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division of tourism

commerce matters

OUTLOOK SUMMARY: U.S. Travel for 2008 and 2009 (projected):

	2008	2009
Domestic person trips	-1%	-1.7%
Leisure travel	-.2%	-1.3%
Business travel	-3.6%	-2.7%
International	8%	-1.6%

What's in store now for tourism?

Given the current economic picture, it's imperative that agencies know how best to use marketing dollars.

North Dakota Tourism Director Sara Otte Coleman got a firsthand look at how the economy is affecting the tourism industry by attending the TIA Travel Outlook Forum in Portland, Ore.

Trish Helgeson and Mike Brunner from Odney Advertising Agency also attended.

The trio received the latest information on how best to make marketing decisions under the current economic situation.

Otte Coleman and company returned with valuable information.

The economic report for 2009 is a bit discouraging. Economists predict that consumer confidence will continue sliding, thus impacting the dollars spent on travel. Marketers across the county will be competing heavily with international destinations for limited leisure and business travel budgets. The upside is that we are in a recession - not a depression - and we should see an upswing after second quarter of '09. High gas prices, increased airfares, the credit crunch and overall economic jitters are changing travel behaviors. Attractions, destinations and events all will need to revisit marketing campaigns to see that they align with current economic conditions.

U.S. travelers are still on the go, but they are . . .

- Shopping online more for better values
- Tightening up on food and lodging, and
- Shortening their trips, staying fewer days, not traveling as far -- And value-sizing at every step.

More on FUTURE, Page 2



Help us out

The Tourism Division is seeking partner input in two areas: online booking engines and stakeholder meeting evaluation. Please participate in these brief online surveys.

- The booking engine survey is being conducted to gauge the use of, and interest in, online booking engines. Go to http://www.surveymonkey.com/s.aspx?sm=TMV1vrpcQcaUWqTUiS0tDQ_3d_3d
- For the stakeholder meeting evaluation survey go to http://www.surveymonkey.com/s.aspx?sm=E8Lm1S_2bXm7FFiuLbHgk1kg_3d_3d ●

Future, from Page 1

More time and money will be spent on social media, on-line content and consumer review sites as well as one-to-one marketing geared toward mobile technology.

It's the deal, not the destination that is fueling the trip planner. People are looking for deals (value) to help them determine where to go, rather than deciding where to go, then looking for the best price.

Millennials (those who grew up in the 1990s and 2000s) are now spending \$360 million and will surpass baby boomers. They follow their hearts, don't plan ahead but want to get something out of their travel. The best way to reach them is through social sites – like YouTube, Facebook, MySpace and Twitter.

Leisure travel proves to be resilient. Trends to watch: 82% want packages; 70% indicated they have an interest in agriculture-related trips; 70% are looking for less expensive hotels; 78% will take shorter vacations closer to home; 71% are looking on-line; 67% are booking on-line; increase interest in group travel; national parks are down slightly, while RV travel is estimated to be off 24% this year.

Other Trends: speed vacations, simplification, family travel, togethering (travel with friends and groups), celebration vacations and multi-generational travel.

New Markets to watch: Hispanic and Next Gen Travelers (the tech-only crowd). ●

Tourism Quarterly Report

Area of Travel	2008 Third Quarter	2007 Third Quarter	Percent Change 08-07	2008 Year to Date	Percent Change YTD 08-07
State Park Visitors	438,398	451,626	-3%	794,556	-2%
National Park Visitors	278,629	294,029	-5%	446,784	0%
Web Views (www.ndtourism.com)	116,667	118,736	-2%	346,023	8%
Unique Web Visits	167,838	97,831	72%	423,709	48%
Major Attractions	1,278,956	1,256,031	2%	3,119,797	2%
Local Visitor Centers	46,714	48,946	-5%	77,616	-5%
Cumulative Lodging Tax	\$1,124,121.52	\$987,834.21	14%	\$2,828,865.59	18%
Canadian Border Crossings	251,299	238,381	5%	594,689	16%
N.D. Airport Passengers	173,267	164,462	5%	505,376	4%
Statewide Hotel Occupancy Rate	July: 76.9% August: 79.8% Sept.: 71.8%	July: 76.5% August: 79.3% Sept.: 72.5%	July: 0.5% August: 0.6% Sept.: -0.9%	67.0%	4.9%
Statewide Average Room Rate	July: \$71.30 August: \$71.22 Sept.: \$68.89	July: \$66.13 August: \$65.08 Sept.: \$63.09	July: 7.8% August: 9.4% Sept.: 9.2%	\$67.81%	9.0%
Taxable Sales and Purchases	Arts, Entertainment Recreation \$23,144,409 2nd Quarter 2008 Food Services, Accommodations \$293,238,222 2nd Quarter 2008	Arts, Entertainment Recreation \$20,119,573 1st Quarter 2007 Food Services, Accommodations \$259,794,892 1st Quarter 2007	15% 13%		

State Parks: Cross Ranch, Ft. Ransom, Ft. Stevenson, Grahams Island, Icelandic, Indian Hills, Lake Metigoshe, Lake Sakakawea, Lewis & Clark, Turtle River, Ft. Lincoln, Beaver Lake, Little Missouri and Sully Creek.

National Parks: Theodore Roosevelt National Park, Knife River Indian Villages, Fort Union.

Major Attractions: Alerus Center, Arrowwood NWR, Badlands Trail Run, Bismarck Civic Center, Bismarck Marathon, Bison Sports Arena, Bonanzaville USA, Bully Pulpit Golf Course, CANDISC, Chahinkapa Zoo, Chateau de Mores, Missouri Yellowstone Confluence Center/Fort Buford, Custer House/Indian Villages, Dakota Gasification, Antelope Valley, Coteau, Leland Olds Station, Dakota Territory Air Museum, Edgewood Municipal Golf Course, Rose Creek Golf Course, El Zagal Golf Course, Osgood Golf Course, Prairiewood Municipal Golf Course, Des Lacs NWR, Fargo Air Museum, Fargo Civic Center, Fargodome, Gateway to Science, Heritage Center, International Peace Garden, L&C Interpretive Center/Fort Mandan, L&C Riverboat, Lawrence Welk Home, Medora Musical, National Buffalo Museum, ND State Capitol, Painted Canyon Overlook, Pembina State Museum, Pioneer Trails Regional Museum, Plains Art Museum, North Dakota State Fair, Prairie Knights Casino and Resort, Raging Rivers Waterpark and Speedworld, Ralph Engelstad Arena, Red River Zoo, Three Affiliated Tribes Museum, Toy Farmer Museum

Local Visitor Centers: Beach Information Center, Bismarck, Bowman Information Center, Buffalo City Tourism, Devils Lake, Dickinson, Fargo/Moorhead, Grand Forks, McKenzie County, Minot, Rosebud Visitor Center, Rugby, Wahpeton and Williston.

North Dakota Tourism uses Webtrends to gather visitor data from www.NDtourism.com

If you have any questions, or would like to be included in the survey, please contact Tricia Miller, Data Coordinator, North Dakota Tourism, 1-800-435-5663.

Hospitality Training Program

Make sure to take advantage of the FREE Hospitality Training Kit offered by the Tourism Division. The program was released in June and sent to all North Dakota chambers of commerce, convention and visitors bureaus and tourism



partners and organizations attending the 2008 North Dakota Tourism Conference.

The DVD, titled "North Dakota: Legendary Hospitality," features North Dakota's history

and attractions, customer service in the tourism industry and the resources and materials available to them. The piece is inclusive to all areas of the state and the video features a variety of images, including western heritage, city experiences, historical sites and contemporary attractions visitors can experience.

The DVD comes with an accompanying self-tutorial "playbook" and will be designed to work together as one instructional piece. Participants are eligible to receive a certificate of completion upon request.

The training kit is free and available upon request to industry partners by contacting Annette Schilling at aschilling@nd.gov or at 701-328-3505. ●

Rest Area Literature Distribution Program

The Highway Rest Area Literature Distribution Program is about to enter its seventh year. Make sure you are part of it.

The program allows you to place your brochures and marketing materials in North Dakota Tourism rest area racks throughout the state,

The deadline for signing up for the program is January 6, 2009.

If you have any questions regarding the program or want information sent to you, please contact Tammy Backhaus at 701-328-2526 or tbackhaus@nd.gov. ●

Congrats to Mexico trip winners

Two lucky tourism partners have won trips to Mexico as part of their commitment to using Tourism's online partner access.

Congratulations to Fran Brummund of the Fargo Air Museum and Dean Ihla of Valley City Chamber/CVB. This is the second year that the Tourism Division has received two prize packages to an all-inclusive Mexican resort as a thank-you from the Canadian television corporation North Dakota advertising is contracted with.

Tourism used the trips as a thank-you to partners who updated on-line. All partners - with the exception of state employees - who entered events, accommodations, attractions, packages and updates to those listings, were entered into the drawing. ●

In the News

(Go to the links below each item for a complete news release)



North Dakota Tourism was in the news in October

October 1: Don't be haunted by the thought of letting another fall get away without engaging in the hunt of a lifetime or having a truly "haunting" experience. This October, celebrate the month's favorite holidays by enjoying North Dakota's favorite past-times. <http://www.ndtourism.com/smartmail/news-releases/detail.asp?newsID=276>

October 16: Twelve winning photos were recently announced in the 2008 North Dakota Governor's Photo Contest. Winning photographers receive a cash prize for their photos, which will be featured in North Dakota Tourism's promotional materials and on the Tourism Division's Web site. The winners were chosen from more than 600 photo entries in the contest. <http://www.ndtourism.com/smartmail/news-releases/detail.asp?newsID=277>

October 27: Just because the days are getting shorter doesn't mean the fun subsides. In fact, North Dakota's night owls will revel in the assortment of evening activities throughout November. Enjoy a midnight movie, do some star gazing, take in a concert or admire parade floats that light up the prairie sky. If daytime is your time and shopping's your thing, check out the many holiday craft fairs that fill up the weekends. <http://www.ndtourism.com/smartmail/news-releases/detail.asp?newsID=278> ●

Re-entry from Peace Garden made easier

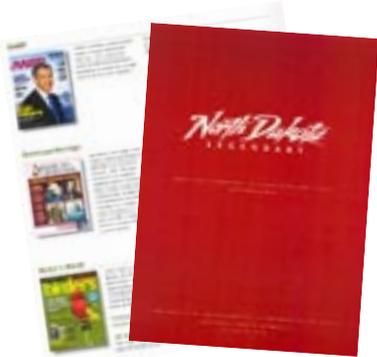
U.S. citizens traveling to the International Peace Garden from within the United States will not be required to present a Western Hemisphere Travel Initiative compliant document like a passport or pass card when exiting the park southbound, upon full WHTI implementation on June 1, 2009.

U.S. citizens traveling south upon exit from the Peace Garden who satisfactorily establish to a U.S. Customs and Border Protection officer that they entered the Peace Garden from the United States will not be required to present a WHTI-compliant document. Still, the documents are highly recommended for all travelers, as they greatly facilitate inspection and reduce wait times at the border. It is recommended that U.S. citizen visitors to the Peace Garden that do not have a WHTI-compliant document bring a birth certificate or other proof of citizenship, along with photo-identification. ●

Tourism Division 2009 Marketing/Media Plan

On October 9, the Tourism Division met with industry partners to announce details of the 2009 Marketing/Media Plan.

Tourism Director Sara Otte Coleman shared with attendees the plan for continued use of broadcast TV, direct response TV, newspaper inserts, print ads, skywalk ads, online advertising, radio and direct mail.



New media planned for 2009 includes cable TV in the leisure market, new magazine advertising in AARP, American Heritage, Winnipeg Women/Men, five new rotary billboards in the

Minneapolis-St. Paul metro, 20 weeks of digital board messages in downtown Winnipeg and the sponsorship of Jason Mitchell Outdoors television program.

There are some changes planned in the new year with fewer weeks of TV and radio, no TV advertising in Saskatoon, alterations to size and frequency in magazine advertising, switching online presence to more media-rich and lead-generating ads and developing one newspaper insert for the entire planned circulation.

The 2009 plan is developed with assumptions made on the year's budget. Adjustments may need to be made after the Department of Commerce/Tourism Division budget is approved by the Legislature. The 2009 Marketing/Media Plan is available online at:

<https://www.ndtourism.com/industry/references/media-plan/>

As part of the plan, the Tourism Division featured 28 publications with opportunities to cooperatively advertise with the state. Partners are urged to review these opportunities and book advertising as soon as possible to guarantee placement and rates. One of the most popular publications is the Tourism Division newspaper insert. Cooperative advertising space in the insert is guaranteed on a first-come/first-serve basis. The deadline for reservations is November 14. Questions should be directed to Heather LeMoine at hlemoine@nd.gov or 701-328-5372. ●

Addison Travel Show Prairie Session

The Addison Travel Show Prairie Session was held October 14-16 in three cities over three days.

In Winnipeg, Manitoba, the show was attended by 154 travel industry professionals. Regina, Saskatchewan, played host to 82 and Saskatoon, Saskatchewan, hosted 85 travel professionals.

Deanne Felchle of North Dakota Tourism distributed brochures and discussed itineraries, shopping and casino tours, special events, accommodations and restaurants. ●

Medora Musical singer performs at the White House

Job Christenson has performed on Broadway, across the country, and now, the White House. This summer's Medora Musical standout had the honor of entertaining in the East Room of the White House for the 150th birthday celebration of Theodore Roosevelt.

Christenson, was accompanied by pianist Joel Gilbertson of Bismarck. The 150-person audience included President Bush and First Lady Laura Bush.

A number of North Dakotans were on hand for the performance, including Christenson's father, Duane; Gilbertson's wife, Jan, and son, David; U.S. Secretary of Agriculture Ed Schafer and Nancy Schafer; Theodore Roosevelt Medora Foundation President Randy Hatzenbuehler and Laurie Hatzenbuehler; and TRMF Chairman of the Board Frank Larson and JoAndrea Larson. ●



Monument to service.

Where Am I?

Amy Braun of Dickinson correctly placed me at "Fisherman's Dream" on the Enchanted Highway between Gladstone and Regent last month. This month I visited a place that pays tribute to ancestors who provided a valuable service to the military. Where was I? Please E-mail your answers to jpursley@nd.gov by November 23. In the event of a tie, a drawing will be held to determine who receives the North Dakota item. ●

LBV = Education Vacation

As part of its research plan, North Dakota Tourism Division tracks industry trends through conferences and reports. Trends watched include thematic travel like those “buzz-worthy” packages for girlfriend getaways, mancations and luxury/ glamorous camping (glamping).

As it relates to the Learning-Based Vacation program, it appears there is greater awareness and growth with the term “education vacation” to denote learning-based travel. In order to maximize the promotion efforts of the LBV program, North Dakota Tourism is changing the title of the program from “Learning Based Vacations” to “Education Vacations,” effective immediately. This change will allow the North Dakota program to be consistent with the national travel industry, thereby growing



LBV resources

One of the requests we continue to get at ND Tourism is for information on agriculture-based tourism experiences. Although more are coming on-line, we all need to encourage the development of ag based tourism opportunities across ND. Go to these links for a University of Wyoming study on promoting farm or ranch recreational business.

<http://ces.uwyo.edu/PUBS/b1125-2.pdf>
<http://ces.uwyo.edu/PUBS/b1125-1.pdf>

awareness in the program, offerings and increasing online “searchability.”

Program participants will be receiving more information regarding the name change. Questions should be directed to Annette Schilling at aschilling@nd.gov; 701-328-3505. ●



2009 Tourism Grant recipients

Grants have been awarded for 2009 marketing, events and infrastructure totaling \$153,408.

The eight recipients of marketing matched grants include the City of Casselton for brochure and Web site development; the Southwest Golf Getaway for a direct mail effort, general marketing for Brad Durick Outdoors; Chahinkapa Zoo for a new ND Safari package; the City of Beach for a statewide promotion effort; the Valley City Chamber for a Rosebud brochure; the Theodore Roosevelt Medora Foundation for their partnership with Kent Hrbek Outdoors; and the Dakota Trail for AAA Tourbook advertising.

Grants awarded for events include the Fargo Blues Festival, Kenmare Goosefest, USA Curling Junior National Championships

in Devils Lake, Duckfest in Bowdon, Blue Goose Days at Chahinkapa Zoo, the North Dakota State Fair, the Dam Cycle Tour in Valley City, and the Oscar Zero Blast Off Cold War Celebration of Cooperstown.

Six infrastructure grants will be funded in 2009, including the city of St. John for ATV trail development, play areas and support facilities; Birding Drives Dakota for outdoor kiosks; Griggs County Historical Society for the Oscar Zero exhibit, museum and interpretive center; McLeod Historical Society for a recreation vehicle park; City of Walhalla for the Sanctuary Guest House and Tea Room B&B; and the Dunn County Fair Association for the High Plains Cultural Center. ●

Felchle attends Minnesota show

North Dakota Tourism Group Travel Marketing Director Deanne Felchle recently attended the Itineraries Minnesota Group Travel Show with other North Dakota tourism partners.

The format included seven-minute appointments with 25 travel industry leaders and also included a marketplace after the appointments for each person to stop by the exhibits, pick up materials and engage in more conversations about our areas.

Felchle was joined by Rosalie and Ernie Malnaa representing the community of Rugby, International Peace Garden, Hawk Museum and Mystical Horizons, the “Stonehenge of the prairie.”

Sylvia Garcia of the Fargo-Moorhead CVB also was in attendance. ●



Bagg Bonanza Farm

Historical Society approves grants totaling \$200,000

The State Historical Society of North Dakota's (SHSND) State Historic Preservation Office (SHPO) recently awarded \$200,000 in annual grant monies to the National Register of Historic Places, development projects and Certified Local Government programs. When combined with matching funds, it will result in \$378,000 worth of preservation work in North Dakota.

Development Projects are for improvements to properties listed in the National Register of Historic Places. These projects are developed and submitted by property owners. At least half of the total project cost must be raised by the owners. For this grant cycle, the SHPO received applications requesting more than \$164,000. A total of \$87,000 was awarded.

Certified Local Government (CLG) grants are awarded to North Dakota counties and cities that have qualified to participate as preservation partners with the SHPO. A total of \$71,000 was awarded.

For more information about these programs, contact the SHSND's grants and contracts officer, Amy Munson, at (701) 328-3573 or by email at amunson@nd.gov. ●

Development Projects

Bagg Bonanza Farm Historic Preservation Society, Wahpeton: \$21,459 for the restoration of the Main House basement.

Grand Forks County Historical Society, Grand Forks: \$2,460 for window restoration on the Campbell House.

Dickey County Courthouse, Ellendale: \$25,000 for repairs to the dome and roof replacement.

Buxton in Bloom, Buxton: \$6,000 for the restoration on the interior of the First State Bank of Buxton.

Lake Region Heritage Center, Devils Lake: \$7,238 for roof replacement.

Bridges Arts Council, Valley City: \$25,000 for roof replacement on the Valley City Municipal Auditorium.

CLG Grants

City of Buffalo CLG: \$753 for administrative expenses and education opportunities.

City of Devils Lake CLG: \$9,135 for heating system updates at the U.S. Post Office and Courthouse in Devils Lake.

City of Dickinson CLG: \$9,435 for administrative expenses and to write a National Register nomination.

City of Fargo CLG: \$7,583 for administrative expenses and a neighborhood survey.

City of Grand Forks CLG: \$25,481 for administration, a nomination to the National Register of Historic Places and historic district plaque.

Pembina County CLG: \$11,560 for administration, education opportunities and to purchase plaques for National Register properties.

Walsh County CLG: \$7,750 for administration, education opportunities and to purchase plaques for National Register properties.

Three N.D. sites added to Registry

A former Air Force missile facility in Griggs County, a homestead in Hettinger County, and a farmstead in Pembina County are three North Dakota properties that have been listed in the National Register of Historic Places.

Oscar-Zero Missile Alert Facility: The Griggs County site is significant as a remnant of the Cold War and North Dakota's role during those nearly 50 years of conflict and confrontation. Oscar-Zero was an integral part of the Minuteman missile system built in the 1960s.

John Stern Homestead: Constructed in rural Hettinger County by 1907. The site consists of a large house that sheltered both the family and the animals. Sandstone rocks used to construct the main building were mortared with clay and straw. The Stern Homestead stands as a testament to thousands of German-Russian people that immigrated to the United States and brought with them building traditions and work habits from their lives on the Russian Steppe.

Gunlogson Farmstead: The site at Icelandic State Park in Pembina County not only demonstrates the Icelandic-American immigrant culture, but has contributed much to land conservation ideas. The Gunlogson family and subsequent managers of the site preserved the farmstead's unique ecological characteristics and allowed scientists and naturalists to study them. ●

Trippin'

Results of a Trip Advisor survey of more than 3,000 U.S. travelers:

73% say they plan to visit a national park next year (up from 62% last year)

32% say they will be more environmentally conscious in their travel plans

87% say they will visit at least one historic site

61% say the cost of fuel is an important consideration when choosing their destination

17% say they had a flight cancelled because the route or flight was permanently removed from the airline's schedule

71% say that families flying with children should sit in their own section of the airplane

37% say they will vacation at a rental property

58% of travelers are brand loyal to their hotels

20% say they have taken items from a hotel

61% say they will go to a beach destination next year

60% say they will go to a city

80% say that the most important factor in making a great airport is clean restrooms ●