73 | Towner | $1.90
McLean | $14.65 | Sheridan | $1.70
Pembina | $12.57 | Eddy | $1.69
Walsh | $11.27 | Grant | $1.61
Bowman | $10.74 | Steele | $1.61
Dunn | $9.63 | Logan | $1.25
Wells | $8.85 | Oliver | $0.62
Pierce | $7.85 | Slope | $0.48
Adams | $7.57 | * Figures shown in millions
A LEGENDARY INDUSTRY

What did travelers spend in North Dakota in 2015?

Does that include a multiplier? No. Real dollars spent on lodging, shopping, transportation, and entertainment are collected through surveys, tax data and federal statistical agencies.

$3.1 billion

How many trips were taken in North Dakota in 2015?

Are these unique visitors? No. These trips include repeat, pass-through, multi-state and single-destination trips. They also represent leisure, business and visiting friends and relatives.

22 million

What is the tax impact of travel/tourism in North Dakota?

This is the amount visitors spent in state and local taxes in 2015.

$323 million

How many trips does advertising North Dakota influence?

North Dakota’s advertising campaign generated 354,000 trips and returned $104 in visitor spending for each $1 spent on advertising, according to 2016 advertising effectiveness survey.

354,000

How many jobs are supported by travel/tourism in North Dakota?

Visitor-supported employment represents 7.5% of all employment in the state.

42,614

U.S. Travel Market Share

22 million visitors seems like a lot. With more than 1.5 billion travelers in the United States in 2015, North Dakota’s market share is less than 1%. California is the state with the largest share of travel in the U.S.

Source: US Travel Association

How does North Dakota compare to its regional competition in budget and reinvestment?

<table>
<thead>
<tr>
<th>State</th>
<th>2014-15 Budget</th>
<th>Rank</th>
<th>% of Reinvestment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Montana</td>
<td>$16.1 million</td>
<td>14th</td>
<td>4.10</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>$15.4 million</td>
<td>15th</td>
<td>9.30</td>
</tr>
<tr>
<td>Minnesota</td>
<td>$13.8 million</td>
<td>20th</td>
<td>3.93</td>
</tr>
<tr>
<td>South Dakota</td>
<td>$13.6 million</td>
<td>21st</td>
<td>4.49</td>
</tr>
<tr>
<td>Wyoming</td>
<td>$11.2 million</td>
<td>27th</td>
<td>3.34</td>
</tr>
<tr>
<td>North Dakota</td>
<td>$6.2 million</td>
<td>39th</td>
<td>1.18</td>
</tr>
</tbody>
</table>

1600 E. Century Ave., Suite 2, Bismarck, N.D., 58502-2057; 800-435-5663, NDtourism.com