



SOUTH DAKOTA
GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

October 31, 2023

South Dakota Legislative Research Council
Joint Committee on Appropriations
500 E. Capitol Ave.
Pierre, South Dakota 57501

Re: Follow up to Letter of Intent – GOED Marketing Initiative

Fiscal Year 2023 brought many unique opportunities for GOED to promote both why South Dakota is an exceptional place to live and work. Based on these two factors, we chose to work directly with Design Sensory on an extensive plan to promote our great state, the freedoms we have to offer, and how that can benefit our targeted audience. This long-term marketing endeavor is needed to keep us in front of our customers. Whether workforce or business, when they are ready to make a move, we want them to think of South Dakota.

Attached is a summary report that details the items requested in your Letter of Intent regarding the GOED Marketing Initiative dated May 22, 2021.

Please advise if you have any questions.

Thank you.

Sincerely,

Chris Schilken
Commissioner, Governor's Office of Economic Development

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

GOED began FY2023 with a focus on pushing our workforce development efforts to the next level. We amplified our message on why South Dakota is a great place to live and work through targeted ad initiatives. Business recruitment was also an important feature of our marketing efforts, but not to the same extent.

FY2023

Business Recruitment

In January of 2023, GOED attended the SHOT Show to both meet with existing South Dakota businesses and begin forging relationships with potential prospects. Before and during this four-day event, we worked with Design Sensory to advertise our presence at SHOT and used geofencing for targeted marketing to those who were in attendance.

- Met with 11 South Dakota companies
- Had conversations with 11 out-of-state companies on the benefits of operating a business in South Dakota
- Made nearly 5.1 million impressions from banner ads, video ads, and geofencing
 - Resulted in more than 8,500 meaningful interactions with our audiences

Workforce Recruitment

GOED continued the Freedom Works Here initiative in FY23, partnering with DLR to ensure measurable results and a path forward for all who were interested. Freedom Works Here has been the most successful recruitment initiative in the state's history and has yielded significant attention and interaction from our targeted audience, which is exactly what we wanted to achieve.

Multiple social platforms were utilized for paid workforce recruitment ads.

- Over 18.3 million impressions made
- Over 188,000 relevant interactions made with our audiences

In the spring of 2023, Cinch rodeo playoffs drew tens of thousands of people during events in Greensboro, NC and Cedar Rapids, IA. GOED was able to capitalize on these events by sponsoring signage, program ads, mentions and commercials on the events' jumbotron. Design Sensory also geofenced all attendees to promote the need for workforce in South Dakota.

- Rodeo Results
 - Over 4.6 million impressions from banner and video ads
 - Attendees reached through the geofence campaign were put into a retargeting funnel, so our message continued to reach them for 365 days

FY2024 to Date

Business Recruitment

GOED is ramping up efforts to promote South Dakota as a great place to do business. Our focus is on promoting the South Dakota brand to businesses and fostering relationships with site selectors so that South Dakota is on their radar when expansion and relocations opportunities arise. In the first quarter of FY2024, GOED has attended two tradeshows and met with six site selection firms out of Chicago.

Tradeshows

- GOED attended two Cybersecurity Tradeshows during the month of September and drew significant interest to South Dakota.
 - Global Security Exchange in Dallas, Texas (Sept. 11-13)
 - InfoSec World in Orlando, Florida (Sept. 25-27)

At both tradeshows South Dakota had a magnified presence with an exhibition space and booth designed to promote South Dakota's brand. We also embraced speaking and seminar opportunities that put us front and center with attendees, including high level executives and decision makers from large corporate brands.

Dakota State University (DSU) representatives were present at both shows to share about the exciting work they're doing, MadLabs, and the future of cybersecurity as it relates to workforce and business investment. Results of the shows include:

- Seventy-six in person connections
- Fourty-four hard leads with full contact information
- Over 51,000 attendees
- Hundreds of conversations
- Nurturing of select opportunities

Site Selector Hosting's

- GOED team members partnered with South Dakota utility providers and economic development offices to showcase cooperative efforts in South Dakota as well as our phenomenal business environment.
 - We met with six different site selector firms to build relationships and ensure they understood the opportunities and incentives present in South Dakota. We also asked questions to make sure we understood their needs.

2. Number of surveys sent out and responses received:

Our marketing firm, Design Sensory, conducted in-depth interviews with 24 business professionals in top management positions within their firms. The interviews lasted 30-40 minutes with each individual and focused on their perceptions around the South Dakota brand and doing business in South Dakota. These interviews helped identify areas of focus for our business recruitment efforts moving forward.

3. Any consultants utilized:

GOED issued a Request for Proposal (RFP) in the spring of 2021. From that RFP two consulting firms were selected: Design Sensory and Lawrence and Schiller. An RFP was also issued in regard to the ongoing Freedom Works Here initiative that Governor Noem believed had the traction to be successful on a national level. WPA Intelligence was selected to gather analytics.

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

Social and digital were the primary media used to promote and market South Dakota during FY23. From paid social media, display ads, digital audio, movie ads, paid searches, and programmatic advertising, Design Sensory targeted our prime market areas in these ways. National targets were major sporting events, tv and radio (Fox Business and CNBC), print (Wall Street Journal, Fast Company, Forbes, and trade publications) as well as paid distribution content on RFD-TV Rural TV, the Outdoor Channel, and Circle.

| | Impressions | Interactions |
|-------------------------------|--------------------|---------------------|
| Paid Social Media | 13,290,959 | 117,060 |
| Programmatic (web ads) | 3,351,111 | 5,932 |
| Digital Audio | 371,587 | -- |
| Movie Ads | 285,998 | -- |
| Paid Search | 1,061,674 | 65,194 |
| | | |
| Rodeo | 4,652,263 | 7,804 |
| | 23,013,592 | 195,990 |

5. States/markets where dollars were spent:

Workforce recruitment dollars were spent in North Dakota, Nebraska, Iowa, Minnesota, Wyoming, Montana, California, Nevada, and Colorado. The overall audience was ages 25-54 who have shown interest in job seeking, agriculture, manufacturing or relocating.

6. Industries targeted for advertising:

Knowing the continued need for workforce Design Sensory was very specific in targeted careers in the following industries:

- Manufacturing
- Precision Ag
- Value-added Ag
- Livestock Development
- Shooting, Hunting and Outdoors

7. Spending breakdown of itemized funds:

| | FY22 | FY23 | FY24* |
|---------------------------|--------------|----------------|----------------|
| Marketing Appropriation | \$ 1,000,000 | \$ 1,000,000 | \$ 1,000,000 |
| FY21 carryover | \$ 450,000 | | |
| FY22 carryover | \$ - | \$ 1,615,000 | |
| FY23 carryover | | | \$ 1,012,007 |
| FY22 agency buget | \$ 730,611 | | |
| FY23 agency budget | | \$ 149,541 | |
| Design Sensory | \$ (450,000) | \$ (1,449,733) | \$ (1,000,000) |
| Incentives | \$ (33,780) | \$ (128,050) | \$ - |
| L&S Co-op | \$ (81,831) | \$ (74,751) | |
| WPA Intelligence | | \$ (94,504) | |
| Misc Marketing Materials | | \$ (5,496) | |
| L&S marketing | | | \$ (4,500) |
| Firm to be determined | | | \$ (507,507) |
| Carried over | \$ 1,615,000 | \$ 1,012,007 | \$ 500,000 |
| | | | |
| *Estimated as of 10/31/23 | | | |