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# Understanding Macao Casino Gambling Behaviors of Chinese Subcultures

Penny Wan  
Institute for Tourism Studies, Macao

Samuel Seongseop Kim  
School of Hotel & Tourism Management  
Hong Kong Polytechnic University, Hong Kong

Statia Elliot  
School of Hospitality and Tourism Management  
University of Guelph, Canada

# Agenda

1. Research background and questions
2. Literature review
3. Methodology
4. Findings
5. Implications and conclusion

# Research Background & Questions

## Cross-cultural studies

- Studies of the relationship between culture and tourist behavior became popular in the late 1990s
- Focuses are more on how tourists from different national cultures behave differently.

## Intra-cultural studies

- Since the year 2000, tourism literature has documented that variations in behavior exist amongst different sub-groups within the same culture, reflecting differences in socioeconomic, educational, ideological, and political backgrounds.

# Core Values of Galaxy Resort



## Research Background & Questions

- Intra-cultural behavioral research, under the umbrella of “cross-culture” studies, remains under-researched (Kim, Prideaux, and Kim 2002).
- Research on the intra-cultural variances of Chinese tourists, and especially their gaming behavior, are scarce.
- An understanding of the sub-cultural differences among the Chinese gamblers helps to explain the behavior of customers, design efficient marketing strategies, and meet the needs of unique cultural groups.

## Research Background & Questions

Aim: Variance of behaviors amongst the Chinese gamblers in Macao

Year	Mainland China	Hong Kong	Taiwan	Total tourist numbers
2002	4,240,446 (36.8%)	5,101,437 (44.2%)	1,532,929 (13.3%)	11,530,841
2003	5,742,036 (48.3%)	4,623,162 (38.9%)	1,022,830 (8.6%)	11,887,876
2004	9,529,739 (57%)	5,051,059 (30.3%)	1,286,949 (7.7%)	16,672,556
2005	10,462,787 (55.9%)	5,611,131 (30%)	1,482,287 (7.9%)	18,711,187
2006	11,985,655 (54.5%)	6,935,554 (31.5%)	1,437,752 (6.5%)	21,998,122
2007	14,866,391 (55.1%)	8,174,064 (30.3%)	1,444,082 (5.3%)	26,992,995
2008	11,613,200 (50.6%)	7,016,500 (30.6%)	1,315,900 (5.7%)	22,933,200
2009	10,989,533 (50.5%)	6,727,822 (30.9%)	1,292,551 (5.9%)	21,752,751
2010	13,229,058 (53.0%)	7,466,139 (29.9%)	1,292,734 (5.2%)	24,965,411
2011	16,162,747 (57.7%)	7,582,923 (27%)	1,215,162 (4.3%)	28,002,279

## Literature Review

- Culture : “the collective programming of the mind which distinguishes the members of one human group from another” (Hofstede 1984, p.21).
- Hofstede’s cultural value typology illustrates that national cultures mainly differ along five dimensions: (1) power distance; (2) individualism/collectivism; (3) masculinity/femininity; (4) uncertainty avoidance; and finally, (5) long-term/short term orientation.
- Researches show that Asian countries demonstrate collectivistic traits, role compliance and conformity to the group and scored higher in uncertainty avoidance than many Western countries.

## Literature Review

- Intra-cultural heterogeneity was first reported by the anthropologist J.O. Dorsey in 1884 (Pelto & Pelto 1975).
- It represents the population distribution and characteristic within a culture and describes how characteristics vary among a particular population (Au, 1997).
- Studies on intra-cultural variances in behaviour:
  - In searching for travel information on Macao, Hong Kong travelers rely more on Macao acquaintances than do travelers from Beijing, Taiwan and Shanghai (McCartney 2008).



## Literature Review

- In casino, Mainland Chinese gamblers like to socialize with other customers sitting at the same table game, and prefer table games to slots, than customers from Hong Kong, Taiwan and Macao (Li and wan, 2011).
- More Hong Kong gamblers prefer non-smoking gaming hall than other Chinese sub-groups (Li and Wan, 2011).

# Methodology

- This study examines the perceptions of casino employees toward Chinese gamblers' behaviors.
- Quantitative structured surveys were conducted .
- Scale development:
  - (1) literature review
  - (2) expert interview
  - (3) statistical testing of scale properties check validity and reliability of the scales
- As a result, 28 items indicating customer behavior was developed.

# Methodology

1. Tend to challenge new game
2. Tend to ask for explanation of a game
3. Tend to play a game alone
4. Tend to like observing others playing
5. Tend to sit at a table where no game is being played
6. Tend to create disruptive behavior in the casino hall
7. Tend to gather together in a group and go around in the casino hall
8. Tend to follow a dealer's guidance
9. Tend to take one's time when betting
10. Tend to show variation in amounts bet

# Methodology

11. Tend to complain frequently to the dealer
12. Tend to hold chips in his/her hands or pockets
13. Tend to leave chips on the table when temporarily leaving the table
14. Tend to stay at a table for a long time
15. Tend to request a promotional gift when purchasing more than US \$125.00 worth of chips
16. Tend to present precounted and arranged money at the exchange desk (e.g., packs of bills)
17. Tend to exchange money for chips only once
18. Tend to check exchanged money more than once
19. Tend to confirm the number of chips that a dealer pays
20. Tend to tip the dealer when he/she wins a large amount of money

## Methodology

21. Tend to leave some change (tip) when they leave the game table
22. Tend to tip the waitress who serves them a drink
23. Tend to purchase their own drinks
24. Tend to like soft drinks
25. Tend to like alcoholic drinks
26. The surrounding of his/her seat tends to be untidy
27. Tend to have a cigarette unextinguished in the ashtray on the game table
28. Tend to smoke heavily (thus employees should change the ashtray frequently)

# Methodology

- Structured surveys were administered through face-to-face interviews with casino workers in May of 2010.
- Eligible criteria: (1) dealer/ pit supervisor/pit manager.  
(2) worked on a casino floor in Macau for more than one year.
- 5-point Likert-type scales [strongly disagree (1), neutral (3), strongly agree (5)].
- 20 students who were majoring Hospitality management at University of Macau assisted overall data collection.
- We stationed near the staff entrances of the 33 casinos and asked to invite approximately 10 employees who worked on the table floor from each casino to participate in an interview, using convenience sampling.
- 877 qualified casino workers were invited to participate in the survey, 323 agreed to participate, and a 302 questionnaires were used for data analysis (34.4% response rate).

# Methodology

## Data analysis

- (1) Descriptive statistics: to analysis the socio-demographic.
- (2) Factor analysis: to identify the underlying dimensions on items indicating behaviors of casino guests by cultural background. In addition, reliability alpha for all items was computed to identify the internal consistency among the items.
- (3) General Linear Model (GLM): to assess the significance of mean differences for each domain among the three different cultural groups.

# Findings

## Demographic profile

- Most of the respondents were Chinese (81.3%).
- Their job title were casino dealers (30.5%), pit supervisors (26.8%), shift managers (25.5%) and pit managers (17.2%).
- Males (65%), and 56% of them were in an age bracket of 25 to 44.
- Education levels: senior secondary school graduates (25.8%) and college graduates or higher (34.1%).



Behavior	HK	MC	T
Tend to challenge new game	3.45	2.89	3.07
Tend to ask for explanation of a game	3.44	3.65	3.30
Tend to play a game alone	3.13	2.98	3.28
Tend to like observing others playing	2.86	2.34	2.98
Tend to sit at a table where no game is being played	3.32	3.11	3.27
Tend to create disruptive behavior in the casino hall	2.65	3.66	3.00
Tend to gather together in a group and go around in the casino hall	2.91	2.07	2.93
Tend to follow a dealer's guidance	2.81	3.06	2.99
Tend to take one's time when betting	3.69	3.10	3.37
Tend to show variation in amounts bet	3.05	3.06	2.98
Tend to complain frequently to the dealer	3.71	3.24	3.11
Tend to hold chips in his/her hands or pockets	3.20	3.34	3.22
Tend to leave chips on the table when temporarily leaving the table	2.78	3.19	2.92
Tend to stay at a table for a long time	3.10	3.44	3.35
Tend to request a promotional gift when purchasing more than US \$125.00 worth of chips	3.33	2.73	2.80
Tend to present precounted and arranged money at the exchange desk (e.g., packs of bills)	2.79	3.21	3.00
Tend to exchange money for chips only once	2.86	3.04	2.95
Tend to check exchanged money more than once	3.31	3.26	3.17
Tend to confirm the number of chips that a dealer pays	3.72	3.22	3.33
Tend to tip the dealer when he/she wins a large amount of money	3.04	2.94	3.11
Tend to leave some change (tip) when they leave the game table	2.61	2.46	2.67
Tend to tip the waitress who serves them a drink	2.70	2.41	2.83
Tend to purchase their own drinks	2.32	2.17	.33
Tend to like soft drinks	3.73	3.57	3.56
Tend to like alcoholic drinks	2.79	2.80	2.90
The surrounding of his/her seat tends to be untidy	2.45	3.64	2.85
Tend to have a cigarette unextinguished in the ashtray on the game table	3.01	3.97	3.29
Tend to smoke heavily	3.38	4.45	3.67

# Conclusion & Implications

## Hong Kong gamblers

- The “focused gamblers”.
- They showed higher tendencies to try new games, take one’s time when betting, confirm a the chips that dealers pay, ask for promotional gifts, complain to the dealer, prefer soft drinks and prefer tidy surroundings compared to the other sub-groups.
- Providing special sessions for Hong Kong customers to enhance their understanding of new game rules.
- Staffs should be equipped with very good product knowledge to explain the rules of games, give clear instructions, and more importantly closely follow the rules of games.
- Promotional gifts can be an effective marketing tool to attract these customers.
- Staff should pay efforts to identify if there are any problem gamblers and to provide them immediate assistances.

# Conclusion & Implications

## Mainland Chinese gamblers

- The “sociable gamblers” - not to sit at a table where no game is being played, and not to play the game alone.
- Less likely to challenge new game, unless rules are clearly explained.
- Casino employees should be trained to act more proactively in promoting and introducing casino games to these customers (i.e. slot areas).
- They are perceived as the most disruptive, the most likely to smoke heavily and hold chips on hands, and to leave casino surroundings untidy than their counterparts.
- Suggest to improve the rules and guidelines in casinos to clarify procedures for customers. Reminder notes or signs could be put in visible places inside the casino halls to request cooperation in maintaining order. These messages could also be printed on soft drink mugs or ashtrays.

# Conclusion & Implications

## Mainland Chinese gamblers

- Cleaning staffs should always stand by to provide fast cleaning service to avoid other customer groups (i.e Hong Kong) felt dissatisfied.
- The effects of second-hand-smoke to others might be minimized after the implementation of smoke ban early 2013.
- Easy to carry bags or containers could be offered to the customers for holding their chips as a gift.

# Conclusion & Implications

## Taiwanese gamblers

- The “Passive and game-focused gamblers” - passive participation in gambling such as playing games alone and sitting at tables where no games are being played.
- Their gambling behaviors lie between Mainland Chinese customers and Hong Kong customers for some measured items.
- Generous tippers
- Although they may not spend as much as other Chinese customer groups in the gaming halls, they are relatively easier to serve, create fewer troubles and tip more – an important incentive to casino service staff.
- The future strategy of casinos in Macao may consider implementing more focused marketing efforts to attract Taiwanese customers.

## Conclusion & Implications

### For the three groups of gamblers

- They tend to prefer soft drinks in casino halls (with the Hong Kong customer prefer the most).
- A wide selection of soft drinks and sufficient staff to serve the drinks in a proactive manner are implementable steps to enhancing the customer experience.

## Conclusion

- This study illustrates that variations in table game playing behavior exist amongst different sub-groups within the Chinese culture.
- Although Chinese are considered collective in nature and tend to avoid uncertainties, some sub-groups tend to exhibit more of these behaviors and cultures.
- Hong Kong customers are those who show the highest tendency of lodging complaints and have a higher tendency of disobedient behavior in terms of not following a dealer's guidance when compared with their counterparts..
- Taiwanese guests were reported to be more likely play a game alone
- Mainland Chinese tend to ask for an explanation of a game, and suggesting a higher tendency to avoid uncertainties amongst these customers.

## Conclusion

- The dangers of over-generalizing cultures (Kwek and Lee 2007) and the importance of avoiding what Oslund and Bird (2000) call “sophisticated stereotypes”.
- An understanding of subcultural differences is necessary to explain the behavior of customers, design efficient marketing strategies, and meet the needs of unique cultural groups.



## Limitations of this study

- It is based on self-reporting.
- Self-evaluating surveys could be carried out so that results can be compared.
- The gambling behaviors of VIP and mass market players are distinct.
- Each of the subcultures studied here can also be much more finely broken down into niche segments.