

Executive Summary

Since the liberalization of casino gambling in Macau in 2002, competition has become very intense, casinos operators not only fight for customers, but also for resources. Based on the visitor arrivals report released by the Statistics & Census Service in October 2008, visitors from Mainland China accounted for 58.5% of the total; among them, 30.6% have visited Macau under the Individual Visit Scheme which is down by 25.9% compared to the same period of last year (DSEC, 2008). And according to Ozorio and Fong (2004), Mainland China tourists' prominent activity to Macau is actually to gamble. As such, it is very valuable to study Mainland Chinese gambling behavior, since in the first place, Mainland Chinese are the major customer of the casinos in Macau; and secondly, there have been a lot of gambling researches regarding the gambling behavior of the westerners (as discussed in later sections), however, there is inadequate information regarding that of the Mainland Chinese. And hereby, it is important to note that gaming is being considered same as gambling (Business Dictionary, 2009); as gaming is described as playing a game of chance for winning a sum of money whether or not other players are at risk of losing money. For gambling, it refers to betting that must result either in a gain or a loss. Since these two words have the same meaning, they are used interchangeably in this study.

In addition, this study tends to find out if the gambling behavior of the Mainland Chinese is different from the westerners, and a number of hypotheses related to gambling are being tested. The Mainland Chinese respondents are classified according to their gambling behavior; at the same time, two psychology related variables – illusion of control and superstitions are included in the framework, as psychologists and scholars (Joukhador,

Blaszczynski & Maccallum, 2004; Ozorio & Fong, 2004; Henslin, 1967) have considered erroneous beliefs to be influential factors related to gambling.

A quantitative study is carried out with a sample size of 445, among these respondents, 102 of them never gambled, which accounts for 22.9% of the total while gamblers accounts for 77.1%. The target samples are the Mainland Chinese tourists, who have gambled in Macau within a year to the date the survey is conducted. Data are collected through a face-to-face interview at some famous tourist spots in Macau and the questionnaire design is adapted from the survey instrument of Wood and Clapham (2005), which is known as the Drake Beliefs about Chance Inventory (DBC).

The findings of this study confirm that Mainland Chinese also gamble like the westerners do: (1) western males are found to be heavier gamblers than females and that they have different games of preference, which is also true for the Mainland Chinese; (2) Elder Mainland Chinese are found to place higher average stakes and have experienced more money lost than the other age groups; (3) income is the strongest predictor of gambling behaviors among all of the independent variables in the study, with a higher monthly income, the Mainland Chinese show a tendency of having heavier gambling behaviors – they gamble more frequently, their largest bets placed is higher than those who earn a lower income, with higher average stakes, gamble for a long period of time and have experienced more money lost; (4) for occupation, all of its hypotheses are not being supported, saying that different occupations have different gambling behavior; (5) illusion of control, superstitions and total belief scores (an aggregated score for illusion of control and superstitions scores) are only found to have a weak correlation with the Mainland Chinese gambling behavior.

This study has contributed to offer a further step to better understand the gambling behavior

of the Mainland Chinese, as there are only few research papers that are related to this topic. The findings of this study provide useful knowledge to both researchers and casino operators especially when the gaming operators are now experiencing headwinds from the visa restrictions on the Mainland tourists traveling to Macau, the capping of junket commissions at 1.25% and global growth slowdown that affect the gaming revenue (Choudhary & Chan, 2008).