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## **A Note on the Economic Implications of a Focused Tourism Event: Bikers in Myrtle Beach**

**Robert D. Nale, Dennis A. Rauch, and Peter B. Barr, Coastal Carolina University**

### **ABSTRACT**

*As we have graphically seen since September 11, 2001, areas which depend heavily upon tourism as a primary source of income face a host of challenges. South Carolina's Grand Strand area is a good example of just such an area. A number of focused tourism-related events intended to attract a certain segment of the population have evolved over the years. Two such events revolve around the attraction of motorcyclists. One occurs during early to mid-May (with a burgeoning repeat presence in the Fall), while the other occurs over Memorial Day weekend. Both events have proven to be successful in terms of attracting participants, but are also seen as being somewhat problematic. Of course, proof of economic success rests with demonstrating the overall impact that each event has on the area. This study seeks to examine spending patterns of three important and relatively diverse tourist groups (i.e., including tourists who would ordinarily be attracted to the area regardless of the event) to gain some appreciation for possible benefits or pitfalls.*

### **INTRODUCTION**

For any tourist destination, city planners face at least two significant challenges. First, an obvious goal encompasses trying to provide an environment that is enjoyable so that tourists want to return. At the same time, it is generally critical to attempt to attract first-time visitors to the area. Toward that end, tourist destinations often work toward developing particular types of entertainment or attractive event intended to target certain groups of people. Such focused events exist throughout the country, and are often quite successful. (see, for example Cohen, 1999; Evans, 1997; and, Nianiatus, 2001) In the Grand Strand area of South Carolina, this has been attempted with some genuine success. One good example is an ongoing event focused on attracting Canadians to the area. Known as "Can-Am Days", this has been in place for several years. (Barr, Nale, Rauch, and Dave, 1999) In addition, there are two other events which have evolved that are designed to attract motorcyclists. It is these events which represent the focus of this investigation.

The first such event has evolved over several decades into a week-long event in early to mid-May which attracts Harley-Davidson bikers from all over the country. This event has proven to be so popular that a few years ago, the bikers planned a smaller version to take place each Fall. (Still relatively new, this event extension has not been examined in this study.) While Myrtle Beach is often considered to be a major focal point, participants really do not tend to be exclusively localized in any specific area of the Grand Strand. The second biker event, which has come to be known as

“Black Biker Weekend”, takes place over Memorial Day weekend. The latter event is primarily aimed at attracting African American bikers, and tends to be localized primarily in the Northern part of the Grand Strand. For an area like the Grand Strand, both of these times, perhaps particularly Memorial Day, are prime times for tourism. Of course, all of the activities which are perennially popular with the so-called “traditional” Grand Strand tourists (e.g., shopping, the beach, restaurants, entertainment venues, etc.) are still available, but are also being enjoyed by some (perhaps many) of the visiting bikers. There has been an ongoing concern on the part of many that the reputation surrounding these events may actually decrease the number of these “traditional” tourists who eschew the area in favor of one which would be perceived to be less raucous, noisy and potentially dangerous. In all fairness, it should be noted that historically these events have not proven to be especially dangerous for the populace, but the fact remains that their image looms as a possible barrier.

In this exploratory study, a number of demographic variables (as well as spending patterns) of three tourist groups (the Harley-Davidson Bikers, the Black Bikers, and the traditional Grand Strand tourists) are examined. It is important to investigate the potential for possible opportunity costs in the sense that regardless of the numbers of people who come to the area because of these two events, the attendees may displace the more traditional Grand Strand tourists. It is also possible that the conclusions reached in this preliminary study might be helpful to city and event planning bodies as they consider the long-term viability of these (and other) focused events both here and elsewhere.

## **METHODOLOGY**

Data about the participants in the both the Harley-Davidson and Memorial Day biker events have been collected on site by trained interviewers. Over 500 usable questionnaires were collected at each festival. Comparative data regarding traditional vacationers were derived from standardized questionnaires mailed each month to over 7800 visitors, with an average response of more than 25%. Respondents were asked a number of questions regarding their stay, several demographic items were obtained, and they were asked to estimate their overall spending in five categories: lodging, food, transportation, entertainment, and shopping.

## **RESULTS**

Data regarding whether or not the respondent was making his/her first trip to the Grand Strand appear to speak rather highly to the overall attractiveness of the area, due to the overwhelming percentage of respondents who had visited previously. Again, this is an important goal of event coordinators, and overwhelmingly all three classes of respondents had made previous visits. The data are summarized in Table 1.

**TABLE 1**  
**First Trip to the Grand Strand**

|     | <b>HD</b> | <b>MD</b> | <b>Trad</b> |
|-----|-----------|-----------|-------------|
| Yes | 15.1%     | 17.3%     | 20.2%       |
| No  | 84.9%     | 82.7%     | 79.8%       |

Where: HD=Harley-Davidson Bikers  
 MD=Memorial Day Bikers (“Black Bikers”)  
 Trad=Traditional Tourists

Tables 2 and 3 summarize various demographic data about the respondents; i.e., gender, average age, and race. It is interesting to note that there are significantly more females present during the Memorial Day event than during the Harley-Davidson event, while the traditional group represents an almost equal split. Also, the Memorial Day group tends to be somewhat younger than both of the other groups. In terms of race, given the audiences targeted, it should not be surprising that the racial makeup is almost entirely Caucasian for the Harley-Davidson and traditional groups, and almost entirely African-American for the Memorial Day group.

**TABLE 2**  
**Gender and Average Age**

| <b>Gender:</b>      | <b>HD</b>  | <b>MD</b>  | <b>TRAD</b> |
|---------------------|------------|------------|-------------|
| Male                | 70.1%      | 58.0%      | 48.2%       |
| Female              | 29.9%      | 42.0%      | 51.8%       |
| <b>Average Age:</b> | 43.3 years | 37.7 years | 45.3 years  |

**TABLE 3**  
**Race**

| <b>Race:</b>           | <b>HD</b> | <b>MD</b> | <b>TRAD</b> |
|------------------------|-----------|-----------|-------------|
| African American       | 0.0%      | 95.3%     | 3.4%        |
| Asian/Pacific Islander | 0.2%      | 0.2%      | 1.8%        |
| Native American        | 5.0%      | 0.6%      | 0.5%        |
| Caucasian              | 94.8%     | 3.9%      | 94.3%       |

Table 4 contains the self-reported estimates of the respondents' expenses during their stay. It seems clear from the data that the Memorial Day group spends significantly less per capita than do the other two groups.

**TABLE 5**  
**Per Capita Expenses**

| <b>Expenses:</b> | <b>HD</b>       | <b>MD</b>      | <b>TRAD</b>     |
|------------------|-----------------|----------------|-----------------|
| Lodging          | \$39.64         | \$27.81        | \$38.21         |
| Food             | \$23.65         | \$12.41        | \$21.55         |
| Transportation   | \$7.61          | \$8.96         | \$16.01         |
| Entertainment    | \$19.02         | \$8.57         | \$17.41         |
| Shopping         | \$24.27         | \$17.91        | \$19.26         |
| <b>TOTAL:</b>    | <b>\$114.19</b> | <b>\$75.66</b> | <b>\$112.44</b> |

### CONCLUSIONS

The results allow one to draw some conclusions, however provisional they may be. Inferences drawn from the overwhelming number of repeat visitors shown in Table 1 certainly appear to suggest that the target audiences to whom these focused events are aimed are generally pleased with what has been provided. Although it is not reported in the tables provided, the average length of stay of each group exceeds 3.7 days. It is also possible to infer from the data that because of the lower per capita spending reported by the Memorial Day group of bikers, this important holiday weekend might be better targeted toward a different group from a purely economic standpoint. Although not reported in the tables, the Memorial Day group reported the lowest average household income of the three: \$48,579 versus \$72,441 for the Harley-Davidson group and \$68,298 for the traditional group.

Because the timing of the Memorial Day event has become such a tradition, it would obviously be challenging to find some acceptable way to change it. Failing that, the Grand Strand area needs to continue to address ways whereby all groups will be able to coexist comfortably. As mentioned, safety (though always a concern) has not been a significant issue in years past. Some increased efforts by the area police forces have been evident, which has been met with very mixed results in terms of public perceptions. As might be expected, year-round residents are generally happier with increased patrolling, etc. than are some of the event participants. A concern expressed by some in this regard is that this increased presence might actually lead to confrontations which might not have happened otherwise. Obviously, this is a balancing act which must be always be addressed each year, although it is likely that all groups may never be satisfied simultaneously.

Finally, one cannot ignore the fact that any changes proposed for the Memorial Day event could be construed as somehow being racially-based. Obviously, this is a concern that city and event planners must take very seriously. In an area that tends to attract as large a proportion of Caucasian visitors year after year, any attempts to curtail the one event that is most successful in bringing a large number of African Americans to the area could easily be interpreted as racist. Because of the strong potential implications of such a conclusion, and the long-term effects such a direction could have on the area, this would not be recommended in the short term.

The latter points seem especially critical in the aftermath of two rather controversial events. First, although this is no longer a “hot” issue, the flying of the Confederate flag from the South Carolina Statehouse resulted in an Anti-Tourism campaign sponsored by the NAACP against the State. (“South Carolina leaders Try to Gauge Impact of NAACP Anti-Tourism Campaign”, 2002) Although obviously not related to the biker festival or even the Grand Strand specifically, the second issue is far closer to home. In essence, two lawsuits have been filed recently by the NAACP and twenty-five individuals which allege widespread discrimination during 2003's bike festival by twenty-eight Myrtle Beach restaurants, a hotel, and the city, county, and the police. (“NAACP and 25 African Americans...”, 2003) Briefly, two of the most significant allegations in these suits are that area restaurants (including some National chains) close during the festival, and one hotel “changed its rules and prices to discourage guests” during the Memorial Day event. (Dart, 2003) The lawsuits further suggest that these same establishments remain open and encourage the patronage of bikers during the Harley-Davidson festival. While no resolution of these lawsuits has taken place as of this writing, it seems both prudent and obvious that any changes to the Grand Strand's Memorial Day bike festival should be discussed at length with the area's African American leaders.

Clearly, local event planners face many challenges. The Grand Strand area has experienced a lengthening of tourism activity in recent years, with a fairly steady influx of so-called “snowbirds” into the area during the off-season; i.e., Labor Day through Easter. Not that many years ago, the area was characterized by a very definite in-season and off-season. Indeed, there were several restaurants and tourism-related venues which either closed or significantly scaled back their operations during that time. This is no longer the case, and it has become much more a year-round tourist destination. One might argue that this development ameliorates any negative fall-off of tourist expenditures during these two focused events. Regardless, this issue is not a trivial one and it will continue to be studied, especially in light of the recent lawsuits discussed above. No plans have been announced which signal any changes, either minor or significant. This particular exploratory study will be continued in an attempt to gauge any changes in the perceptions of all three classes of respondents. The strength of the Fall Harley-Davidson event mentioned earlier is still too new to predict any impact, but when and if it becomes a regular event, it is expected that those attendees will be surveyed then as well.

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