



SOUTH DAKOTA
GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

November 8, 2024

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 2024 has opened up exciting avenues for GOED to highlight why South Dakota stands out as the best place to live, work, and raise a family. To effectively communicate these advantages, we have partnered with marketing agencies to craft a dynamic strategy that showcases our state's Freedoms, quality of life, and the benefits available to our target audience.

This marketing initiative kept South Dakota top-of-mind for both businesses and potential residents. We have ensured that when individuals, families, and companies are ready to move, they think of South Dakota first. Our campaigns have emphasized key industries poised for growth, such as cybersecurity, manufacturing, and precision agriculture, which align South Dakota's strengths in technology and innovation.

The attached summary report outlines the specific items requested in your Letter of Intent regarding the GOED Marketing Initiative dated May 11, 2021.

Please advise if you have any questions. Thank you.

Sincerely,

Joe Fiala
Commissioner, Governor's Office of Economic Development

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

GOED began FY2024 with a continued 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.

FY2024

Business Recruitment

We attended the **SHOT Show** in Las Vegas NV, January 23-26 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 Designsensory to advertise our presence at SHOT and used geofencing for targeted marketing to those who were in attendance.

- Met with 10 South Dakota companies
- Had conversations with 29 out-of-state companies on the benefits of operating a business in South Dakota
- Made nearly 13.4 million impressions from banner ads, video ads, and geofencing
 - Resulted in 74,489 meaningful interactions with our audiences

We attended the **World Ag Expo** in Tulare, CA, February 13-15. At this show, we partnered with the SDSU Department of Dairy Science and the South Dakota Dairy Producers to promote South Dakota's business climate to ag manufacturing and livestock producers, specifically dairies. We had designated booth space to help us interact with attendees.

- Generated 14 leads

We attended **ISC West** in Las Vegas, April 9-12. At this cybersecurity-focused show, we used a booth to conduct outreach to companies.

- Generated 28 leads

We attended the **AI Expo** in Washington, DC, May 7-8 in conjunction with DARC, DSU and Sioux Falls Development Foundation. We utilized pre-scheduled meetings to make contact with companies.

- Generated 10 leads

In June, we met with **six site selectors in Atlanta, GA**. 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.

Workforce Recruitment

GOED continued the Freedom Works Here initiative in FY24, 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 engagement from our targeted audience, which is exactly what we wanted to achieve, reinforcing South Dakota's position as a prime destination for talent and opportunity.

Multiple media platforms were utilized for paid workforce recruitment ads.¹

- Over 29.9 million impressions made
- Over 201,600 relevant interactions made with our audiences

We continued our impactful rodeo partnership, sponsoring the **2023 Sioux Falls Cinch Playoff**, as well as the **Cinch World's Toughest Rodeo** series in the spring of 2024. These rodeos drew over 73,000 people in attendance in Sioux Falls SD, Des Moines IA, Winston-Salem NC, St. Paul MN, Columbus OH, Columbia SC, and Raleigh NC. GOED capitalized on these events with a strong brand presence through sponsorship of signage, program ads, and commercials on the event's video board.

- The events also received nearly 2 million impressions on the Cowboy Channel, as well as 100,000+ impressions on social media.

We also ran several micro-campaigns surrounding special events. We did lead-up prospecting, event geofencing, and post-event retargeting for the August 2023 **Sturgis Motorcycle Rally**, September 2023 **NASCAR Bass Pro Shops Night Race** at Bristol Motor Speedway, and **Richmond VA Raceway** July 2023.

- 2,050,662 impressions made
- 4,060 relevant interactions made with our audiences

In September 2023 we did a geofencing campaign for the **GSX conference** in Dallas, and September 2023 **Infosec World conference** in Orlando.

- 4,116,864 impressions made
- 11,522 relevant interactions made with our audiences

We did a pop-up campaign in October 2023 during the **Auto Workers Strike** targeting cities with auto manufacturing facilities.

- 2,029,122 impressions made
- 5,140 relevant interactions made with our audiences

¹ This does not include the results from the additional Future Fund-supported marketing efforts.

FY2025 to Date

Business Recruitment

GOED has continued efforts to promote South Dakota as a great place to do business. Our focus on promoting the South Dakota brand to businesses and fostering relationships with site selectors ensure South Dakota is on their radar when expansion and relocation opportunities arise. In the first quarter of FY2025, GOED attended two tradeshows/conferences and met with eleven site selection firms out of Dallas.

Tradeshows

- GOED attended **GSX**, a cybersecurity tradeshow, in Orlando, FL September 23-24 and drew significant interest to South Dakota.
 - At the tradeshows, South Dakota had a magnified presence with an exhibition space and booth designed to promote South Dakota's brand.
 - Dakota State University (DSU) representatives attended the shows to share about the exciting work they're doing at MadLabs and discuss the future of cybersecurity in relation to workforce and business investment.
 - The outcomes of the shows included 31 qualified leads with complete contact information.

Site Selector Visits

- In September 2024, we met with **eleven site selectors in Dallas, TX**. GOED team members partnered with South Dakota utility providers and economic development offices to showcase our cooperative efforts and highlight South Dakota's exceptional business environment.
 - We engaged with eleven different site selector firms to build relationships and ensure they understood the opportunities and incentives available in South Dakota. We also asked questions to better understand their needs.
 - We also met with representatives from **Burlington Northern Sante Fe (BNSF)** railroad, providing an opportunity to reconnect and foster BNSF's rail growth in South Dakota, as they are the only Class 1 railroad operating in the state.

2. Number of surveys sent out and responses received:

Our marketing firm, Designsensory, conducted in-depth interviews with 24 high-level business professionals, each lasting 30-40 minutes. These discussions focused on their perceptions of the South Dakota brand and the business environment in the state. The insights gained from these interviews have helped shape our future business recruitment strategies.

This year we conducted online surveys in targeted states, reaching out to both business decision-makers and individual workers. The surveys aimed to assess awareness,

perception, and likelihood of considering South Dakota as a location for business operations or as a place to live and work.

3. Any consultants utilized:

An RFP was issued in 2021 for marketing services that expired in 2024. After a competitive process, Designsensory was selected to continue assisting GOED with marketing South Dakota.

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 the South Dakota Workforce Campaign during FY24. Using social image and story ads, digital display and native ads, movie ads, and paid search ads Designsensory targeted our prime audiences and locations.

	Impressions	Interactions
Paid Social Media Ads	19,310,429	133,676
Programmatic Display Ads	9,779,697	24,177
Paid Search Ads	718,134	43,751
Cinema Ads	135,504	N/A
Rodeo Sponsorship	2,173,000	N/A

5. States/markets where dollars were spent:

Workforce recruitment dollars were primarily spent in North Dakota, Nebraska, Iowa, Minnesota, Wyoming, Montana, California, and Colorado. Rodeo and special event budgets also include Michigan, Ohio, Wisconsin, Illinois, Nevada, Texas, West Virginia, Mississippi, North Carolina, Tennessee, Pennsylvania, Oregon, Georgia, Virginia, Florida, and New York. The overall audience consisted of individuals aged 25 to 54 who have expressed interest in job seeking, agriculture, manufacturing, or relocating. Additionally, every state in the nation was reached between a combination of contributions from sponsors who wanted to see the national initiative continue, Future Funds, and workforce recruitment dollars.

6. Industries targeted for advertising:

Recognizing the ongoing demand for workforce, Designsensory specifically targeted careers within the following industries:

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

7. Spending breakdown of itemized funds:

Income		FY2023	FY2024	FY2025*
Marketing Appropriation		\$1,000,000	\$1,000,000	\$1,000,000
FY21 Carryover				
FY22 Carryover		\$1,615,000		
FY23 Carryover			\$1,012,007	
FY24 Carryover				\$1,000,000
Encumbrances Used		\$1,502,776	\$994,448	\$600,000
Travel		\$8,629	\$16,052	\$18,000
Contractual Services		\$293,899	\$911,069	\$923,000
Supplies & Materials		\$6,197	\$32,494	\$35,000
Grants & Subsidies		\$128,050		
Capital Outlay		\$419	\$4,042	\$24,000
Marketing Appropriation Funds Carried Over		\$1,012,007	\$1,000,000	\$400,000