

Press Release

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PolyU Study Finds Important Differences Between Chinese Gamblers in Macao

Chinese casino customers in Macao display important subcultural differences across a range of behaviours. In a published research article, Dr Samuel Seongseop Kim of the School of Hotel and Tourism Management (SHTM) at The Hong Kong Polytechnic University and his co-authors discuss the observations of long-time casino staff members in Macao who described variation between gamblers from mainland China, Hong Kong and Taiwan. By understanding these differences and becoming familiar with the profiles of the three groups of gamblers, “the managers of Macao’s casinos can improve the quality of service offered to these guests”, argue the researchers.

Gaming has been integral to Macao’s economy since its early days as a Portuguese colony, the researchers note. Today it accounts for 50% of gross domestic product, 14% of total employment and 80% of government revenue. The gaming sector has grown enormously since the handover of sovereignty to China in 1999, now far outstripping even Las Vegas in terms of annual revenues.

Although the mainland is clearly an important source market, given that Macao is the only part of the country in which gambling is permitted, other Chinese cultures also provide significant numbers of gamblers to Macao. The researchers observe that although just over half of the gamblers in the city are from mainland China, a little over a quarter are from Hong Kong and around four per cent are from Taiwan. “Despite the many commonalities of Chinese subcultures”, they write, “it would be unrealistic to assume that any group comprising 1.6 billion people would have completely homogeneous attitudes or behaviour”.

Yet they also note that “dissimilarities among members of a group are often overlooked through oversimplifying or overgeneralising the overall culture”. Chinese are generally considered to have a firm grounding in Confucian teachings that emphasise norms, group obligations and harmony, solidarity and respect for authority, and they are usually thought to avoid uncertainty while being strongly collectivistic and displaying face-saving behaviour. The researchers wanted to determine whether mainland Chinese, Hong Kongers and Taiwanese, who “have lived through different pasts” and live within very different political systems, carry these similarities to or display behavioural differences on the gaming floor.

Having consulted senior casino staff and experts, the researchers conducted face-to-face interviews to survey more than 300 dealers and pit managers or supervisors from all 33 of Macao’s casinos. The staff members interviewed were predominantly Chinese in ethnicity (81.3%), with Portuguese (11.7%) and Malaysians (6%) the next two largest groups. Most were men aged over 25, and just over a third held university degrees. Most

had worked for casinos for three to six years, although nearly a quarter had tenures of six to eight years.

The staff members were asked about their perceptions of only those customers they felt certain came from a particular locale. The researchers note that although mainland Chinese, Hong Kongers and Taiwanese, “are similar in appearance”, the staff members were “able to recognise customers well because of their daily interactions and years of working in a casino”. Their responses allowed the researchers to categorise casino customers according to whether they participated passively and the extent to which they displayed untidy/disruptive, generous, complaining/active, game-focused, chip/money-holding and cautious behaviour.

The researchers found differences between the three groups in six of these seven areas. Only in terms of betting behaviour were the three groups similar, such as in the way they confirmed the number of chips that the dealer had paid. The remaining differences, the researchers write, confirm that “not all Chinese behave in the same way”.

For instance, the staff members perceived the mainland Chinese to be the least tidy and most disruptive of the three groups, whereas they perceived Hong Kongers more positively in both regards. However, there was widespread agreement that Hong Kong gamblers were the most likely to complain and ask for favours or promotional items, although they were also the most likely to follow the dealer’s guidance.

Hong Kongers reportedly enjoyed the challenge of new games, whereas mainland Chinese preferred to avoid novelty at the gaming table unless they received detailed explanations. Taiwanese customers were viewed as the most passive and most likely to play games alone. Finally, although none of the groups were “free with their cash”, Taiwanese customers were thought to be slightly better tippers.

These observations, write the researchers, highlight the dangers of overgeneralising cultures and importance of avoiding stereotypes. Yet there is also one worrying trend that suggests a particularly resistant stereotype at work among the staff members themselves. “We were concerned”, comment the researchers, “about what can only be called the staff’s negative perceptions of mainland Chinese, given that they are Macao’s casinos’ number one customer segment.” They suggest that cultural sensitivity training for staff and clearly posted guidelines and rules for customers could help to rectify the situation. After all, they state, given mainlanders’ clear desire “to be part of a group, it makes sense to set expectations for how to behave in a casino”.

Based on the intracultural differences they identified, the researchers developed distinct profiles of the three groups of Chinese gamblers that will be very useful to Macao’s casino operators. First, Hong Kongers can best be described as “focused gamblers” who enjoy playing new games, exhibit a peak-and-valley betting pattern, enjoy playing in tidy surroundings, and expect good service and will probably complain in its absence. The researchers recommend promotional offers and special new game training sessions for this group.

Mainland Chinese gamblers are “sociable”, suggest the researchers. They like “gathering together in groups, observing others play, playing a game together, and enjoying having a smoke together”. Although often suspicious of unfamiliar games,

slots in particular, they do enjoy them once provided an opportunity to learn the rules. Assigning more staff members to the slot and electronic table games area could help to overturn mainland Chinese patrons' overwhelming preference for traditional table games, the researchers suggest.

In contrast to the mainland Chinese profile, Taiwanese gamblers are "passive and game-focused gamblers" in the researchers' classification. They are the most likely to play alone and, although they spend less than the other two groups, are perceived as valuable customers because "they are relatively easier to serve, create less trouble, and tip more". The researchers recommend that casinos implement more focused marketing efforts to expand their share of this customer group.

Although they focused on particular subcultural groups of gamblers, the researchers suggest that their findings also have more general implications. They demonstrate that tourism marketers should "take into account not only a tourist's place of origin but also their socioeconomic, education, ideological and political background". Each culture, in short, has much difference inside it. Moving out from Macao onto the global stage, "an understanding of subcultural differences will help casino and hospitality operators generally understand their customers' behaviour, design efficient marketing strategies and meet the needs of distinct cultural groups". With greater understanding will always come an improved bottom line.

Wan, Penny Yim King, Kim, Samuel Seongseop and Elliot, Statia. (2013). Behavioral Differences in Gaming Patterns among Chinese Subcultures as Perceived by Macao Casino Staff. *Cornell Hospital Quarterly*, 54(4), 358-369.

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