



Research and Resources

Sound research provides the basis for good marketing decisions. The Department of Tourism conducts studies that address economic impact and assess travelers' perceptions and motivations. This year, the department has commissioned a new Tourism Study, the results of which appear on page 86. In this section, you'll also find a wealth of information pertaining to trends at the national, international, regional and state level. Who are today's visitors?

How do they choose a destination? Read on to find out more.

National Outlook

This section looks at travel trends on a national and international level.

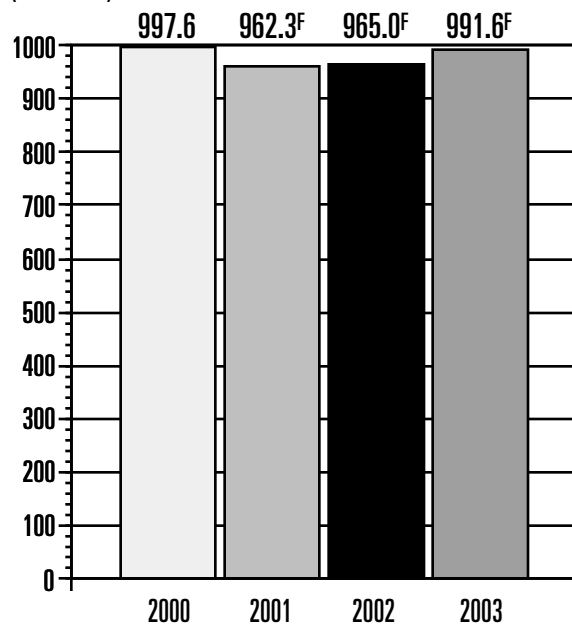
Travel Forecast, 2001 and 2002

When all the numbers have been crunched, the year 2001 will prove a difficult one for the nation's travel industry. The September 11 attacks and weakening economy had major impacts. The Travel Industry Association of America expects domestic travel volume to decrease 3.5 percent in 2001. Total inbound arrivals to the United States are projected to decline nearly 13 percent.

For the entire fourth quarter of 2001, air travel is projected to decline 25 percent. For the year, it's expected to be down 9.4 percent. Travel by car is expected to be down 2 percent for the fourth quarter and 1.5 percent for the year.

For 2002, TIA predicts that domestic travel volume and expenditures both will show a slight rebound from the 2001 level but still will remain well below 2000. TIA expects visits and spending by international travelers to increase faster than domestic travelers in 2002, but not enough to reach 2000's levels.

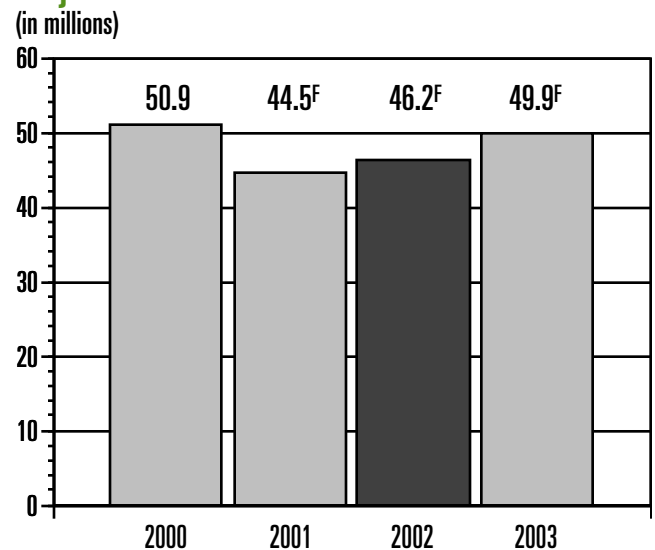
Projected Total Domestic Person-Trips*



*One person on one trip 50 miles or more, one way, away from home
F=forecast

Source: Travel Industry Association of America's Travel Forecast

Projected Total International Visitors to U.S.



F=forecast

Source: Travel Industry Association of America's Travel Forecast

Economic Impact of Travel in the U.S. 2000*

(including U.S. resident and international travel)

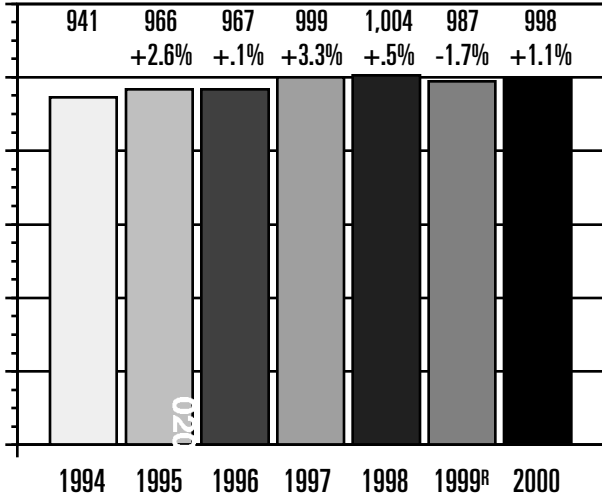
- Travel expenditures \$584.3 billion
- Travel-generated tax revenue \$100 billion
- Travel-generated employment 7.8 million jobs
- Trade surplus \$14.0 billion

*Preliminary data

Source: Travel Industry Association of America's Travel Forecast

U.S. Domestic Travel Volume 1994-2000

(in millions)



*A person-trip is one person traveling 50 miles (one way) or more from home and/or overnight

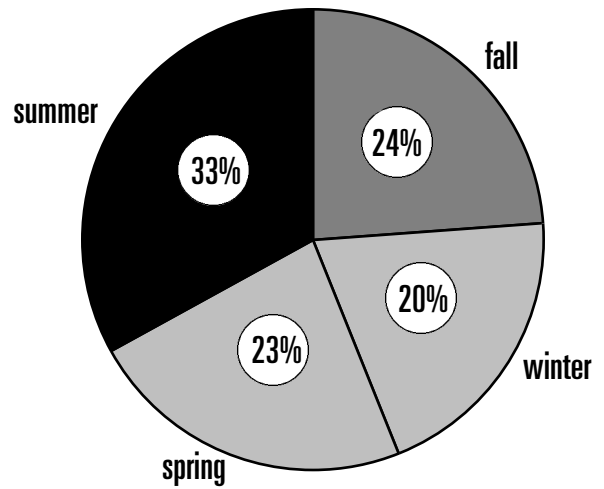
R=revised

Source: Travel Industry Association of America's Travel Forecast

Nationwide, July, August and September are the most popular months to travel, accounting for 31 percent of all person-trips.

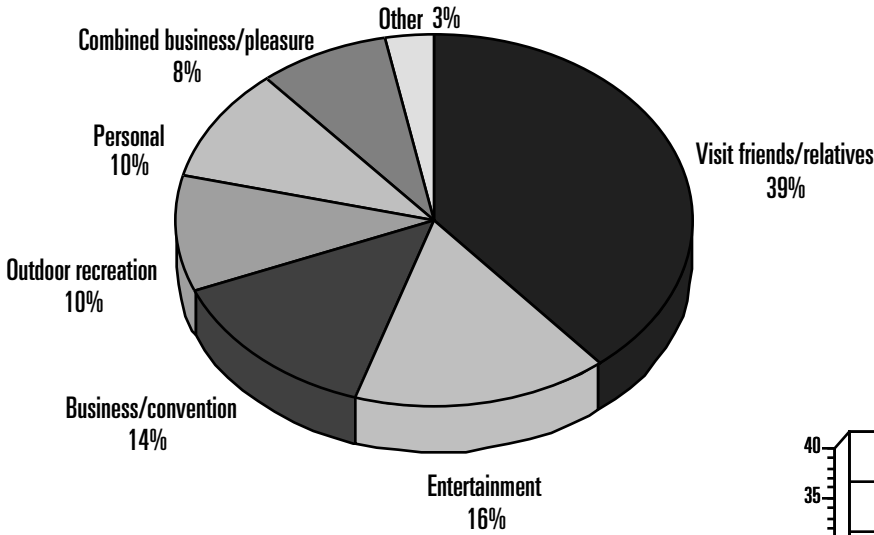
Source: Travel Industry Association of America

Season of Travel (U.S. Residents 2000)



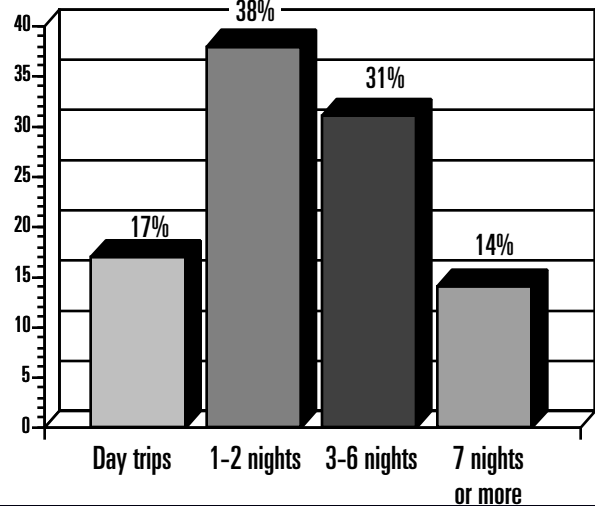
Source: Travel Industry Association of America

Primary Purpose of Travel (Percent of person-trips)



Source: Travel Industry Association of America

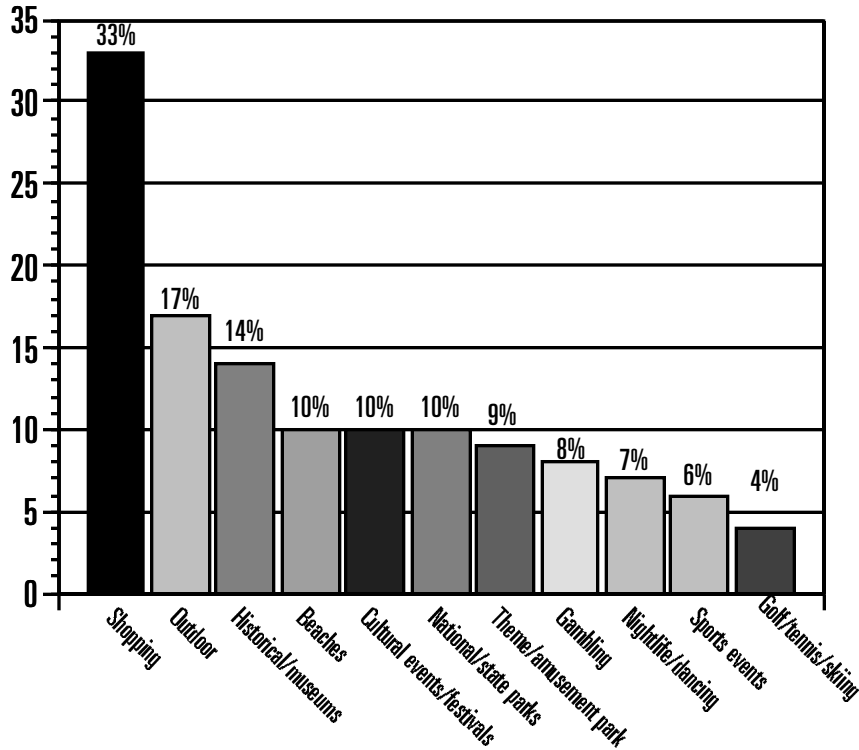
Trip Duration (U.S. residents 2000)



Source: Travel Industry Association of America

Activities at Destination

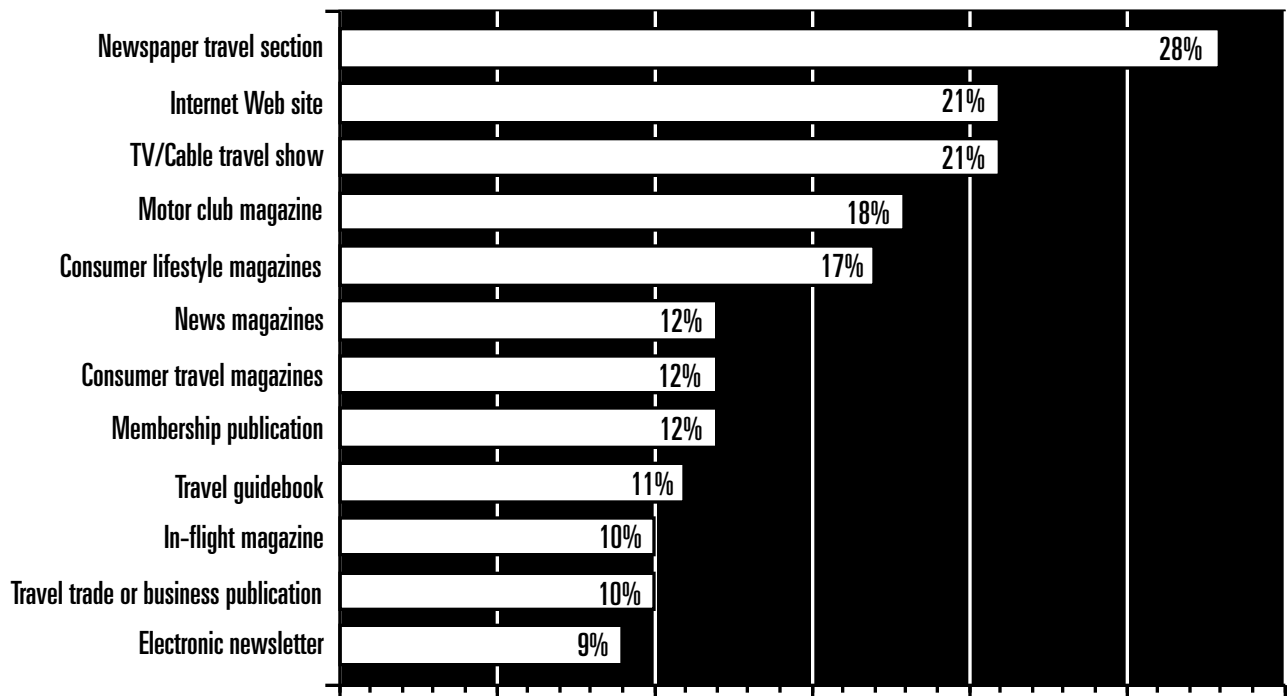
(U.S. resident travelers 2000)



Source: Travel Industry Association of America

Media Used to Plan a Trip/Vacation*

(2000)



%

*Multiple responses allowed

Source: Travel Industry Association of America

U.S. Domestic Travel 2000 at a Glance

- Travel by auto, truck or RV accounts for 74 percent of all person-trips. Air travel accounts for about one in five – or 18 percent – of trips.
- Seventy-five percent of all person-trips are for leisure purposes, while 14 percent are for business purposes.
- About four in 10 (38 percent) of all person-trips last one or two nights.
- More than half (56 percent) of overnight trips include a hotel, motel or bed-and-breakfast stay.
- Shopping is the most popular trip activity at 33 percent.
- On average, travel parties spend a total of \$457 per trip, not including transportation to the destination.
- Nearly half of trips are made by adults traveling alone or with someone outside their household, while about one-third (32 percent) are comprised of multiple adults.
- One in five (22 percent) of trips include children under 18.

Source: Travel Industry Association of America

Not surprisingly, Baby Boomers (ages 35-54) spend the most per trip at \$479. Matures (ages 55+) spend an average \$447, followed by Gen X and Y travelers (ages 18-34), who spend an average of \$431 per trip.

Source: Travel Industry Association of America

Traveler Profiles by Age Group (2000)

Demographics of all U.S. Travelers

- ▲ Sixty-three percent are married. The rest are single (19 percent) or divorced, separated or widowed (18 percent).
- ▲ Average age: 46 (household head)
- ▲ Thirty-six percent have a child in the household.
- ▲ Median income: \$54,800

Demographics of Generation Y and X Traveling Households

(Ages 18-34)

- ▲ Fifty-one percent are married.
- ▲ Average age: 29
- ▲ Thirty-nine percent have a child in the household.
- ▲ Forty-four percent have an annual household income of \$50,000+.

Demographics of Baby Boomer Traveling Households

(Ages 35-54)

- ▲ Seventy-one percent are married.
- ▲ Average age: 44
- ▲ Fifty-two percent have a child in the household.
- ▲ Sixty-seven percent have an annual household income of \$50,000+.

Demographics of Mature Traveling Households

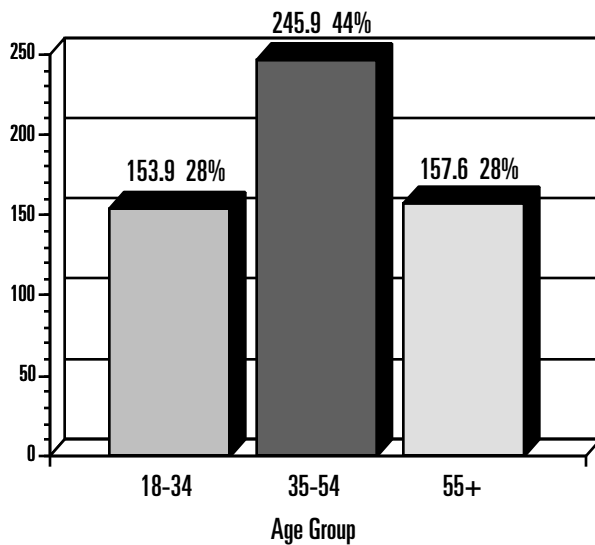
(Ages 55+)

- ▲ Sixty-three percent are married.
- ▲ Average age: 65
- ▲ Eight percent have a child in the household.
- ▲ Forty-eight percent have an annual household income of \$50,000+.

Source: Travel Industry Association of America

Who Travels the Most?

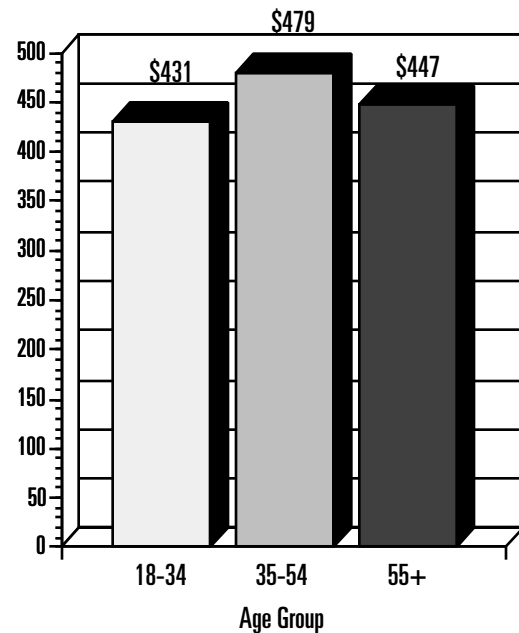
Volume of Travel by Age of Household Head (2000)
(Number of trips in millions)



Source: Travel Industry Association of America

Who Spends the Most?

Average Spent Per Trip by Age of Household Head (2000)
(Number of trips in millions)



Source: Travel Industry Association of America

Highlights of the Meredith Family Vacation Study (2000)

- 81.5 million American adults took a family vacation in 2000.
- Two-thirds (69 percent) of families used their own auto/truck. One in five (20 percent) traveled by air.
- Families averaged 2.7 vacation trips in 2000, up from 2.4 in 1999.
- The average duration of family vacation trips was 6.9 nights.
- The top six types of family vacations in 2000 included: visiting historic sites (50 percent), cities (49 percent), oceans/beaches (44 percent), lakes (40 percent), theme parks (34 percent), and family reunions (33 percent).
- Seventy-eight percent of family travelers decided on their destination within three months of their trip. Fifty-five percent decided within one month.
- Four in 10 (40 percent) family vacationers used the Internet to seek information, compared to 33 percent over 1999.
- Nine in 10 travelers rated “value for the money” and “offering a variety of things to do” as important to choosing their travel destinations.
- Most travelers (87 percent) with kids at home rated “activities designed for children” as important.
- While male and female heads of household shared in generating vacation ideas (41 percent) and deciding on the destination (46 percent), females were likely to take responsibility for collecting trip information (44 percent).

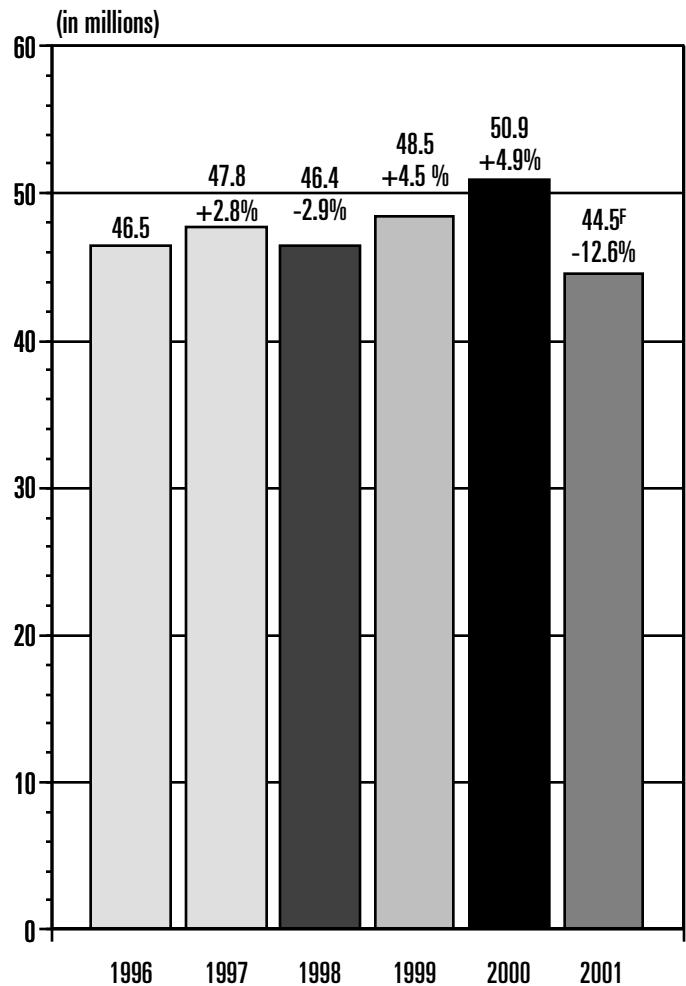
Source: The Meredith Family Vacation Study 2000

Travel Trends

- **Camping** is the number-one outdoor vacation activity in America. One-third of U.S. adults say they have gone on a camping vacation in the past five years. People who camp also tend to enjoy hiking, biking and canoeing.
- **Fitness while traveling.** More than one-fourth of U.S. travelers – 24.7 million adults – tried to keep those extra pounds at bay by using a fitness center or gym while traveling in the past three years.
- **International travel** to the United States is one of our leading exports. In 2000, a record 50.9 million international travelers visited the United States, up 5 percent over 1999. The United Kingdom, Japan and Brazil led their respective regions in arrivals.
- **Outdoor recreation** and/or visiting national or state parks is one of the top activities for U.S. travelers taking leisure trips within this country. These activities occur on one in five – or 21 percent – of leisure person-trips.
- **Package travel.** One-quarter (23 percent) of past-year travelers say they bought a travel package within the past three years. The average age of a package traveler is 43 years, and the gender breakout is almost even. The average annual household income of a package traveler is \$72,400.
- **Travel information** comes from a variety of sources, but friends and relatives remain the number-one source (43 percent). Travel agents rank next at 39 percent. One in five past-year travelers (21 percent) contacted a city, state or country's tourism office to get information about a destination.
- **Weekend travel** is more popular than ever, with half of all U.S. adults – nearly 103 million – taking at least one weekend trip per year. Almost 30 percent have taken five or more weekend trips in the past year.

Source: Travel Industry Association of America, Travel Trends 2000, www.tia.org

International Travel to the United States



F=Forecast

Source: Travel Industry Association of America

Top 10 Generating Countries for U.S. (2000)

- | | |
|-------------------|----------------|
| 1. Canada | 6. France |
| 2. Mexico | 7. Brazil |
| 3. Japan | 8. South Korea |
| 4. United Kingdom | 9. Italy |
| 5. Germany | 10. Venezuela |

Source: Travel Industry Association of America

State Tourism Budgets

(in millions of dollars)

State	2000-01 projected budget	State	2000-01 projected budget
Alabama	\$11.0	Tennessee	\$12.4
Alaska	\$7.6	Texas	\$32.2
Arizona	\$8.9	Utah	\$5.6
Arkansas	\$11.5	Vermont	\$6.5
California	\$14.6	Virginia	\$22.9
Colorado	\$6.2	Washington	\$3.8
Connecticut	\$6.7	West Virginia	\$8.2
Delaware	\$2.3	Wisconsin	\$15.5
Florida	\$59.8	Wyoming	\$4.5
Georgia	\$9.0		
Hawaii	\$61.0		
Idaho	\$5.5		
Illinois	\$61.1		
Indiana	\$4.5		
Iowa	\$6.2		
Kansas	\$4.6		
Kentucky	\$7.3		
Louisiana	\$16.8		
Maine	\$4.6		
Maryland	\$13.4		
Massachusetts	\$24.5		
Michigan	\$15.9		
Minnesota	\$12.6		
Mississippi	\$13.5		
Missouri	\$16.4		
Montana	\$7.1		
Nebraska	\$3.7		
Nevada	\$11.3		
New Hampshire	\$3.4		
New Jersey	\$10.8		
New Mexico	\$13.4		
New York	\$19.9		
North Carolina	\$9.6		
North Dakota	\$2.3		
Ohio	\$6.4		
Oklahoma	\$10.3		
Oregon	\$3.1		
Pennsylvania	\$45.9		
Rhode Island	\$2.6		
South Carolina	\$12.7		
South Dakota	\$6.2*		

* South Dakota's actual budget for FY2001 was \$6.0 million

Source: Travel Industry Association of America

Tourism Budgets in Review

- ▼ The average projected state budget for 2000-2001 was \$13.7 million.
- ▼ Illinois had the largest budget of \$61.1 million. Hawaii came next with \$61.0 million and Florida third with \$59.8 million.
- ▼ South Dakota's projected budget ranked 36th among the 50 states.
- ▼ Our neighboring states ranked as follows: Minnesota 18th, Montana 31st, Iowa 37th, Wyoming 43rd, Nebraska 45th and North Dakota 50th.

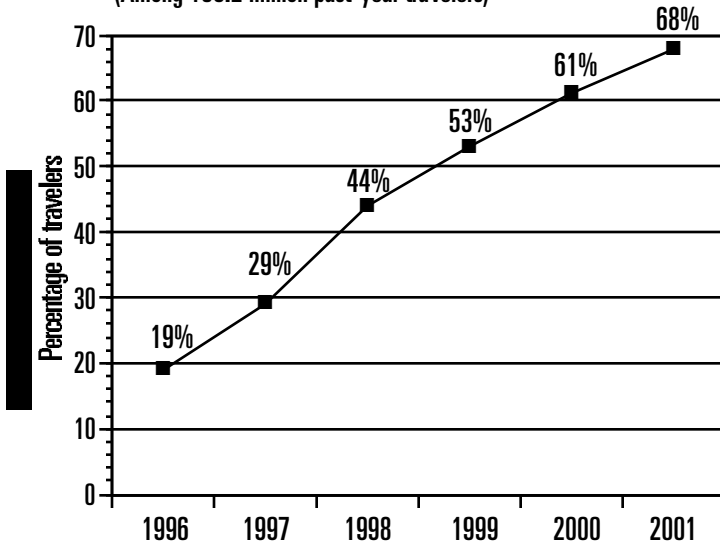
Travel and Technology

As the number of Americans online has grown, so has Internet use among travelers. According to the Travel Industry Association of America, travelers' usage of the Internet jumped from 27 million online travelers in 1996 to 95 million

in 2001, a 252 percent increase! Although growth of online travelers has slowed in recent years (6 percent from 2000 to 2001), online travel booking has increased.

Internet Use Among Travelers

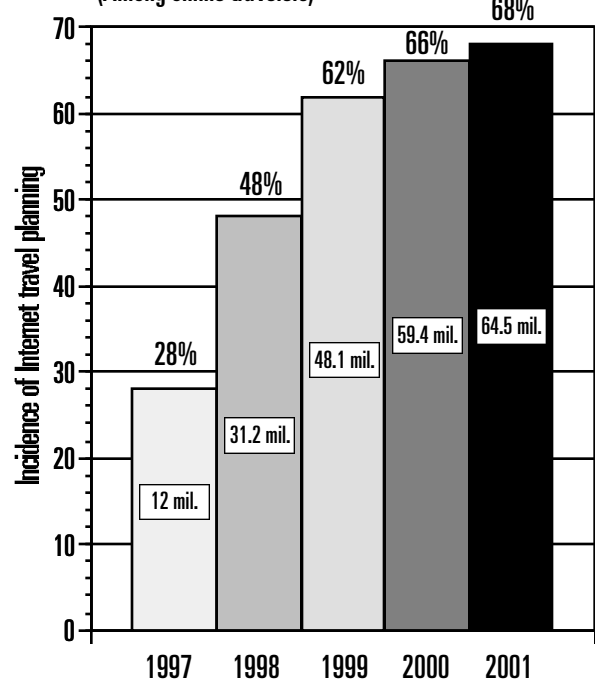
(Among 139.2 million past-year travelers)



Source: Travel Industry Association of America's "Travelers' Use of the Internet 2001 Edition"

Use of the Internet for Travel Planning

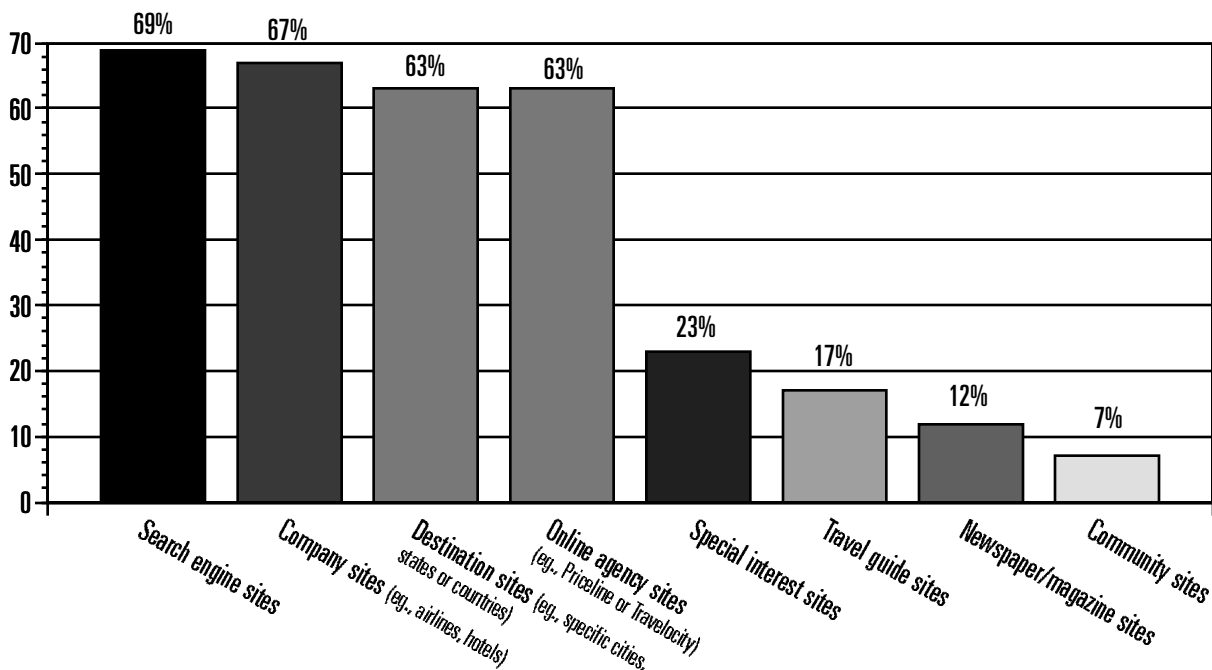
(Among online travelers)



Source: Travel Industry Association of America's "Travelers' Use of the Internet 2001 Edition"

Types of Internet Sites Used for Travel Planning*

(Among 64.5 million online travelers who used the Internet to make travel plans)

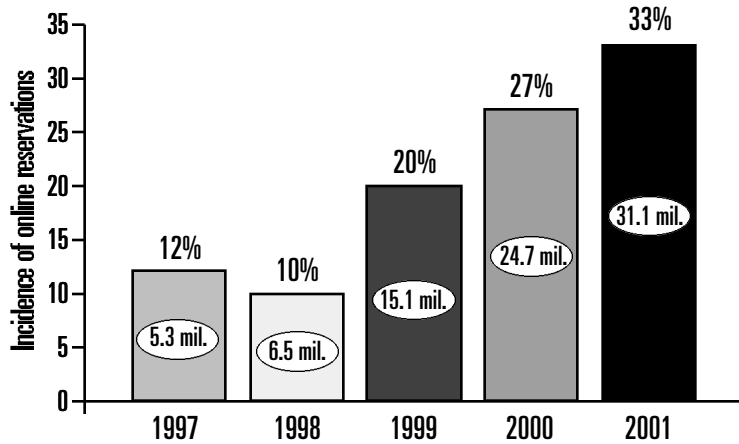


* Multiple answers allowed

Source: Travel Industry Association of America

Use of Internet to Make Travel Reservations

(Among online travelers)



Source: Travel Industry Association of America's "Travelers' Use of the Internet 2001 Edition"

Internet usage and travel are highly related in America. A whopping 86 percent of online adults claim to be travelers.

Source: Travel Industry of America Association's "Travelers' Use of the Internet 2001 Edition"

Online travelers conduct a variety of trip-planning activities on the Internet. The most popular include: searching for maps or directions, searching for airfares/schedules, looking for places to stay, and searching for things to do at the destination.

Source: Travel Industry of America Association's "Travelers' Use of the Internet 2001 Edition"

Demographics of Online Travelers (2001)

- ▲ Fifty-one percent of online travelers are male and 49 percent female.
- ▲ Forty-five percent are between the ages of 35 and 54; 37 percent are between the ages of 18 and 34; and 18 percent are 55+.
- ▲ Median household income: \$53,400
- ▲ Nearly 70 percent work full-time and 37 percent are college graduates.
- ▲ Most (58 percent) are married. The remainder are single (26 percent) or divorced, separated or widowed (16 percent).
- ▲ Forty-three percent have children in the household.

Source: Travel Industry of America Association's "Travelers' Use of the Internet 2001 Edition"

Regional Roundup

In this section, you'll find a comparison of travel statistics around the region. Find out how South Dakota stacks up against the competition.

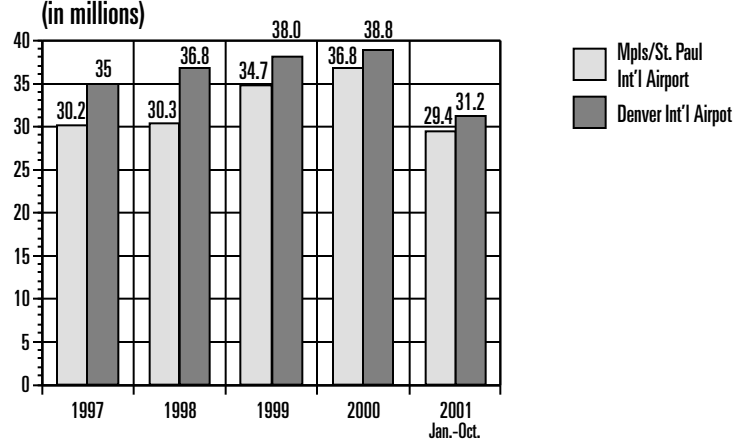
Occupancy Rates around the Region

(January-September)

	2000	2001	% change
Colorado	64.1	62.0	-3.3
Iowa	58.3	56.5	-3.1
Michigan	62.7	59.1	-5.7
Minnesota	65.0	62.2	-4.3
Montana	63.3	61.8	-2.4
Nebraska	59.4	57.7	-2.9
North Dakota	60.3	60.0	-0.5
South Dakota	56.5	56.0	-0.9
Wisconsin	58.9	56.0	-4.9
Wyoming	61.8	62.3	0.8

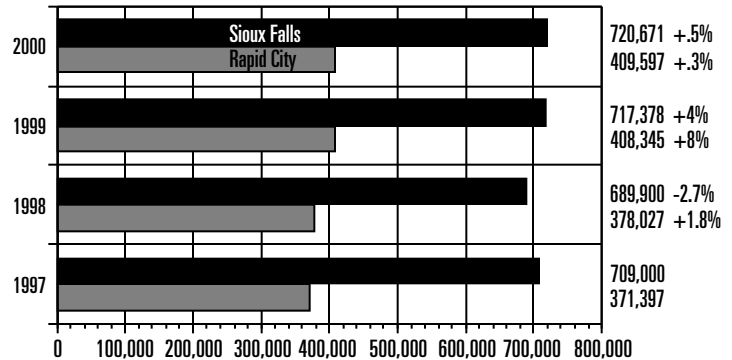
Source: Smith Travel Research Lodging Outlook, November 2001

Passenger Volume at Gateway Airports



Source: Denver International Airport, Minneapolis/St. Paul International Airport

Passenger Volume Rapid City and Sioux Falls Regional Airports



Source: Rapid City Regional Airport and Sioux Falls Regional Airport

Visitation at National Parks (January-October, Recreational Visits)

Park	2000	2001	% Change
Badlands National Park, South Dakota	1,087,347	934,949	-14%
Devils Tower National Monument, Wyoming	378,567	368,171	-2.7%
Effigy Mounds National Monument, Iowa	75,977	77,239	+1.7%
Glacier National Park, Montana	1,709,249	Not available at press time	
Grand Teton National Park, Wyoming	2,490,646	Not available at press time	
Mount Rushmore National Memorial, South Dakota	1,837,875	1,840,327	+0.1%
Pipestone National Monument, Minnesota	91,175	86,372	-5.3%
Scotts Bluff National Monument, Nebraska	112,521	104,176	-7.4%
Theodore Roosevelt National Park, North Dakota	423,937	438,260	+3.4%
Yellowstone National Park, Wyoming	2,797,509	2,711,225	-3.1%

Source: National Park Service

State Statistics

See how South Dakota's visitor industry fared in 2001. This section contains statistics on visitor spending, occupancy and visitation across the Mount Rushmore State.

2001 Economic Impact*

Visitor spending totaled \$600 million in 2001 – \$24 million less than the previous year – reflecting the impact that economic and political events in 2001 produced for the travel industry. The drop can be considered moderate in comparison with states that have a greater dependence on air travel.

The months of July, August and September experienced the weakest relative performance. Spending estimates in the early spring months helped to partially offset lower spending levels that occurred in the later part of the travel season.

A number of smaller rural-oriented counties experienced growth, as did counties along the Oahe reservoir, accounting for a recovery in vacation travel volume from recent years. Hughes County had the highest growth in travel spending among South Dakota's larger counties.

As for the state's four regions, the Southeast and Great Lakes both recorded moderate increases of 1.6 percent. In the Great Lakes, the largest growth occurred in counties in the region's northern half. Within the Southeast Region, the extreme southeast counties of Clay, Lincoln, Union and Minnehaha produced moderate positive growth rates.

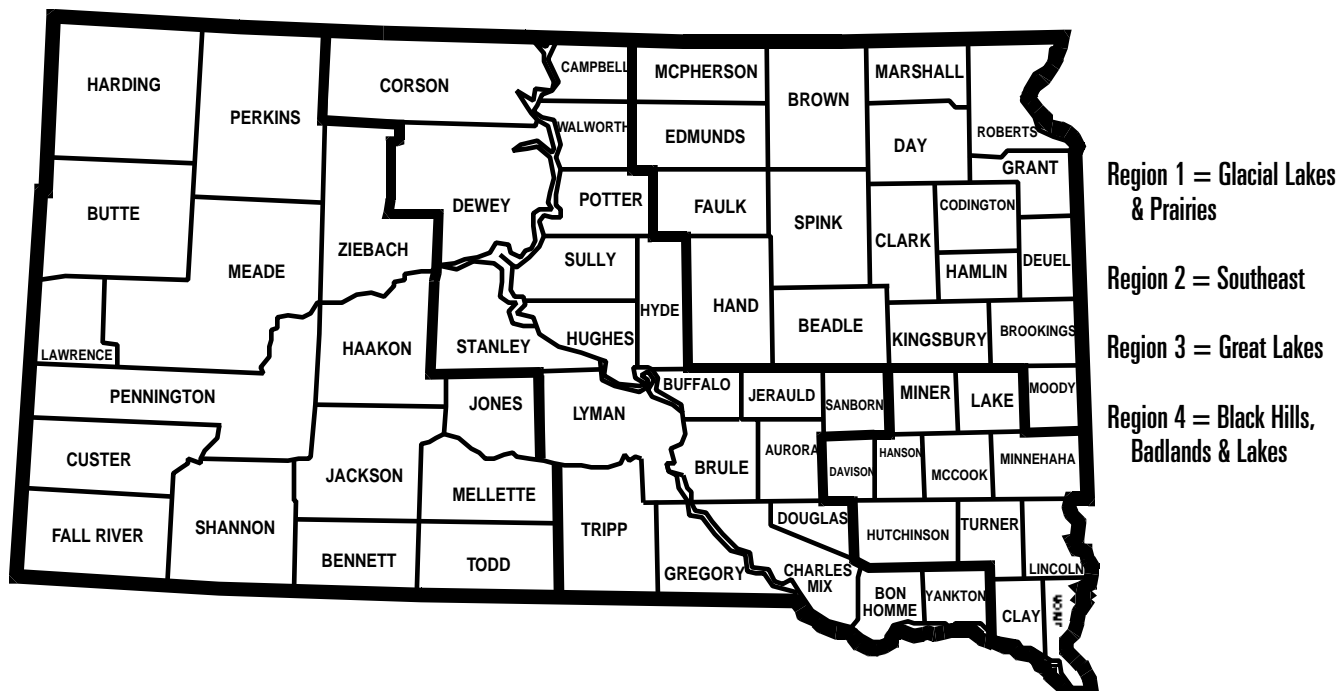
The Black Hills experienced the largest reduction (-7.2 percent) in travel spending. Spending in the Glacial Lakes Region dropped 3.4 percent, with significant variations in spending from county to county.

In the long-term, annual increases in South Dakota's real spending growth (a figure that factors out inflation) have averaged 3.6 percent since 1988. In 2001, however, the state experienced a 6.6 percent decline in real growth.

Travelers yielded an estimated \$36.8 million in gas and sales tax receipts for 2001 – about \$1.7 million less than in 2000. The visitor industry also accounted for an estimated 28,823 jobs across South Dakota.

* Unless otherwise noted, statistics included in this section are provided by Dr. Michael Madden. For an explanation of the methodology used in computing travel industry estimates, see Appendix A on page 93.

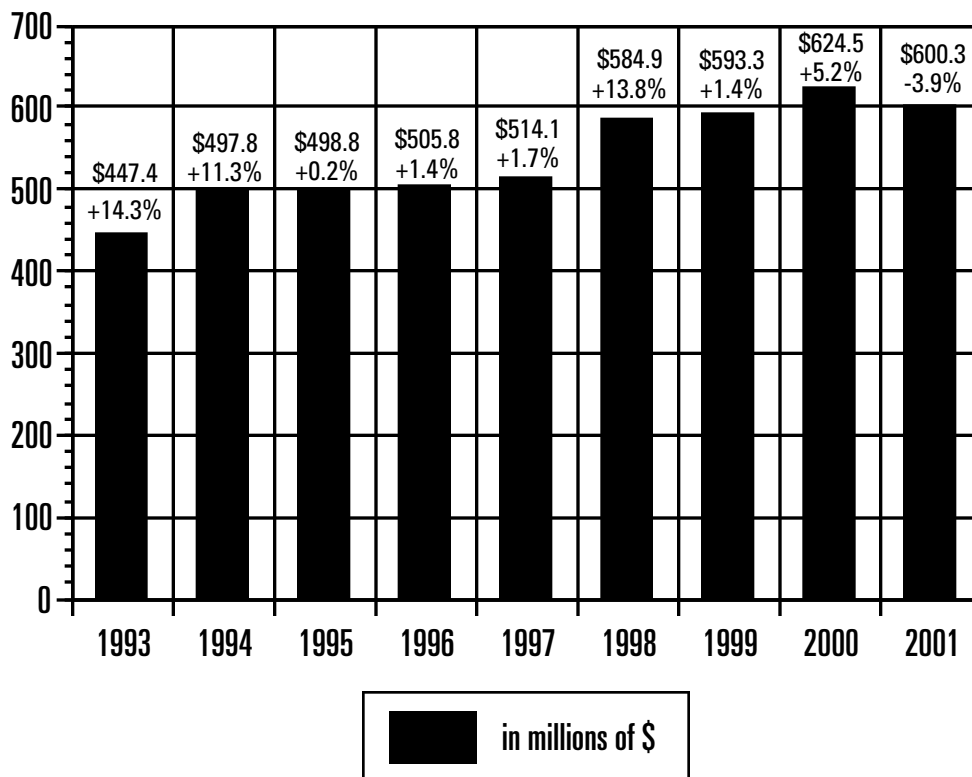
Travel Regions Used in Study



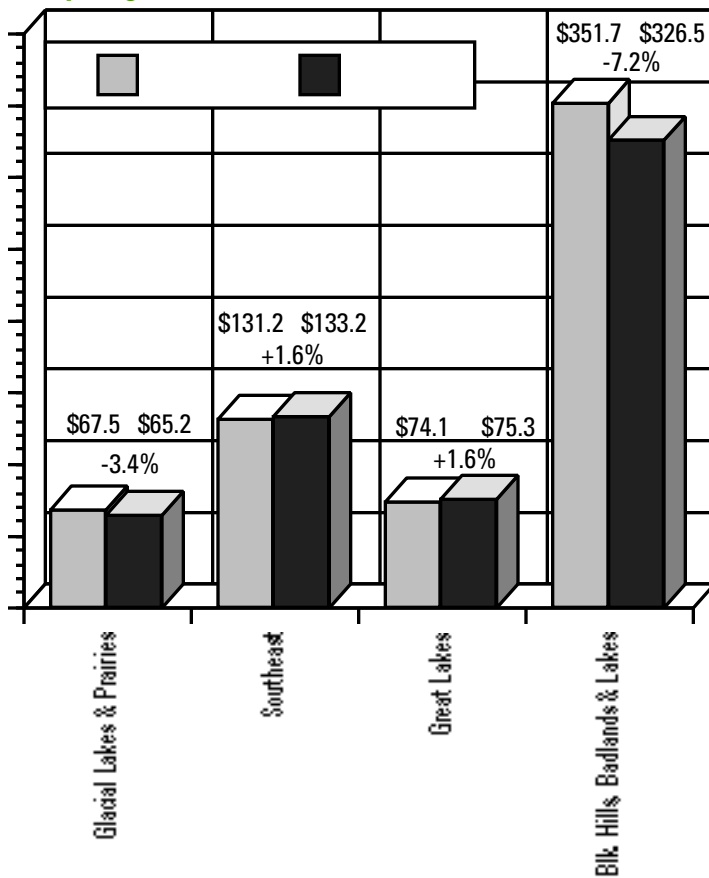
Facts at a Glance 2001

Total visitor spending:	\$600,273,852	(-3.9 percent from 2000)
Impact on state's economy:	\$1.5 billion	(-3.8 percent from 2000)
State sales tax from visitor spending:	\$17,843,000	(-3.7 percent from 2000)
State gasoline tax from visitor spending:	\$18,876,000	(-5.2 percent from 2000)
Employment traceable to visitor industry:	28,823	(-6.6 percent from 2000)

Total Visitor Expenditures & Percent Change 1993-2001



Visitor Expenditures & Percent Change by Region 2000-2001



Percentage Change in Real Growth (Visitor Sales Volume) 1988-2001

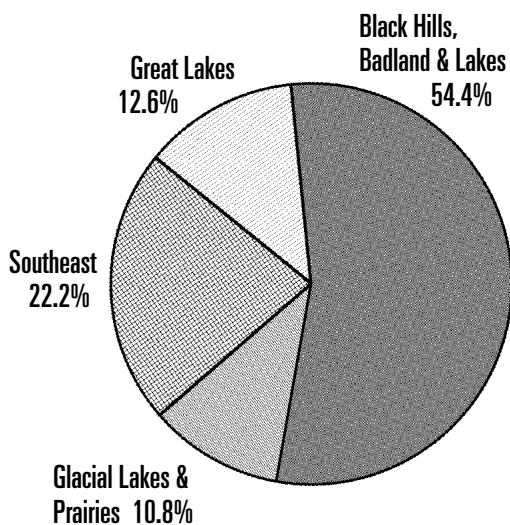
(Percentages factor out the impact of inflation on actual expenditure levels.)

1988.....	+6.5%
1989.....	+7.2%
1990.....	+9.1%
1991.....	+5.5%
1992.....	-0.1%
1993.....	+11.3%
1994.....	+8.2%
1995.....	-2.6%
1996.....	-1.4%
1997.....	-0.6%
1998.....	+12.1%
1999.....	-0.7%
2000.....	+2.7%
2001.....	-6.6%

Arithmetic

Average.....+3.6%

Visitor Expenditures by Regional Share 2001



Visitor Expenditures by Region 1992-2001

(in millions of \$)

	Glacial Lakes & Prairies	Southeast	Great Lakes	Black Hills, Badlands & Lakes
1992	\$43.9	\$85.2	\$44.9	\$217.6
1993	\$46.3	\$94.5	\$53.9	\$252.7
1994	\$57.8	\$103.1	\$63.6	\$273.3
1995	\$56.1	\$106.2	\$63.2	\$273.3
1996	\$56.3	\$106.6	\$67.0	\$275.9
1997	\$61.1	\$110.4	\$70.3	\$272.3
1998	\$66.1	\$129.3	\$74.7	\$314.9
1999	\$65.4	\$129.3	\$72.6	\$326.1
2000	\$67.5	\$131.2	\$74.1	\$351.7
2001	\$65.2	\$133.2	\$75.3	\$326.5

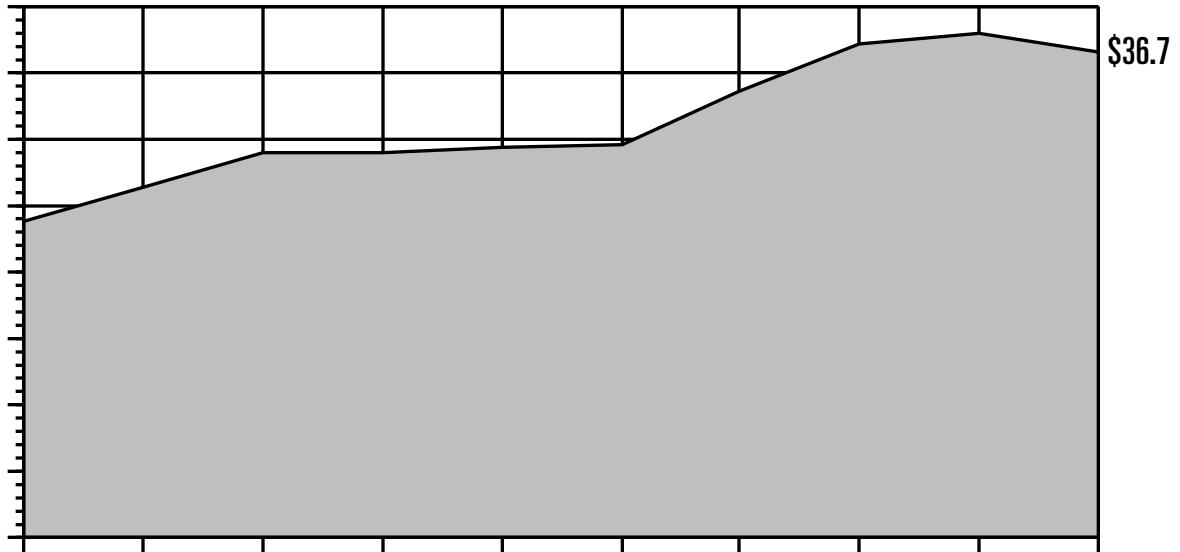
Estimated Total Visitor Sales – Volume by County & Percent Change

County	\$Amount 2000	\$Amount 2001	Percent change	County	\$Amount 2000	\$Amount 2001	Percent change
Auora	1,522,523	1,149,275	-24.5	Jones	5,375,751	5,150,585	-4.2
Beadle	6,942,666	6,936,884	-0.1	Kingsbury	2,264,972	2,363,350	4.3
Bennett	891,063	1,155,613	29.7	Lake	4,306,861	3,257,725	-24.4
Bon Homme	1,195,598	1,120,017	-6.3	Lawrence	79,394,431	74,183,004	-6.6
Brookings	8,037,839	8,259,849	2.8	Lincoln	4,260,251	4,607,837	8.2
Brown	11,006,593	12,006,899	9.1	Lyman	9,834,341	10,301,471	4.7
Brule	8,812,772	8,719,713	-1.1	McCook	1,560,813	1,449,778	-7.1
Buffalo	NA*	NA*	NA*	McPherson	787,156	671,472	-14.7
Butte	4,942,624	5,090,769	3.0	Marshall	1,753,741	671,472	-61.7
Campbell	712,983	1,168,847	63.9	Meade	29,118,961	25,697,976	-11.7
Charles Mix	7,753,126	7,351,239	-5.2	Mellette	586,687	415,435	-29.2
Clark	497,793	659,110	32.4	Miner	532,861	554,579	4.1
Clay	6,405,540	7,136,162	11.4	Minnehaha	82,178,702	84,775,089	3.2
Codington	15,993,766	13,150,343	-17.8	Moody	5,636,470	5,728,344	1.6
Corson	722,200	372,810	-48.4	Pennington	166,883,452	151,685,199	-9.1
Custer	41,151,299	39,495,173	-4.0	Perkins	763,828	777,037	1.7
Davison	23,238,693	22,440,292	-3.4	Potter	2,907,741	2,984,701	2.6
Day	2,664,267	2,731,458	2.5	Roberts	3,245,512	2,774,618	-14.5
Deuel	884,073	777,730	-12.0	Sanborn	490,341	459,103	-6.4
Dewey	671,975	1,074,417	59.9	Shannon	696,394	480,241	-31.0
Douglas	520,075	551,144	6.0	Spink	2,165,200	2,047,031	-5.5
Edmonds	474,675	601,551	26.7	Stanley	1,608,604	2,123,754	32.0
Fall River	9,097,638	9,339,874	2.7	Sully	2,403,437	2,961,126	23.2
Faulk	502,583	567,722	13.0	Tripp	4,021,132	4,854,629	20.7
Grant	2,312,000	2,732,831	18.2	Todd	3,742,211	3,529,477	-5.7
Gregory	1,206,956	1,403,215	16.3	Turner	1,267,214	1,005,916	-20.6
Haakon	924,114	835,275	-9.6	Union	5,420,737	5,711,779	5.4
Hamlin	786,773	816,235	3.7	Walworth	3,971,293	4,268,672	7.5
Hand	1,545,117	1,702,193	10.2	Yankton	12,614,813	11,387,520	-9.7
Hanson	274,106	496,864	81.3	Ziebach	122,807	150,027	22.2
Harding	738,008	733,752	-0.6				
Hughes	12,103,326	13,353,306	10.3				
Hutchinson	1,725,180	1,797,507	4.2				
Hyde	364,204	374,251	2.8				
Jackson	7,243,010	6,467,501	-10.7				
Jerauld	687,362	675,084	-1.8				

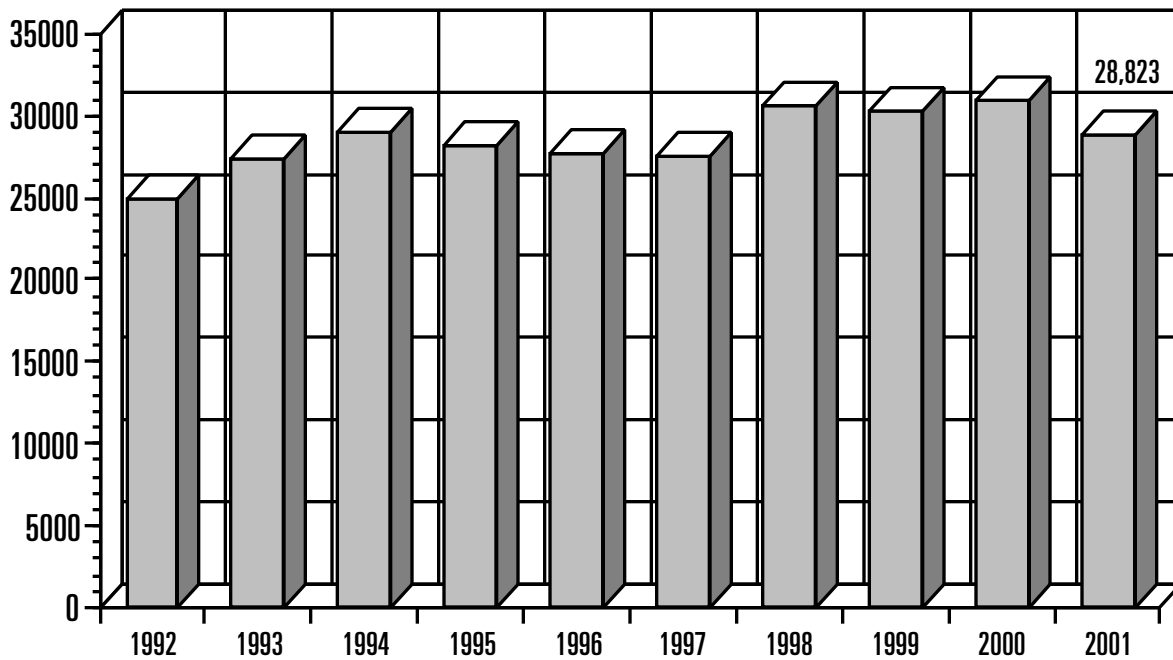
*Not available: Taxable sales not available for lodging, eating and drinking establishments for Buffalo County from 1998 to 2001.

State Fiscal Impacts (gas and sales tax)

(in millions of \$)



South Dakota Employment Traceable to Visitor Industry



NOTE: About 75 percent of any job creation in the travel industry occurs in the sectors directly impacted by visitor spending. These sectors include retail trade, transportation, food and beverages, lodging and amusements. The remaining 25 percent occur in a variety of sectors via induced employment impacts.

2001 Hotel/Motel and Campground Occupancy*

Statewide hotel/motel occupancy for May-October 2001 was 64.4 percent, down slightly from 65.8 percent in 2000. While the 2001 occupancy rate is lower than previous years, the first and last months of the survey period (May and October) generated somewhat better occupancy than the same months in 2000.

An additional 312 lodging units became available statewide in 2001, accounting for a 1.4 percent addition to inventory. Most of those units, 280, were in Region 1, the Southeast. The number of rooms available in 2001, compared to five years ago, was 7.3 percent higher.

Statewide, the number of room nights rented in 2001 was 2,635,114, a slight (0.7 percent) decrease from 2000.

Boosted by October business, Region 4 (North Central) recorded a moderate increase in motel occupancy for the year. Region 1 (Southeast) experienced occupancy levels that were at least

on par with the 2000 travel year. The state's overall occupancy count was dominated by reductions in lodging rentals experienced in the western part of the state with its large number of lodging units.

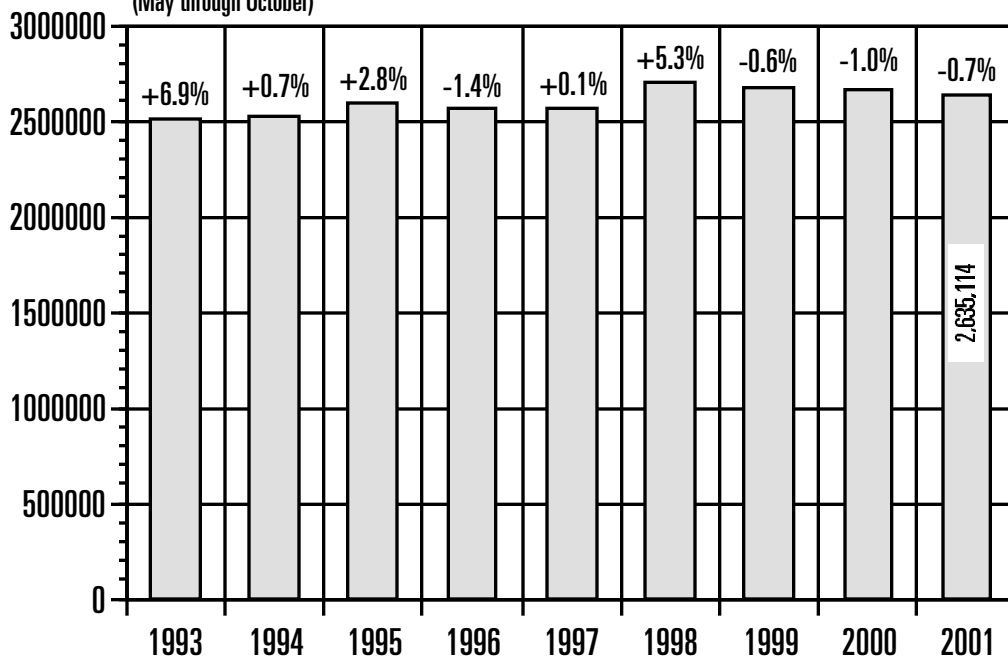
After a five-year upward trend in campground occupancy, 2001 saw a reduction in statewide campground rentals. For June through August, the statewide occupancy rate was 52.7 percent, compared to 56.1 in 2000. However, the Northeast and South Central Regions enjoyed significant increases. But the lower occupancy in the Western region, coupled with its large number of campground units, more than offset the increased occupancy in these two regions.

* Unless otherwise noted, statistics included in this section are provided by Dr. Michael Madden. For an explanation of the methodology used in figuring occupancy rates, see Appendix B on page 93.

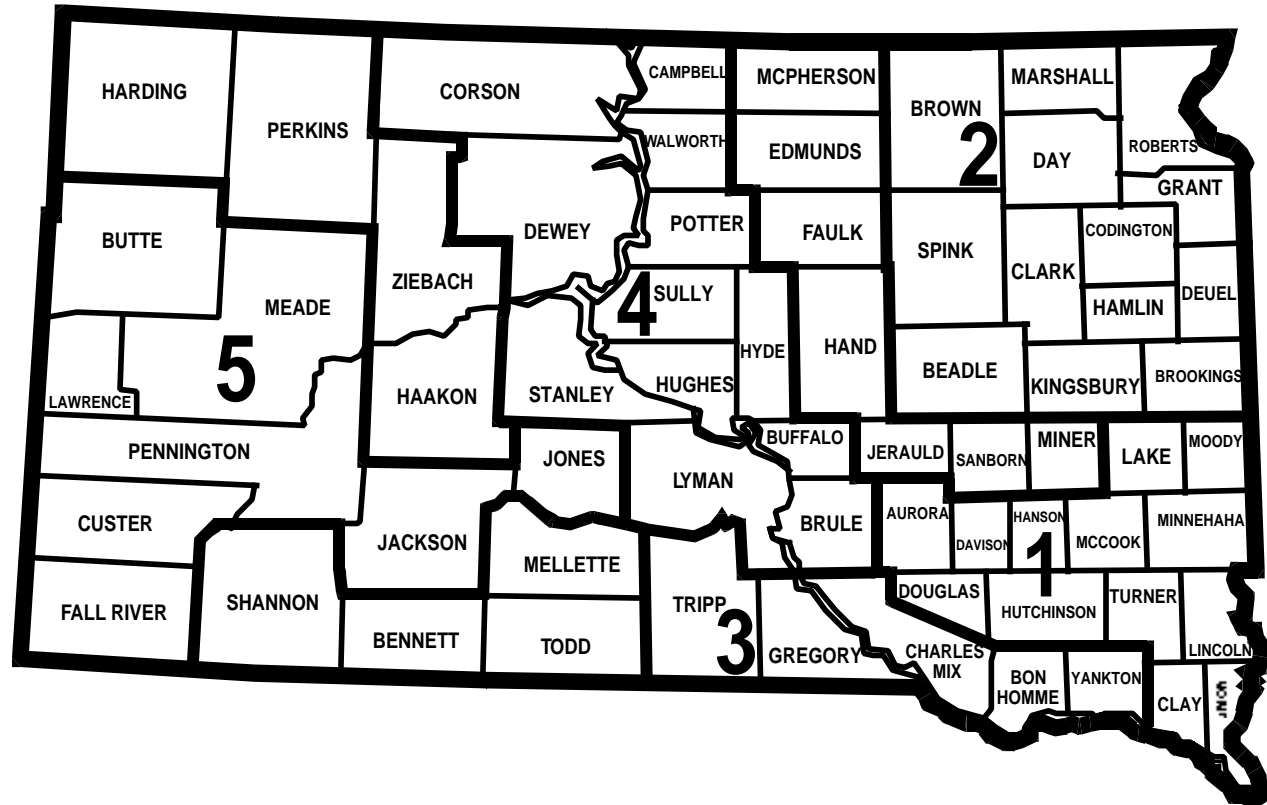
South Dakota

Room Nights Rented

(May through October)



Occupancy Regions



RESEARCH

Lodging Units by Region, 1996-2001

Region	1996	1997	1998	1999	2000	2001	CHANGE 2000-2001	CHANGE 1996-2001
1	4,868	5,102	5,111	5,471	5,552	5,832	+280	+964
2	2,935	2,805	2,818	2,723	2,954	2,946	-8	+11
3	1,066	891	883	858	881	874	-7	-192
4	2,120	2,174	2,248	2,195	2,234	2,225	-9	+105
5	9,403	9,402	9,444	9,503	9,888	9,923	+35	+520
Other	327	440	442	426	417	438	+21	+111
Total	20,719	20,814	20,946	21,176	21,926	22,238	+312	+1,519

NOTE: Room count data is based on South Dakota Department of Health records as of October each year.

Season-end Motel Occupancy (May through October)

Region	1996%	1997%	1998%	1999%	2000%	2001%
1 Southeast	67.0	67.0	70.6	71.9	69.8	70.5
2 Northeast	66.1	59.8	66.9	61.2	60.3	58.7
3 South Central	65.0	62.8	59.3	62.5	63.8	54.8
4 North Central	66.4	68.7	69.7	66.9	62.1	65.2
5 Western	68.9	69.5	71.5	69.6	66.5	63.5
Statewide	67.8	66.9	70.0	68.4	65.8	64.4

Season-end Campground Occupancy* (June through August)

Region	1996%	1997%	1998%	1999%	2000%	2001%
1 Southeast	45.7	46.0	45.1	47.4	48.7	52.5
2 Northeast	39.9	34.6	34.9	42.2	42.5	49.8
3 South Central	53.4	58.0	53.2	51.1	52.4	60.0
4 North Central	54.3	59.8	57.2	42.3	48.5	40.2
5 Western	44.2	54.3	57.5	59.8	60.7	54.7
Statewide	47.1	53.0	54.4	54.6	56.1	52.7

* Sample includes both public and private campgrounds.

International Occupancy

Since 1995, the Department of Tourism has conducted research that tracks foreign travel. In the first years, the survey concentrated solely on Western South Dakota. In 2000, the survey sample was expanded to include the Southeast Region. In 2001, the survey also included the Northeast.

According to survey results, international travel to South Dakota in 2001 dropped to roughly one-half of levels achieved in 2000. These reductions occurred before and after Sept. 11, 2001.

As in previous years, Western South Dakota exhibited a higher international influence than other regions

of the state. For the entire sample period, Western South Dakota had an international impact of about 2.4 percent on average, while the Southeast Region averaged 1.3 percent for the combined months of August and September. In the Northeast, international travel generally accounted for only about one-half of 1 percent of travel.

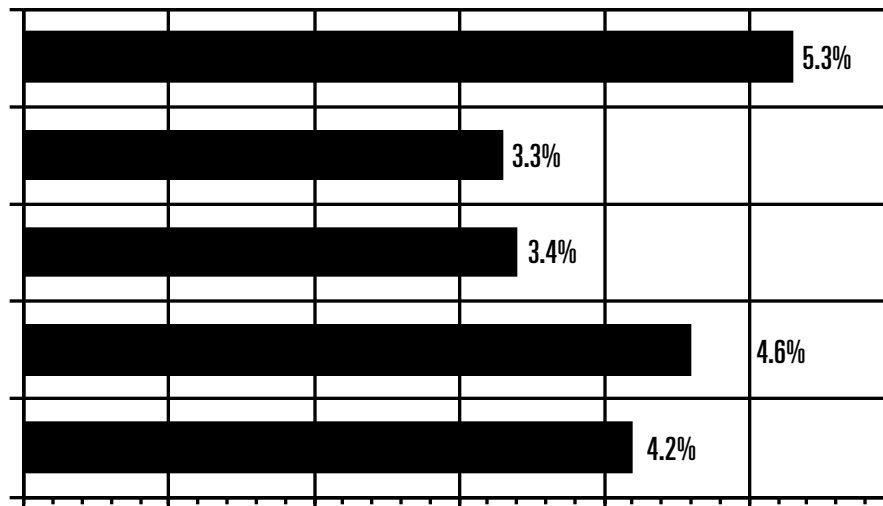
Previous years' surveys for Western South Dakota have demonstrated that the international component of lodging guests is higher in June and September (as compared to July and August). However, in 2001, September international travel was no higher than levels achieved in August. This is no doubt traced

to travel uncertainties following Sept. 11.

Germany continues to be the top country of origin for international travelers to South Dakota, followed closely by the United Kingdom. Other top-generating countries for 2001 included Japan, Italy, Australia, France and China.

The Department of Tourism targets travelers from Germany, France, Belgium, Italy and the United Kingdom with its international promotions. This is done as part of a partnership – called Rocky Mountain International – with Montana, Wyoming and Idaho.

Percentage of Lodging Guests of Foreign Origin
(1996-2001 average for Western South Dakota)



Influence of International Visitors in Select Regional Markets (2000-2001)

Region	Year	Mo. Average	
		August	Sept.
Southeast	2000	2.9%	3.3%
	2001	1.2%	1.4%
Western	2000	3.5%	3.9%
	2001	2.4%	2.3%
Northeast	2000	N/A	N/A
	2001	0.3%	0.5%
Combined*	2000	3.2%	3.6%
	2001	1.3%	1.4%

* Excludes the Northeast in 2000

Top Countries of Origin of Foreign Visitors (2001)

1. Germany
2. United Kingdom
3. Japan
4. Italy
5. Australia

Visitation at Major South Dakota Attractions

Mount Rushmore National Memorial

1993	2,604,692
1994	2,755,394
1995	2,700,721
1996	2,571,209
1997	2,365,008
1998	2,706,926
1999	2,656,278
2000	2,522,288
2001	2,570,271

Lewis and Clark Recreation Area

1993	844,251
1994	1,043,451
1995	1,102,499
1996	1,122,924
1997	1,037,169
1998	1,013,286
1999	1,013,070
2000	1,028,697
2001	1,071,621

Fort Sisseton State Park

1993	69,619
1994	78,407
1995	79,364
1996	72,753
1997	78,852
1998	96,992
1999	98,976
2000	107,799
2001	111,219

Badlands National Park

1993	1,198,322
1994	1,149,323
1995	1,094,433
1996	1,043,407
1997	989,560
1998	1,039,913
1999	969,317
2000	1,124,688
2001	974,333

Corn Palace*

1993	561,149
1994	587,822
1995	535,861
1996	500,372
1997	287,358
1998	334,452
1999	330,894
2000	300,852
2001	267,094

Cultural Heritage Center

1993	37,119
1994	30,995
1995	23,614
1996	22,513
1997	20,653
1998	21,829
1999	22,262
2000	20,733
2001	22,984

Custer State Park

1993	1,495,355
1994	1,651,115
1995	1,700,217
1996	1,678,808
1997	1,703,819
1998	1,828,623
1999	1,801,494
2000	1,693,887
2001	1,666,938

Jewel Cave National Monument

1993	132,611
1994	148,552
1995	154,758
1996	144,983
1997	133,393
1998	131,238
1999	135,253
2000	129,445
2001	125,678

West Whitlock Recreation Area

1993	62,727
1994	74,859
1995	76,440
1996	86,658
1997	97,479
1998	69,771
1999	40,497
2000	64,047
2001	69,745

Wind Cave National Park

1993	740,807
1994	1,180,024
1995	1,069,197
1996	1,059,070
1997	1,130,695
1998	1,158,001
1999	1,016,065
2000	872,194
2001	874,026

Mammoth Site

1993	88,527
1994	98,837
1995	103,096
1996	92,926
1997	90,391
1998	97,104
1999	99,878
2000	105,706
2001	96,160

Washington Pavilion

2000	358,746
2001	293,290

Redlin Art Center

2000	234,648
2001	231,304

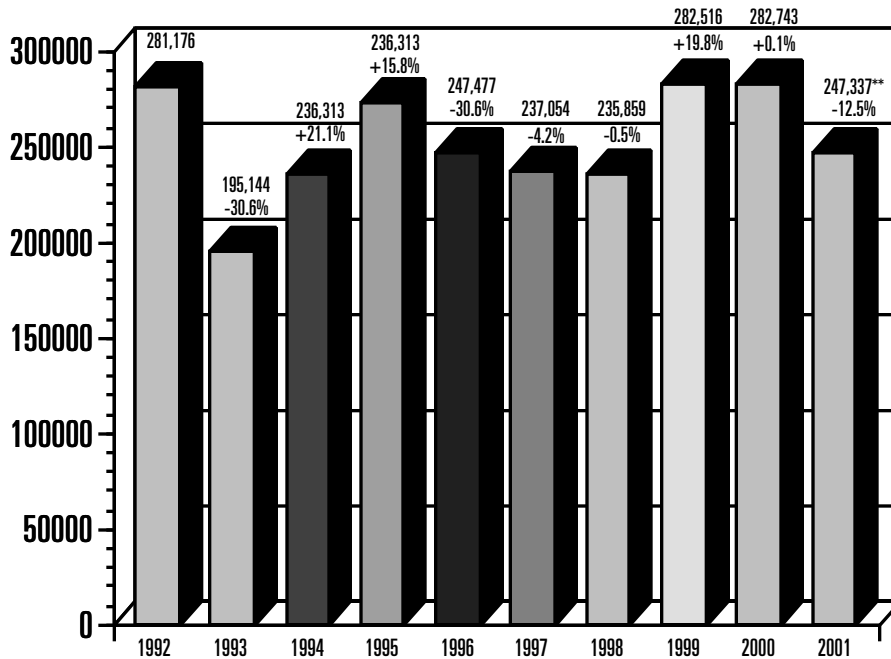
Storybook Land**

1993	132,883
1994	137,365
1995	157,801
1996	155,013
1997	145,423
1998	139,053
1999	127,197
2000	142,992
2001	126,039

*Corn Palace figures are for Memorial Day-Labor Day only. Changed counting method in 1997.

**Storybook Land figures are for April-October only. The 1999 figures do not include October visitation, as the park closed early for construction.

Visitation at Interstate Information Centers*



* Figures represent cars counted at 13 Interstate Information Centers during the summer travel season, generally mid-May through September.

** Vivian Information Center was closed in 2001, which accounted for 23,900 cars in 2000.

Source: Guest registers at South Dakota Interstate Information Centers.

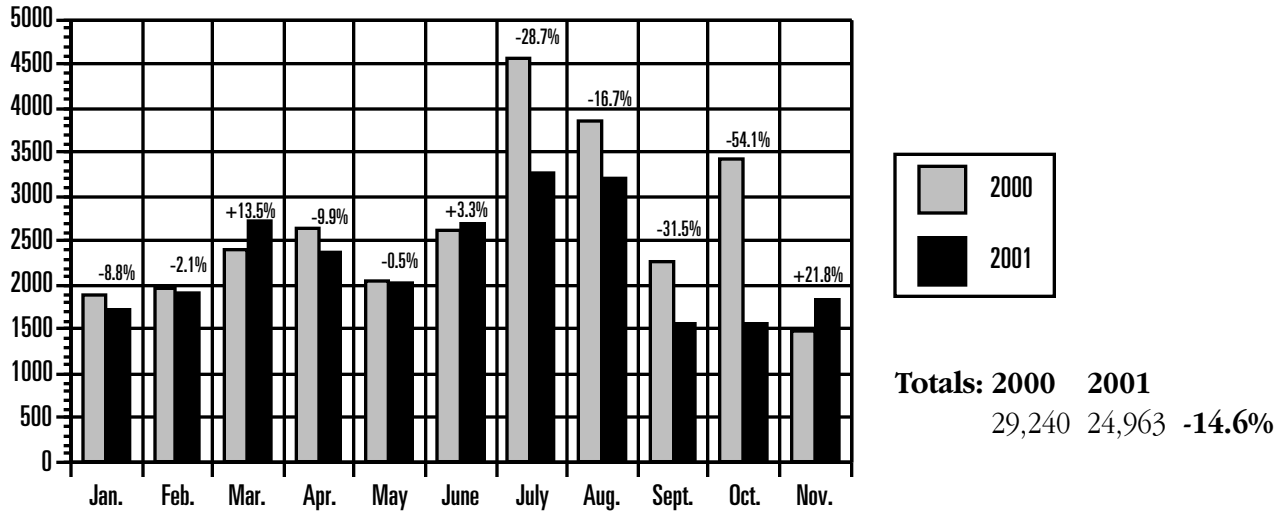
Top 20 States Represented at Information Centers (2001)

1. South Dakota
2. Minnesota
3. Iowa
4. Wisconsin
5. Nebraska
6. Illinois
7. Missouri
8. Wyoming
9. Washington
10. Michigan
11. North Dakota
12. California
13. Indiana
14. Ohio
15. Florida
16. Texas
17. Montana
18. Pennsylvania
19. Colorado
20. South Carolina

Source: Guest registers at South Dakota Interstate Information Centers

The average number of people per party at the Information Centers was 2.58 in 2001. For the season (mid-May through September), more than 638,000 people passed through the Information Center doors.

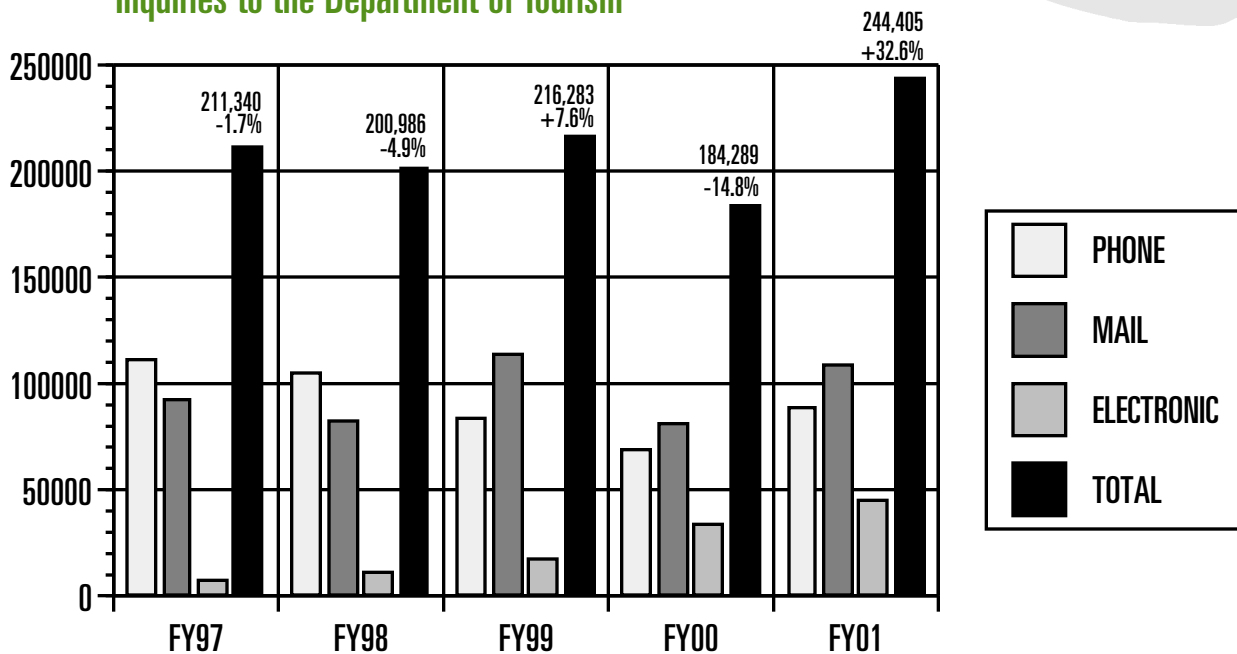
Visitors to the SD Vacation Store at the Mall of America



Source: South Dakota Department of Tourism

More than 112,300 users checked out the vacation packages promoted on travelsd.com in 2001.

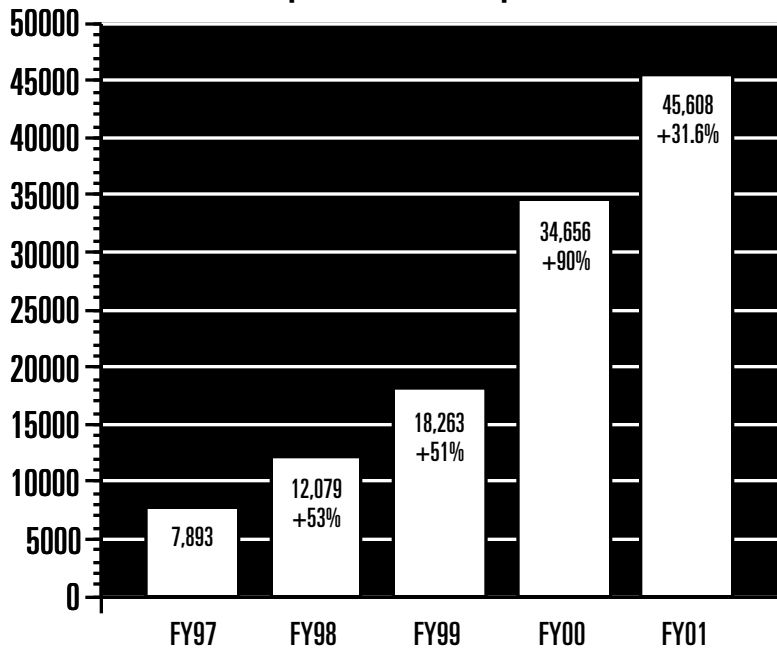
Inquiries to the Department of Tourism*



* Does not include visits to Web site

Source: South Dakota Department of Tourism

Electronic Inquiries to the Department of Tourism*



* Does not include visits to Web site

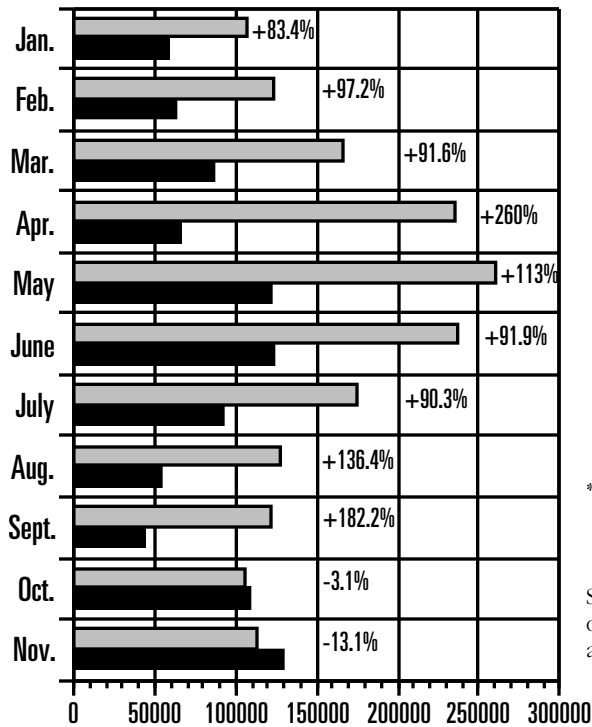
Source: South Dakota Department of Tourism

Who's Using travelsd.com?

- ▼ Nearly 58 percent of our Web site users are female and 39 percent male.
- ▼ A large majority – 71.8 percent – are married.
- ▼ About half report having children at home.
- ▼ Most get to the site via a search engine (35.8 percent) or a print ad (23.1 percent).
- ▼ An overwhelming 87.5 percent said they plan to visit South Dakota in the upcoming year.
- ▼ A majority (59.8 percent) live in our target market states, but all 50 states and nearly three dozen foreign countries are represented.

Source: South Dakota Department of Tourism, World Wide Web Survey, Jan.-Sept. 2001

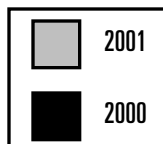
Visits to www.travelsd.com*



* Visit = the number of times site is accessed per day

Source: South Dakota Department of Tourism, Bureau of Information and Telecommunications

Totals:
 2000: 949,577
 2001: 1,778,608
 +87.3%



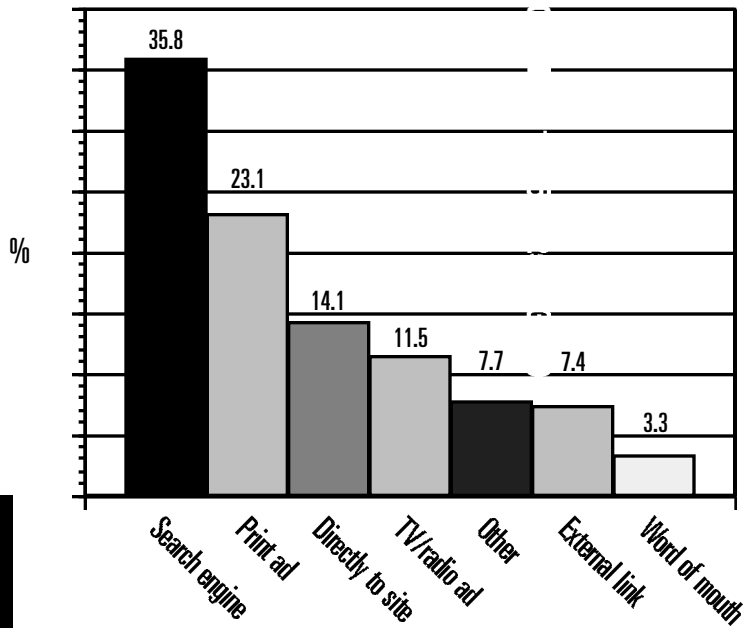
Key

Visit = the number of times the site is accessed per day.

Page view = the number of times each and every page within the Web site is accessed

User = the number of users per day

How Users Get to travelsd.com

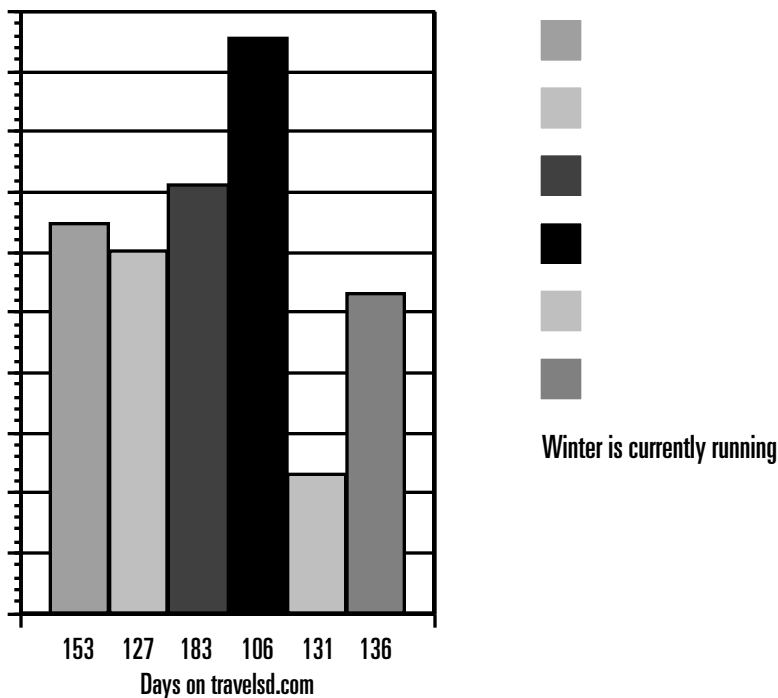


Source: Department of Tourism Web Survey, Jan.-Sept. 2001

The department's Web site, travelsd.com, had 1.78 million visits from January to November of 2001. That's up 87 percent from 2000. Those visits accounted for a whopping 4.6 million page views!

Online Vacation Package Promotion

(Number of page views)



For January to November of 2001, travelsd.com averaged 161,691 visits a day and 419,307 page views.

2001 Tourism Study

Conducted by Grant and Associates Inc. for the Department of Tourism, this study was designed to assess South Dakota's image in its principal markets and to determine potential for further penetrating these markets. The study is an update of similar studies conducted in 1997, 1991 and 1987. A list of recommendations outlined in the study follows:

Target Markets

- Increase South Dakota promotions in Minnesota, Colorado and Wisconsin for 2002 – focusing on key attractions in specific parts of the state in lieu of statewide, all-inclusive promotions.
- Local communities along I-29 and east-west routes in the southern part of the state should develop and/or expand their co-op promotions with private operators. They should target key Nebraska and Iowa cities for intense promotion.

Gaming

- In the near-term, South Dakota gaming establishment operators should conduct co-op promotions with operators of nearby non-gaming visitor facilities and activities. In the longer term, efforts should be made to develop diverse visitor activity centers and more family-oriented activities near and around casino locations.

Private Attractions and Children's Attractions and Facilities

- Attraction operators (public and private) of adult and children's attractions should more vigorously pursue and invest in co-op opportunities to promote their resources in South Dakota's key visitor-generating markets.

Camping Facilities and Activities

- South Dakota campground operators should evaluate their facilities and programs to see what upgrades need to be made to better serve today's visitors. These campground owners also should work to increase public knowledge of their quality camping facilities/activities by investing more in promotions.

Western Adventure Activities

- The South Dakota Department of Tourism should continue to provide advice on product development and promotions needed to build the reputation of these activities.

Lakes and Rivers

- The Department of Tourism should provide creative support to key communities with water-based visitor resources to help develop more effective public-private promotion of the state's lakes and rivers. These promotions should be directed at nearby generating markets, focusing on spring and fall events.

Hotels and Motels

- Hotel and motel operators should take a leadership role in co-op promotions of spring and fall events. They should help create and fund promotions and offer multi-night packages, which include activities and events.

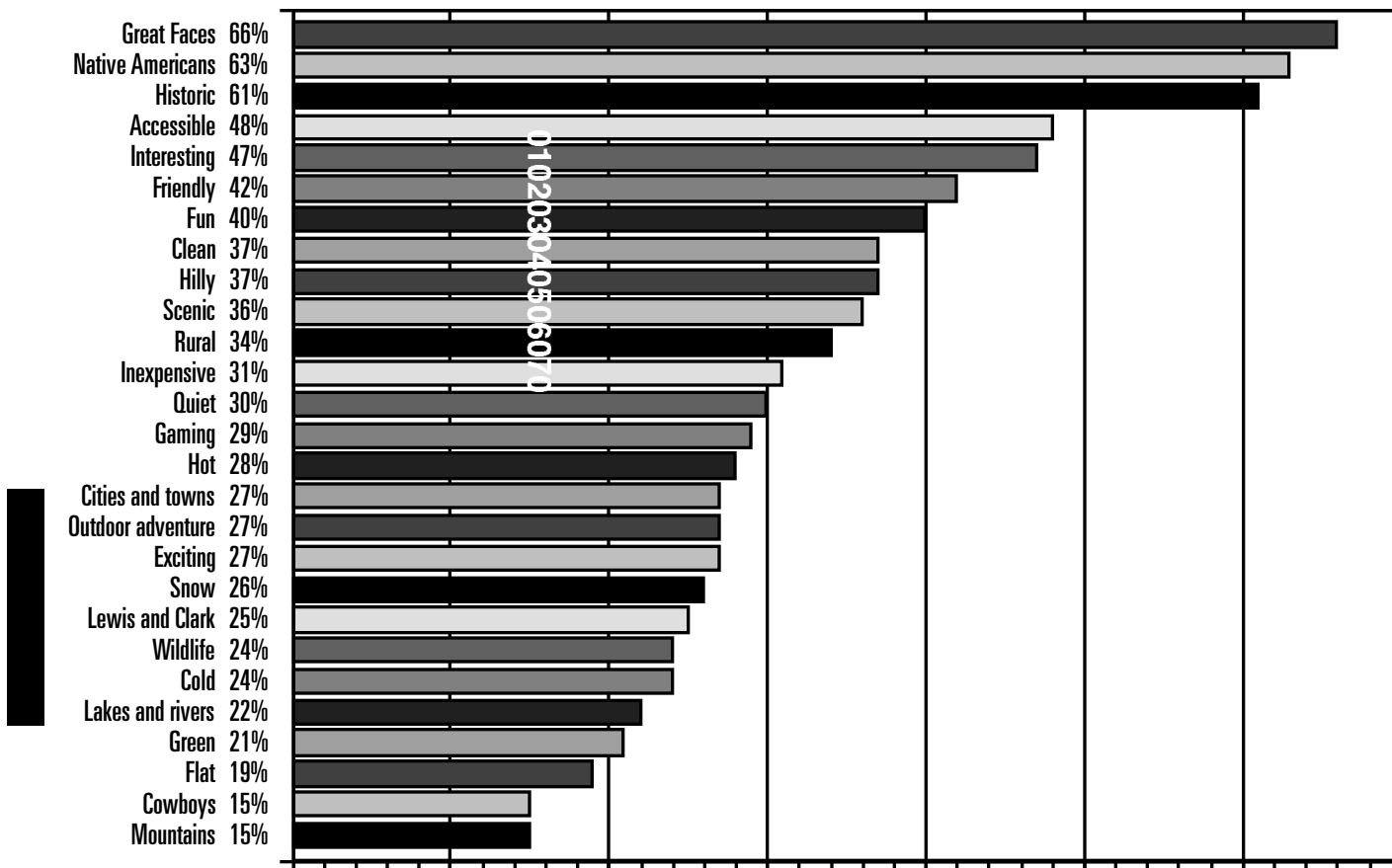
Mature Travelers

- The Department of Tourism should shift a portion of its available peak-season advertising budget to shoulder-season promotions targeted to attracting more mature travelers.

Internet Usage

- The Department of Tourism should continue to promote and facilitate the widespread usage of Web sites by all key attractions and travel service providers.

Traveler's Image of South Dakota 2001*



* Characteristics travelers identify with South Dakota Source: 2001 Tourism Study

Awareness of South Dakota's "Great Faces. Great Places." logo, its Native American history/culture and historic attractions is high. More than 60 percent of respondents associate South Dakota with these attributes more than any of the other states in the study (Montana, Nebraska, North Dakota and Wyoming). However, awareness is underdeveloped in the areas of wildlife (24 percent), lakes and rivers (22 percent), and cowboys (15 percent).

Source: 2001 Tourism Study

Travelers' Top-Rated Regional Attractions/Destinations*

- | | | |
|--|---|--|
| 1. Mount Rushmore National Memorial, S.D. | 7. Crazy Horse Memorial, S.D. | 15. Wall Drug, S.D. |
| 2. Yellowstone National Park, Wyo. | 8. Jackson Hole, Wyo. | 16. Frontier Days Rodeo, Wyo. |
| 3. Black Hills National Forest, S.D. | 9. Custer State Park, S.D. | 17. Bighorn National Forest, Wyo. |
| 4. Badlands National Park, S.D. | 10. Devils Tower National Monument, Wyo. | 18. Theodore Roosevelt National Park, N.D. |
| 5. Glacier National Park, Mont. | 11. Deadwood, S.D. | 19. Wind Cave National Park, S.D. |
| 6. Grand Teton National Park, Wyo. | 12. Henry Doorly Zoo, Neb. | 20. Bridger-Teton National Forest, Wyo. |
| | 13. Custer Battlefield National Monument, Mont. | |
| | 14. Corn Palace, S.D. | |

* Respondents were asked to name the top three attractions that they visited on recent trips to any of the survey states (Montana, Nebraska, North Dakota, South Dakota and Wyoming). Source: 2001 Tourism Study