

South Dakota Department of Tourism



Gas Prices Survey Report
May 2011

Table of Contents

Methodology.....	3
Report Findings.....	4
Target Audience Summaries.....	13

Methodology

On May 9, surveys were sent to South Dakota Tourism's Travelsmart database of over 433,500 email addresses to gain insight into subscriber's summer travel plans and how gas prices are/will be affecting their vacation plans. Respondents had until May 17 to complete the survey in order to be entered into a random drawing for a \$50 BP gas card.

There were 22,830 completed surveys. These responses were broken out into two of Tourism's target audiences: Boomers and Family. The groups were segmented out using demographic information from the 2010 RUF Profile Analysis of our inquiry database. The Boomers group consisted of 6,229 respondents and the Family group was composed of 3,653 respondents.

The Boomers and Family groups are the two segments that will be analyzed, compared and contrasted against each other and the Aggregate (total number of responses) throughout the course of this report to highlight the differences and similarities that they possess.

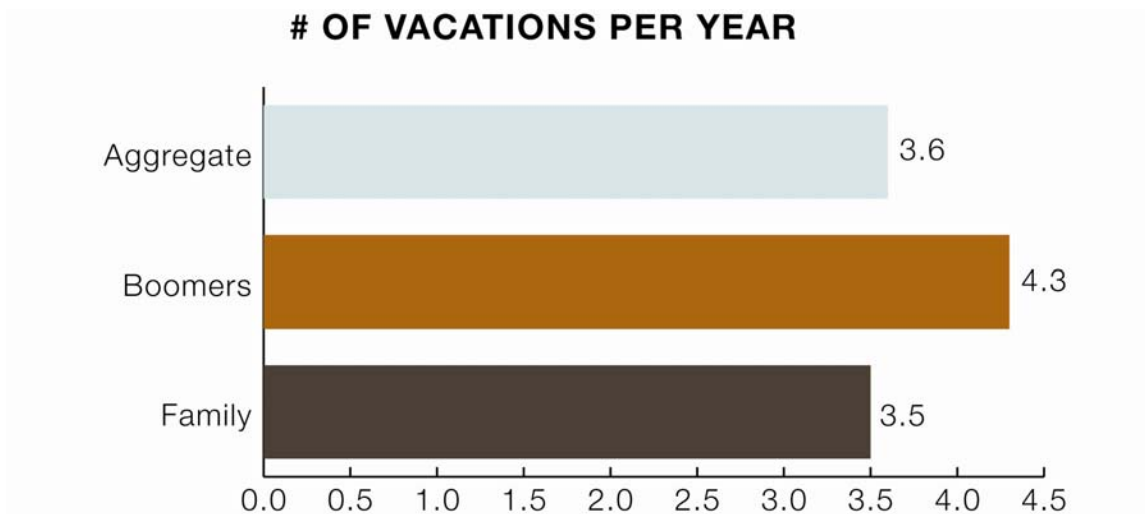
Survey Findings

Question 1 – On average, how many vacations do you take per year for leisure activities? (For this survey, vacations are considered at least one overnight stay.)

Total survey respondents take approximately 3.6 trips per year.

The Boomers segment tends to travel more than the Aggregate and Family groups. On average, they take 4.3 vacations per year. This is due to a large number of retirees who travel frequently.

Those who fall within the Family group tend to take fewer vacations per year than both the Aggregate group and the Boomers. Family travelers, on average, take around 3.5 vacations per year. This can be attributed to working around their children's summer schedules.



Question 2 – Do you have any vacation plans for this summer? (June 2011- August 2011)

About 74% of all respondents already had summer plans in place. Family had the highest propensity to have made travel plans. Almost 80% of Family travelers had made plans, while 77% of the Boomers segment had made plans.

Question 3 – What destinations are you considering for your travel plans?

This question was only displayed to those who indicated in Question #2 that they had travel plans for Summer 2011. The top answers among all groups were similar.

South Dakota, Mount Rushmore and the Black Hills were the top mentioned destinations among the Aggregate group. Other highly mentioned destinations include Wyoming and Yellowstone, Minnesota, Colorado, Wisconsin, Montana and Florida.

Among Boomers, South Dakota and the Black Hills were the top mentioned destinations. Minnesota was the next most popular destination, - followed by Colorado, Wyoming and Yellowstone, Montana and Las Vegas.

The top destinations among Family were South Dakota and the Black Hills, Yellowstone, Florida/Disney, Wisconsin and Colorado.

Question 4 – Have you been to South Dakota previously or are you planning to travel to the state?

The three groups responded very similarly to this question; 73% - 74% of respondents in all groups revealed they were planning to travel to South Dakota.

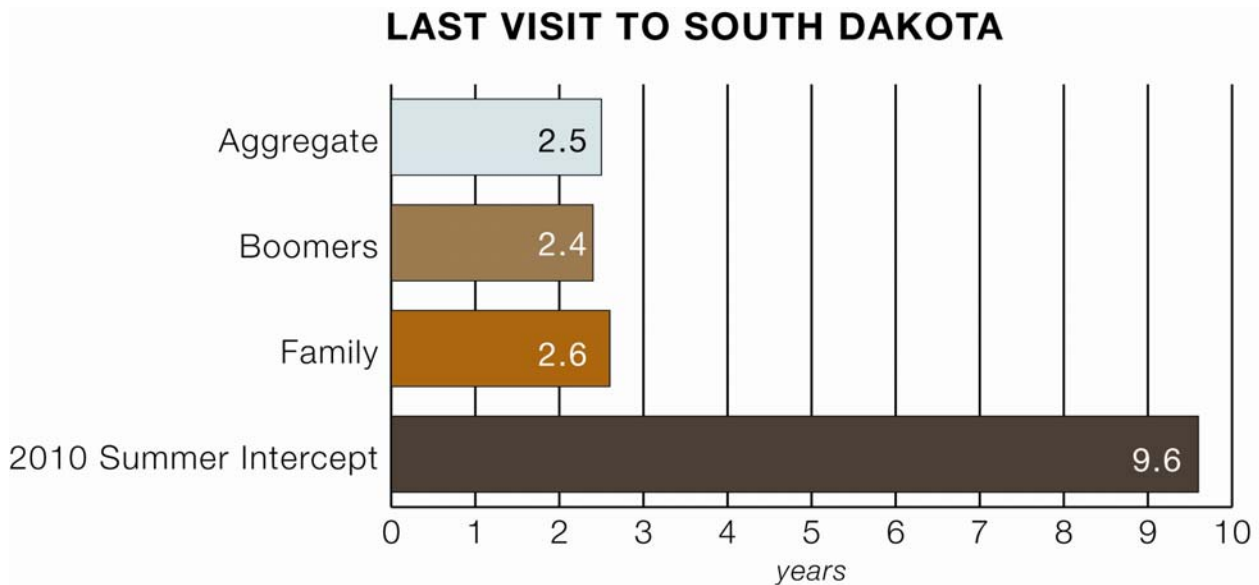
Family had the largest percentage of travelers who had previously traveled to South Dakota with 20%. Approximately 19% of Boomers had already vacationed in South Dakota, while 18.7% of the Aggregate had previously visited.

Question 5 – How long ago was your last visit to South Dakota?

This question was only displayed to those who indicated in Question #4 that South Dakota was not in their travel plans because they had previously visited the state.

Again, responses to this question were similar among all groups. The average number of years between South Dakota visits for the Aggregate group was 2.5 years. This number differs greatly from the 2010 Summer Intercept Survey where the average time between repeat visits to the state was 9.6 years. From these two surveys, we were able to determine that our Travelsmart database is likely to make repeat visits sooner.

The Boomers group is slightly more likely to make their repeat visits sooner than Family. The average time between trips for Boomers was 2.4 years and the average time between visits for Family was 2.6 years.



Question 6 – When do you plan to travel to South Dakota?

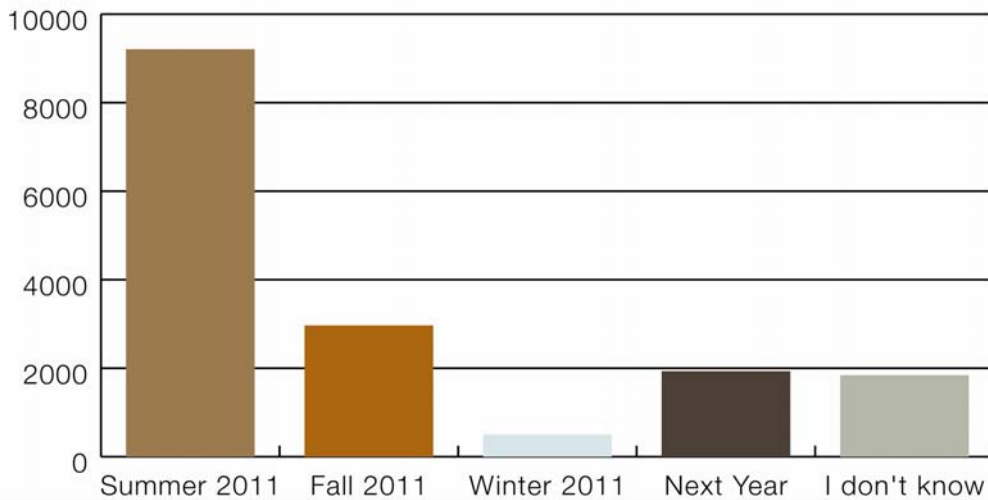
This question was displayed to those in Question #4 who selected that they were planning on traveling to South Dakota for a vacation.

Family were the most apt to travel to South Dakota during Summer 2011. Almost 71% of Family travelers indicated they had plans to travel to South Dakota this summer when their children were out of school. Over 14% indicated they plan on traveling to South Dakota, but don't know the time frame yet.

Almost a quarter of the Boomers indicated they planned on traveling to South Dakota in Fall 2011 to avoid the heat and peak tourists. Still, 63.5% indicated they planned on traveling to South Dakota during Summer 2011.

The Aggregate group indicated they were most likely to travel to South Dakota during Summer 2011 (64.7%). Fall 2011 was the second most common time frame to visit South Dakota, with 20.8% planning to travel then.

WHEN DO YOU PLAN TO TRAVEL TO SOUTH DAKOTA? (Aggregate)



Question 7 – Why is South Dakota not included in your future travel plans?

Again, this question was only displayed to those who indicated they were not planning to visit South Dakota in Question #4.

Responses among all groups were very similar. For all three groups, gas prices and expenses were the largest deterrents to visiting South Dakota. A large portion of respondents said they had previously been to South Dakota and wanted to visit somewhere different, but may come again in the future.

Many respondents also mentioned they hadn't made any vacations plans yet and were waiting to see how gas prices fluctuated before making concrete plans. Other frequently mentioned reasons included distance and family obligations.

Question 8 – Will you be traveling with children (under 18)?

Surprisingly, the majority of survey respondents will not be traveling with children. In the Aggregate group, 67.5% reported they will not be vacationing with children under the age of 18. The majority in the Boomers group also will not be traveling with children, as only 12.4% will be doing so. As expected, a large majority of Family are traveling with children (90.2%).

Question 9 – On a scale of 1 to 10, with 1 meaning “Not at All Concerned” and 10 meaning “Very Concerned,” how concerned are you about the current price of gasoline?

Almost 80% of the Aggregate rated their concern about the current price of gasoline a 7 or higher. Of all three groups, the Aggregate had the largest percent (39.3%) of respondents who rated their concern a 10, meaning “Very Concerned.”

Family tended to be the most concerned about current gas prices out of the three groups. Of Family, 81.8% rated their concern a 7 or above. Over 34% of the Family group rated their concern a 10.

The Boomers tended to be the group least worried about current gas prices as 72.5% rated their concern a 7 or higher and approximately 34% rated their concern a 10.

Question 10 – How, if at all, are you adjusting your daily routines to address your concerns?

This question was displayed to those who selected their concern in Question #9 a “6” or higher.

Respondents are coping with the high gas prices by driving less and combining their errands to reduce the number of daily trips. A large number of respondents in the Boomers group commented that they were not changing their daily habits due to the price of gas. Other ways all groups are coping with high gas price concerns include car pooling, driving slower and dining out less.

Question 11 – Will, or has, the current price of gas influenced your summer travel plans?

Gas prices were less likely to influence the travel plans of the Boomers than either the Family or Aggregate groups. A little over 53% of the Boomers responders have altered or will alter their summer plans, while 55.6% of the Aggregate will do so. Family were the most likely to change their plans with 56.2% reporting they had either already done so or are considering it.

Question 12 – Please tell us how gas prices will influence your plans: (Select all that apply)

This question was only displayed to those who selected “Yes” in Question #11.

Aggregate:

- 1) Look for discounts and special offers
- 2) Vacationing closer to home
- 3) Cutting back on dining and entertainment/retail expenses
- 4) Take a trip later in the year
- 5) Limit the number of trips and day trips
- 6) Leave behind their boat/RV/camper
- 7) Use a different mode of transportation

Boomers:

- 1) Look for discounts
- 2) Vacation closer to home
- 3) Cut back on entertainment/retail and dining expenses
- 4) Take fewer trips
- 5) Stay in one place longer instead of moving around
- 6) Change their driving habits such as driving slower, driving less and using a more fuel efficient vehicle
- 7) Flying to their destination instead of driving
- 8) 2.5% have changed or are considering canceling their travel plans

Family:

- 1) Look for discounts and special offers
- 2) Scale back trips
- 3) Vacation closer to home
- 4) Cut back on dining and entertainment/retail expenses
- 5) 3.1% will not taking a vacation

Question 13 – At which of the following gasoline prices would you significantly change or cancel your travel plans?

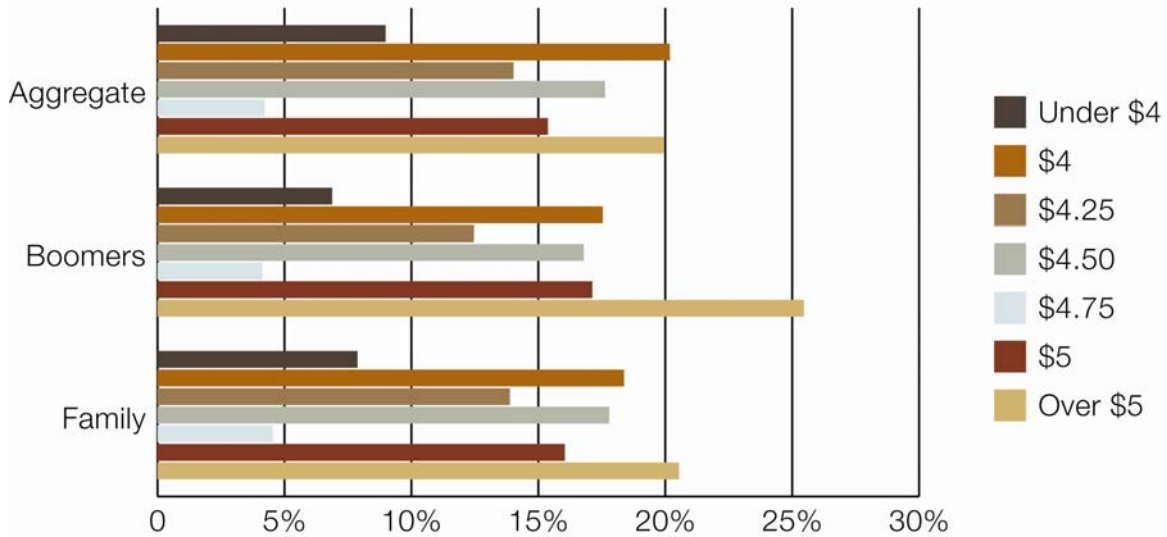
For all groups, gas prices between \$4.00 and \$4.50 would cause them to significantly alter their travel plans.

Approximately 52% of the Aggregate group would change or cancel their travel plans if gas prices reached between \$4.00 and \$4.50. Over 20% reported \$4.00 as the tipping point, while 20% reported prices over \$5.00.

The Boomers are more likely to change their plans at higher gas prices. Over 46% said they would change their plans if gas was between \$4.00 and \$4.50, but over a quarter of Boomers reported prices over \$5.00 as the tipping point in changing their plans.

Fifty-one percent of the Family group reported they would alter their plans if gas reached between \$4.00 and \$4.50. Over 20% reported \$5.00 as the tipping point, while 18.7% reported \$4.00. (*graph on next page*)

GAS PRICES TRAVELERS WOULD SIGNIFICANTLY ALTER THEIR TRAVEL PLANS



Question 14– Why are you not traveling in 2011?

This question was displayed for those who indicated they did not have any vacation plans for the summer in Question #2.

A large number of Boomers stated they were traveling in 2011, but not until the off-season to avoid crowds. Cost was also frequently mentioned as well as not having concrete plans as of yet and family commitments.

Cost was the largest deterrent for all groups, especially Family and the Aggregate. Family also mentioned not having plans in place yet.

Question 15– For classification purposes, are you? (Marital Status)

Approximately 81% of all respondents were married. A large percentage of both Family (93.8%) and Boomers (90.4%) were married.

Question 16 – Are children under 18 present in the home?

Slightly less than 30% of the Aggregate group report children under 18 in the home. As to be expected, a vast majority of Boomers do not have children present (93.5%).

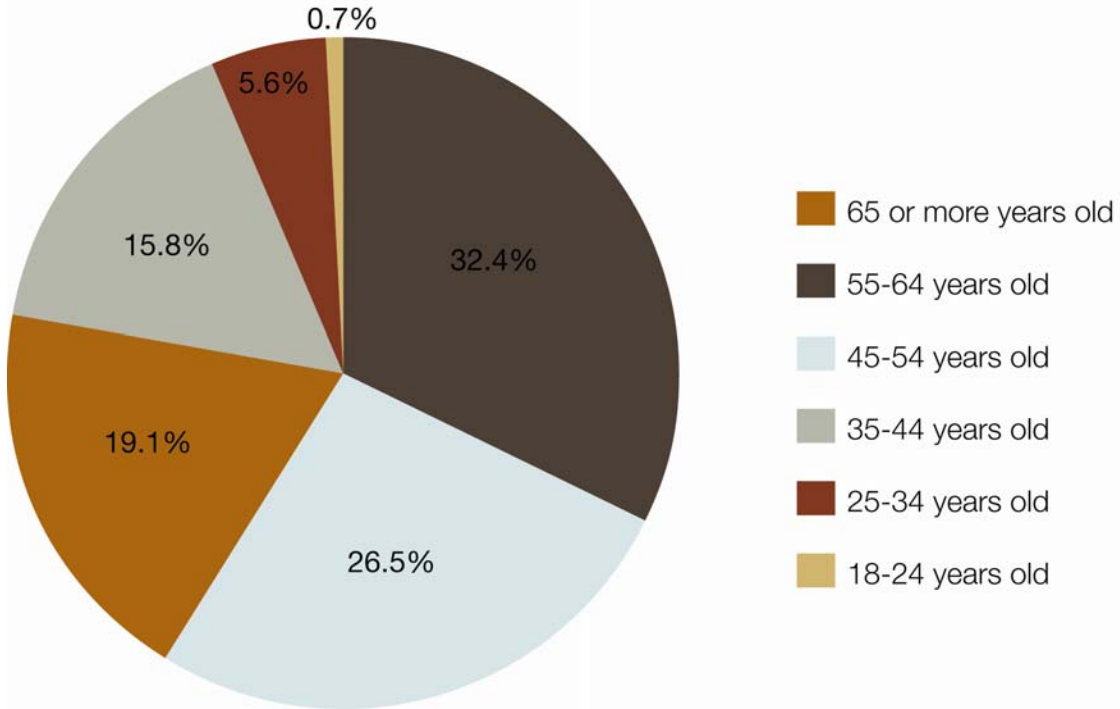
One of the qualifications for the Family group was having children under 18 present in the home.

Question 17 – What age range do you fall in?

Age was a defining characteristic for the two segmented groups. All respondents in the Boomers group were age 55 and older and respondents in the Family group were between the ages of 35 and 54.

Almost 1/3 of the Aggregate were between the ages of 55 and 64.

WHAT AGE RANGE DO YOU FALL IN? (Aggregate)



Question 18– Which category best represents your household income?

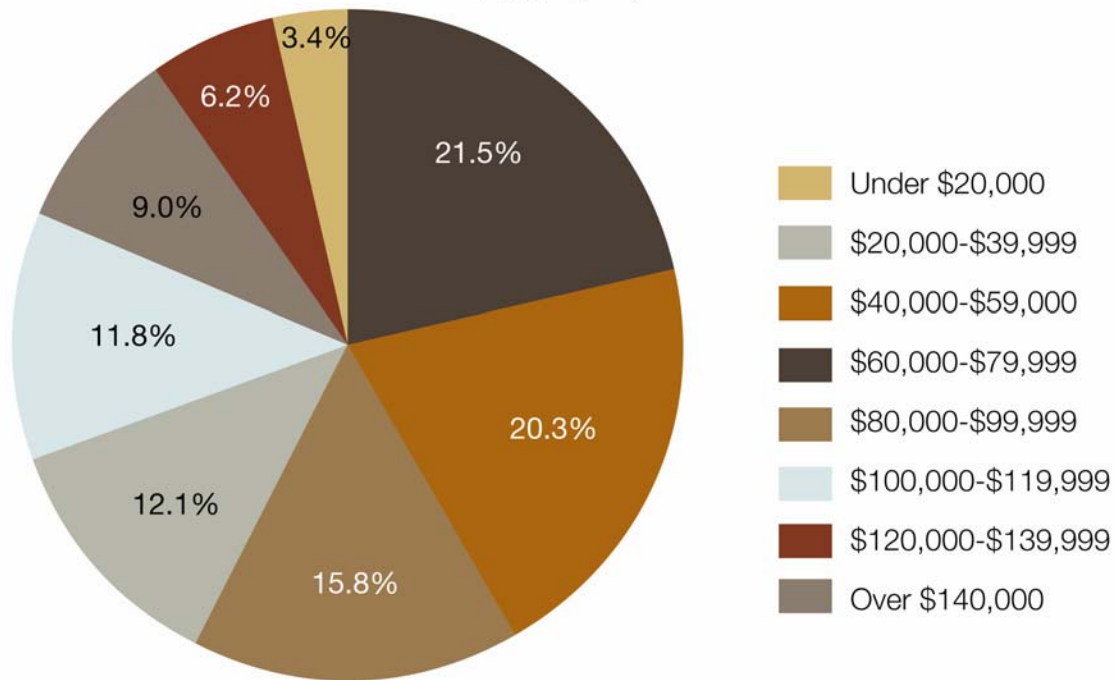
This question garnered some negative feedback from respondents. Many felt their income level was not relevant to this survey and did not want to give this information to SDT. After looking at the feedback, this question was changed so that it did not require an answer. Another email was sent to those who sent feedback and they were invited to retake the survey.

One of the demographic criteria for both the Boomers and Family groups was income level. Respondents who fit into those two categories had an income of \$60,000 or higher. The most common income level for the Boomers was \$60,000-\$79,000 (36.7%). Family tended to have a little higher level of income than the Boomers. The most common income level was \$60,000-\$79,000 (27.7%), followed closely by \$80,000-\$99,999 (24.4%).

For the Aggregate, two income ranges were represented very similarly. A slight majority of 21.5% of the Aggregate fell within the \$60,000-\$79,000 income range, while an additional 20.3% fell within the \$40,000-\$59,000 range.

WHICH CATEGORY BEST REPRESENTS YOUR HOUSEHOLD INCOME?

(Aggregate)



Question 19 – Demographics?

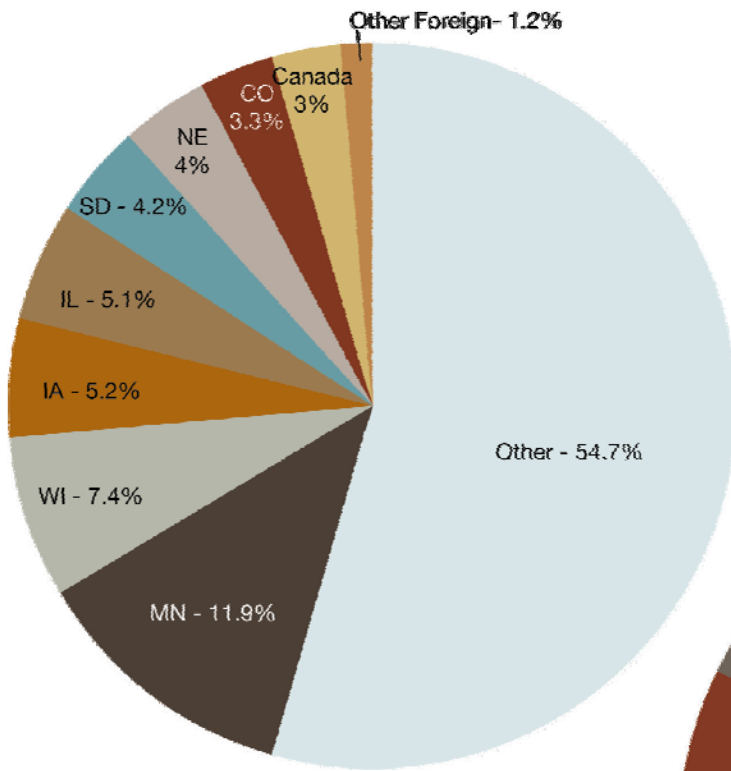
Survey respondents replied from all fifty states as well as Canada and many foreign countries. The top states were similar for all groups.

The top six states for responses in the Aggregate group were Minnesota, Wisconsin, Iowa, Illinois, South Dakota and Nebraska. Canada had the eighth largest response and was the most common foreign country. England also had a large number of responders.

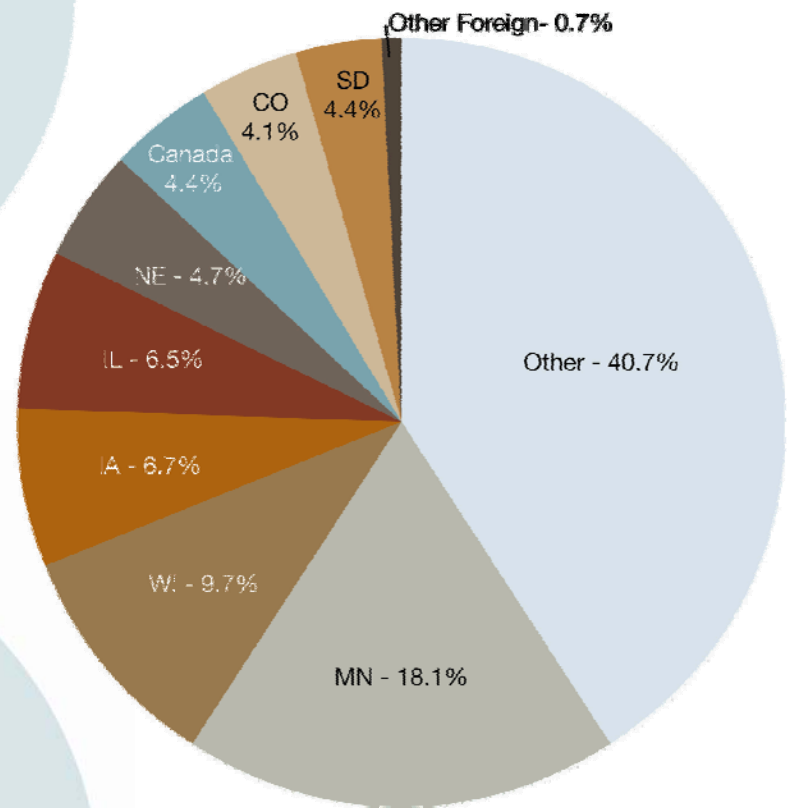
For the Family group, the most responses were from Minnesota, Wisconsin, Iowa, Illinois, Nebraska and South Dakota. Canada was the seventh largest area for responses and also the most common foreign country.

The Boomers had responses from a few different states than the other groups. Minnesota was the most common state followed by Wisconsin, Illinois, Iowa, Texas and California. Canada had the ninth largest number of responders and was the most common foreign country. (graphs on next page)

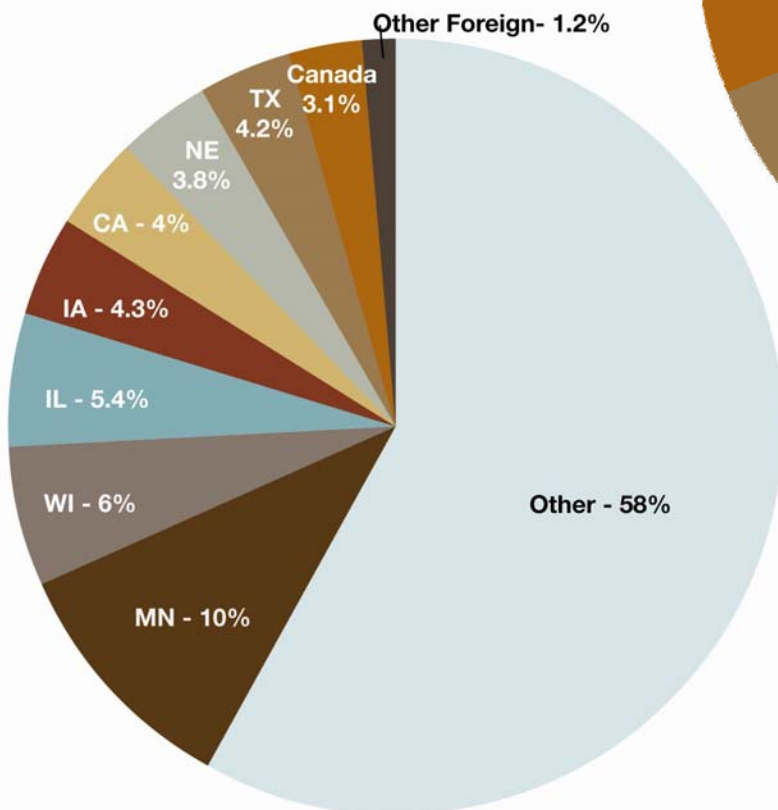
AGGREGATE ORIGIN



FAMILY ORIGIN



BOOMERS ORIGIN



TARGET AUDIENCE SUMMARIES

Profile of Family Travelers

- 3.5 vacations per year
- 80% had summer travel plans
- Top destinations: South Dakota & Black Hills, Yellowstone, Florida/Disney
- 20% had previously been to South Dakota
- Average of 2.6 years between return visits to South Dakota
- 90.2% would be traveling with children under 18
- Of those planning to visit South Dakota, 71% would do so Summer 2011
- 51% would consider changing/altering their travel plans if gas prices reached \$4.00 - \$4.50
- 93.8% were married
- 100% had children under 18 in the home
- Between ages 35 and 54
- Top origins: MN, WI, IA, IL, NE, SD

Profile of Boomers Travelers

- 4.3 vacations per year
- 77% had summer travel plans
- Top destinations: South Dakota & Black Hills, Minnesota, Colorado
- 19.1% had previously been to South Dakota
- Average of 2.4 years between return visits to South Dakota
- 12.4% would be traveling with children under 18
- Of those planning to visit South Dakota, 63.5 would do so Summer 2011
- 46.4% would consider changing/altering their travel plans if gas prices reached \$4.00 - \$4.50
- 90.4% were married
- 6.5% had children under 18 in the home
- Age 55 and older
- Top origins: MN, WI, IL, IA, TX, CA

