Interview with Max Stone

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ABSTRACT

Max Stone is convention center director in Myrtle Beach, South Carolina. This interview provides perspective about the importance of community support in relation to a convention center as well as the importance of marketing the uniqueness of an area in attracting conventions and business to an area.

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QUESTION I: What is the basic nature of the convention center in Myrtle Beach?

ANSWER: Myrtle Beach has developed into a regional conference center for Virginia, North Carolina and South Carolina.

QUESTION II: What is the major problem inhibiting the development of the convention center from the regional to the national market?

ANSWER: The primary problem is transportation to the Myrtle Beach area as well as transportation within the community. The Myrtle Beach area is unique (different) in that it has the third largest room capacity in the country behind Hawaii and Las Vegas. (Uniqueness in this issue is defined as those characteristics that set the agency apart from other institutions and give it a more competitive edge. It is the difference between competitors such as gambling in Atlantic City.) It also has the associated services of restaurants, recreational areas, etc. This is a major tourist area that spans about 40 miles along the coast of South Carolina. It is an area that has developed as a family vacation resort. The popularity of Myrtle Beach is primarily a result of quality services being provided and these quality services spreading by word of mouth to other families in the Middle Atlantic and Northern states.

QUESTION III: What has been the basic nature of the convention center in an area that already has a tourist atmosphere?

ANSWER: The primary role of the convention center has been to extend the season and to utilize the resources in the community to expand the volume of business. This has also been a problem in the development of the convention center because many of those in the hospitality industry in the area do not realize the number of dollars associated with the
convention center and the amount of business that it can generate. The individuals within the community have not had to advertise or depend on their marketing skills and they are not aware of the importance of this function, especially in the convention center business.

QUESTION IV: What is the role of the convention center in relation to the professionals in the hospitality industry in the Myrtle Beach area?

ANSWER: Those who are a part of the larger chains are already aware of the use of marketing techniques to sell the business and the importance of this concept to success. It is the purpose of the convention center to be able to show the importance of the marketing process and teach them this skill, especially in the smaller family owned type business.

QUESTION V: What has been the basic evolutionary nature of the development of the convention center in your community?

ANSWER: It started as an auditorium and community center to enrich the entertainment and cultural aspects of the community. The second stage was the development of convention services to add business to the community. This has been the basic development of most of the communities throughout the country; first a community service and then convention services.

QUESTION VI: In terms of the fiscal operation of the convention center, what is the balance sheet in terms of community revenue?

ANSWER: The convention center in most communities is not a money making proposition. It usually makes its money on the basis of selling tickets and entertainment items to the community but the primary nature in terms of a meeting center for the convention is usually not a factor. In fact, when charges are made for the conference space it is a detrimental factor because many of the larger convention facilities offer their facilities free. The direct and indirect benefit to the community is the dollar flowing from the conventioners. If an operation can break even on the basis of its entertainment and cultural sales to the community, with the convention only supplementing this kind of business, it can be a profit making operation in itself.

QUESTION VII: How should the convention center be funded?

ANSWER: Many places have room taxes to support the convention center because it is not only a question of breaking even but being able to submit bids on a competitive basis to attract conventions. Many times a convention center is sold on the idea that it is self-sustaining and problems develop within communities when costs of operation are realized. Little thought is given to how to use the facilities on a 365 day basis to keep it filled and make it a money making proposition. This is where many attitudinal problems come within a community. It is very difficult to justify the facilities on the basis of revenue generation. It has to be based upon the amount of business that it will bring in relation to
indirect services such as food, lodging, and entertainment, and the associated business generated from the multiplier effect. A good feasibility study is the first step in coming to grips with the financial aspect of selling a convention center to a community.

**QUESTION VIII:** Do people first come to a convention and then take their vacations at the beach or do they come to the beach first and then want to come to a convention?

**ANSWER:** People usually come first on vacation and like the area so well that they tell their friends about the potential of holding conventions in our facility.

**QUESTION IX:** What has been the primary attraction to development of the business in this manner?

**ANSWER:** The primary uniqueness has been that the beach area has been marketed and developed as a family oriented experience. This family atmosphere allows the conventionneer to bring his/her family with him/her and to make an extended vacation out of the business meeting. This family atmosphere is the primary attractive feature of the community and we see this as the link to future development of Myrtle Beach into a primary convention area. This is the element that is going to allow us to compete in the national market because we are a destination site and even if a conventionneers comes to town we are trying to attract him to stay over with his family for additional days as a tourist. In fact, there has been much concern among the hospitality professionals within the community that if certain types of conventions are attracted they will destroy the family oriented atmosphere that has been the bread and butter of Myrtle Beach growing into one of the major resort areas. The basic character of Myrtle Beach has been small ownership and the development of very close relationships between owners and families. This type of relationship has made for increased return business because of the friendly atmosphere. Myrtle Beach, when it moves into a national market, is interested in selective bidding.

**QUESTION X:** What is the future of Myrtle Beach in terms of development?

**ANSWER:** One of the major trends along the beach is the building of condominiums and permanent home sites. Much of the room space is being lost to permanent residents. This in the future may have a major impact upon development of the nature and character of Myrtle Beach. It may become more of a permanent residential community and less of the vacation destination spot. Those that have been attracted here on the basis of vacation are interested in making a permanent investment and a long term commitment to the area.