

# Summary of GOED Marketing Initiative

## 1. Outcomes, goals, and/or identified metrics:

GOED's primary goal in FY22 was to coordinate, unify, and enhance workforce recruitment in South Dakota. This was accomplished with targeted support as well as collaborative investment from communities using a cooperative strategy. While GOED ran a statewide marketing campaign in targeted markets, participating communities could leverage the state's investment and drive customer focus to their specific communities. The goal was to attract workforce for jobs having a minimum wage of \$20/hour.

Community partners were invited to participate in both a community co-op marketing program and a workforce incentive program. The community co-op marketing program would share costs 50/50 with a community to market their location. The workforce incentive program cost shared with both communities and employers to offer signing bonuses and/or relocation packages. Or, as an alternative to having to recruit and pay relocation, cost sharing for significant upskilling of current employees was also allowed. In smaller communities, costs were split 50/50 with GOED and a combination of the local economic development organization (EDO) and the employer. In larger communities, costs were shared equally between GOED, the EDO, and the employer. The source of the state funding was from the general fund included in the GOED budget.

Nine communities chose to participate in co-op marketing in the amount of \$175,500. These awards leveraged local funds at the same amount, resulting in \$351,000 total in community marketing activity. Eighteen communities chose to participate in the workforce incentive program in the amount of \$1,045,250. These awards leveraged an additional \$1,619,000 in local match.

These programs wrapped up September 30, 2022. The workforce program assisted in successfully recruiting and relocating 66 people to South Dakota from a total of 27 states, and 2 foreign countries. The program also successfully upskilled 35 current employees so employers could focus on more easily filling entry level positions as opposed to more advanced and skilled levels. Industries involved in upskilling included education, engineering, insurance, and manufacturing.

While the dollars listed above regarding the workforce and co-op marketing program were leveraged, not all the dollars were spent. A total of \$161,830 was invested to benefit more than 100 positions and individuals in this project.

Ultimately, the workforce incentive program showed a success rate of nearly 78% of the communities who participated, with only 15% of the \$1,045,250 spent. An average of \$1,989 for each new employee who relocated to South Dakota was invested. In addition, the upskilling program invested an average of \$872 for each South Dakota employee who was able to upskill to another position.

The co-op marketing program also saw additional success in continuing to build an extremely necessary brand awareness of South Dakota and the opportunities that exist within the state. Every measurable counted saw above average engagement and returns in the strategic marketing efforts.

## **2. Number of surveys sent out and responses received:**

Prior to launching this part of the initiative, Design Sensory, GOED's outside marketing agency, conducted a workforce study to understand national awareness and perception of South Dakota as a viable place to work and live. Additionally, the study sought to ascertain the serious level of consideration given to a real career opportunity which would require relocation to South Dakota. The study focused on currently employed adults to determine the barriers to consideration.

During the week of August 23, 2022, 415 surveys were completed, yielding a confidence level of 95% and an error rate of  $\pm 5.0\%$  for the overall sample. Key observations from the study include:

- There is apparent desire to live in less urban settings with 25% preferring rural and 40% preferring suburban.
- 70% (a 10% increase from a prior study) of respondents would be open to relocating for a great job, with 58% likely to consider a move if the right job was offered.
- The top four state attributes that are most important to consider are:
  - Low cost of living
  - Low crime
  - Beautiful
  - Low taxes

## **3. Any consultants utilized:**

GOED issued a request for proposal (RFP) in the spring of 2021. From the RFP two consulting firms were selected: Design Sensory and Lawrence & Schiller.

**4. Breakout of media utilized such as TV, radio, digital, social media, newspaper, etc.:**

Digital and social media were the primary media used to promote and market South Dakota and the communities participating in the co-op. This was done with website targeting displays, digital audio/video, rich media, paid search, and paid social media.

**5. States/markets where dollars were spent:**

Workforce marketing targeted individuals in Wyoming, North Dakota, Nebraska, Montana, Minnesota, Iowa, Colorado, and California.

**6. Industries targeted for advertising:**

Workforce marketing targeted careers in agriculture, education, healthcare, manufacturing, cyber security, and trade.

**Here is an overview of the dollars distributed in the workforce incentives**

Field	Industrial	Technical / Professional	Health / Medical	City / County Government	Education	Total
<b>Relocations</b>	27	10	15	11	3	66
<b>Amount</b>	\$47,106.95	22,406.55	31,696.26	25,833.33	3,947.36	131,290.45
<b>Average</b>	\$1,755.81	\$2,240.66	\$2,113.08	\$2,348.48	\$1,315.79	\$1,989.25
<b>Upskilled</b>	24	10	0	0	1	35
<b>Amount</b>	\$26,688.86	\$5,116.33	\$0	\$0	\$1,735.00	\$30,540.19
<b>Average</b>	\$987.04	\$511.63	\$0	\$0	\$1,735.00	\$872.58

**Here is an overview of the \$1 million marketing initiative funding in FY22/23:**

FY 22 Marketing Dollars	\$1,000,000.00
Workforce incentives paid FY22	(\$33,780.38)
Workforce incentives paid FY23	(\$128,050.26)
Co-op marketing paid FY22	(\$81,830.92)
Co-op marketing paid FY23	(\$74,750.57)
Remaining balance for marketing	\$681,587.87

Applicant	Marketing Request	Incentive Request	Total Funds Requested
Aberdeen Development Corporation	-	95,000	95,000
Advantage South Dakota	60,000	-	60,000
Brookings Economic Development Corporation	10,000	90,000	100,000
Elevate Rapid City	-	78,000	78,000
Glacial Lakes Area Development	-	50,000	50,000
Grant County Development Corporation	10,000	85,000	95,000
Greater Huron Development Corporation	-	25,000	25,000
Mitchell Area Development Corporation	-	50,000	50,000
On Hand Development Corporation	-	15,000	15,000
Pierre Economic Development Corporation	-	80,000	80,000
Sioux Falls Development Foundation	50,000	50,000	100,000
South Central Development Corporation	-	15,000	15,000
Southern Hills Economic Development Corporation	5,000	93,000	98,000
Sturgis Economic Development Corporation	10,000	40,000	50,000
Vermillion Area Chamber of Commerce & Development	25,500	74,500	100,000
Wall Economic Development Corporation	5,000	4,750	9,750
Watertown Development Company	-	100,000	100,000
Yankton Thrive	-	100,000	100,000
<b>Totals</b>	<b>175,500</b>	<b>1,045,250</b>	<b>1,220,750</b>