

The Development of a Smoke-Free Casino Resort: Potential Impacts

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OF GAMING, HOSPITALITY & TOURISM

THE RICHARD STOCKTON COLLEGE OF NEW JERSEY

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The Development of a Smoke-Free Casino Resort: Potential Impacts

- In the summer of 2011, the Levenson Institute of Gaming, Hospitality and Tourism at The Richard Stockton College of NJ conducted a major study on the potential impacts of a 100% smoke-free policy on the casino resort. Revel has since opened its doors as the first smoke-free luxury casino resort in the world.

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The Development of a Smoke-Free Casino Resort: Potential Impacts

During this session, researchers will explore the data that assisted with this decision, 3,000 respondents to an extensive survey exploring the question of non-smoking facilities in a luxury casino resort environment.

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Industry Overview

- In the US, casinos and other gaming venues are growing as huge economic engine for local and state economies.
- Nationwide, casinos provide over one million jobs.
- Markets have different policies on smoking.
- In commercial-casino states, such as New Jersey, only four of 14 states outlaw smoking entirely.
- Eight of the 14 states have no smoking restrictions on the casino floors, including Nevada and Indiana
- Smoke Free Gaming States *



Two Schools of Thought

- If smoking is allowed within a casino, both employees and patrons are at risk. Secondhand smoke exposure from commercial tobacco is known to cause heart diseases, lung cancer and other breathing problems.
- A smoking ban can be bad for business: When Colorado and Illinois completely banned smoking in casinos in 2008, gaming revenue fell by double-digit percentages.



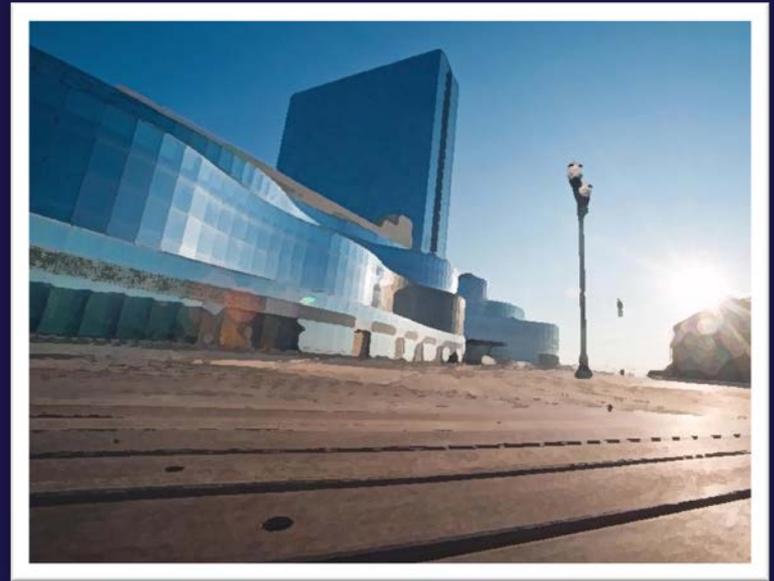
Broader perspectives

- The Centers for Disease Control and Prevention report that Smoke Free Policies do not hurt the Hospitality Industry (February 2012).
- The American Hotel and Lodging Association states there are 50,800 smoke free lodgings in the USA.
 - Hyatt Hotels has two smoke free brands;
 - Wyndham implemented a smoke free policy in 2008 in their North American Hotels.
- Smoke free restaurant ordinances do not harm restaurant sales according to a comprehensive study of the effect of legislation requiring smoke free restaurants.



Revel – Atlantic City

- 2.6 Billion dollar casino resort
- Emphasis on non-gaming amenities, particularly food, shopping and entertainment
- 1,898 rooms
- 47 stories
- 6.3 million square feet



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Impact of a Smoke Free Casino Resort



Revel is Atlantic City's only nonsmoking casino resort, particularly appealing to the 81 percent of American adults who do not smoke.

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Quote from Kevin DeSanctis prior to opening

“I do have concerns ... You have to be concerned about any decision you make when you’re going against ... conventional gaming wisdom. But a huge part of society has rejected smoking. We’re going after that same group of people.”

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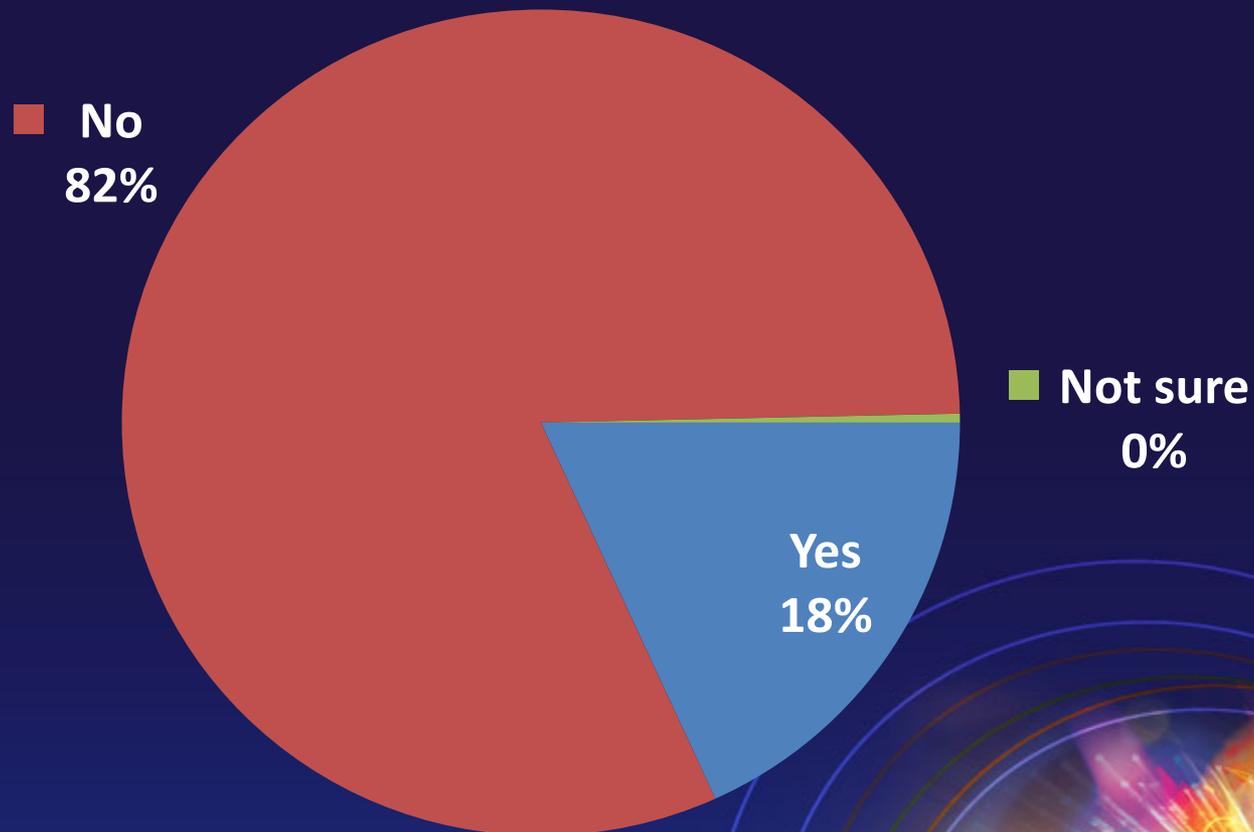


Methodology

- Zogby International was contracted to conduct an online survey of 3,056 adults in 9 DMAs between 8/5/11 and 8/10/11
- Zogby's online panel is representative of the adult population of the U.S.
- Margin of error is +/- 1.8 percentage points. Margins of error are higher in sub-groups.



Have you smoked any tobacco products within the last 7 days?

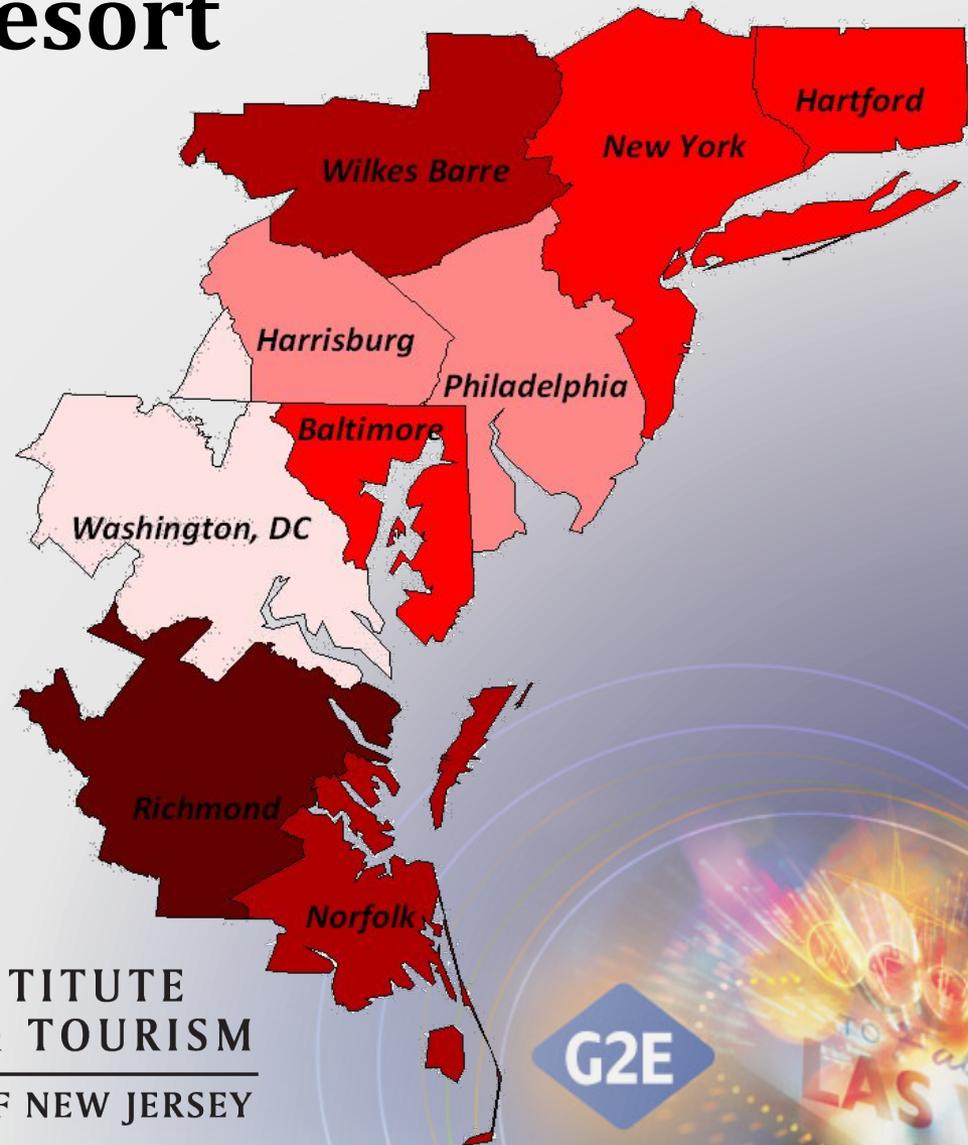
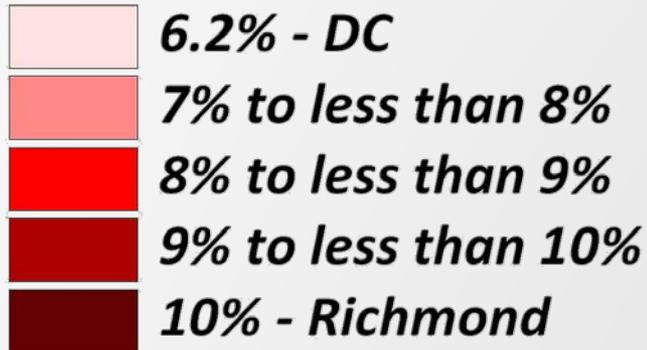


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Less Likely to Visit a Smoke Free Resort

% Less Likely to Visit (8%)



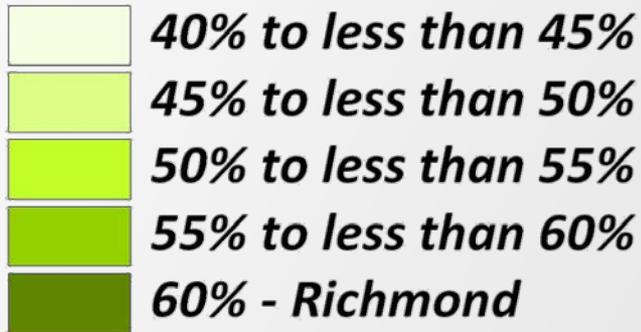
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G2E

TO CELEBRATE
LAS VEGAS
NEVADA

More Likely to Visit a Smoke Free Resort

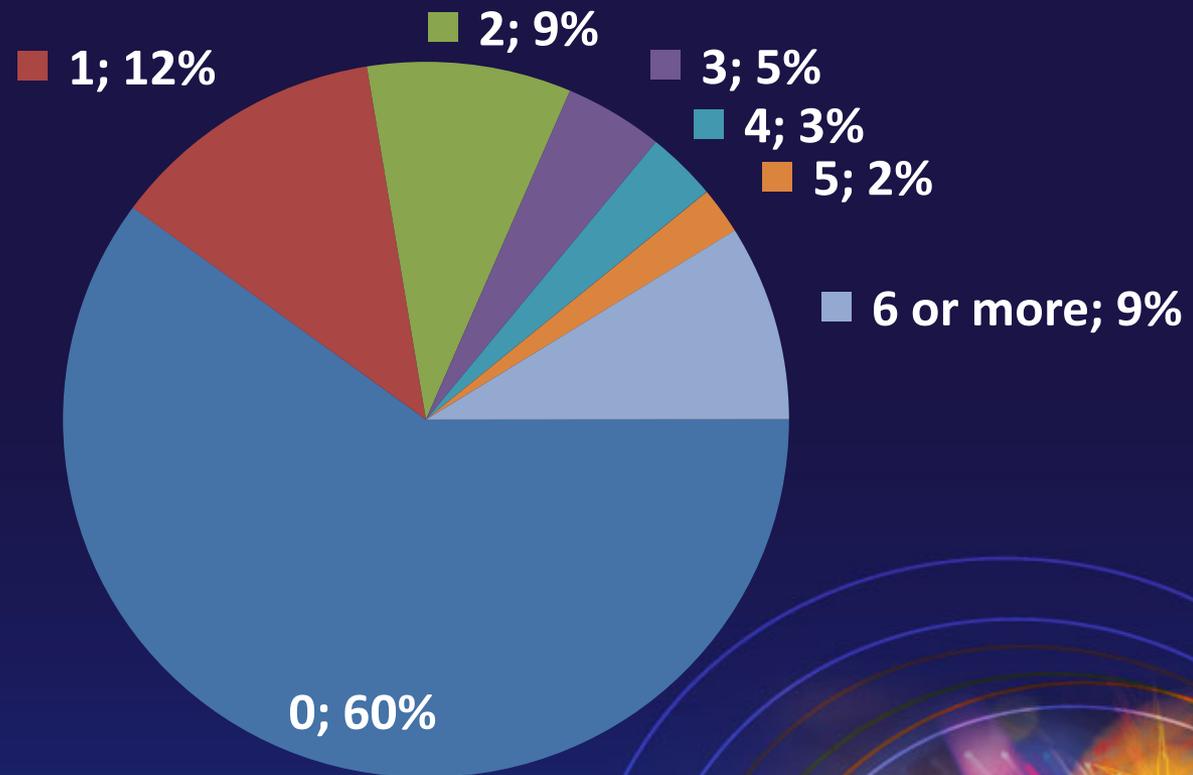
% More Likely to Visit (53%)



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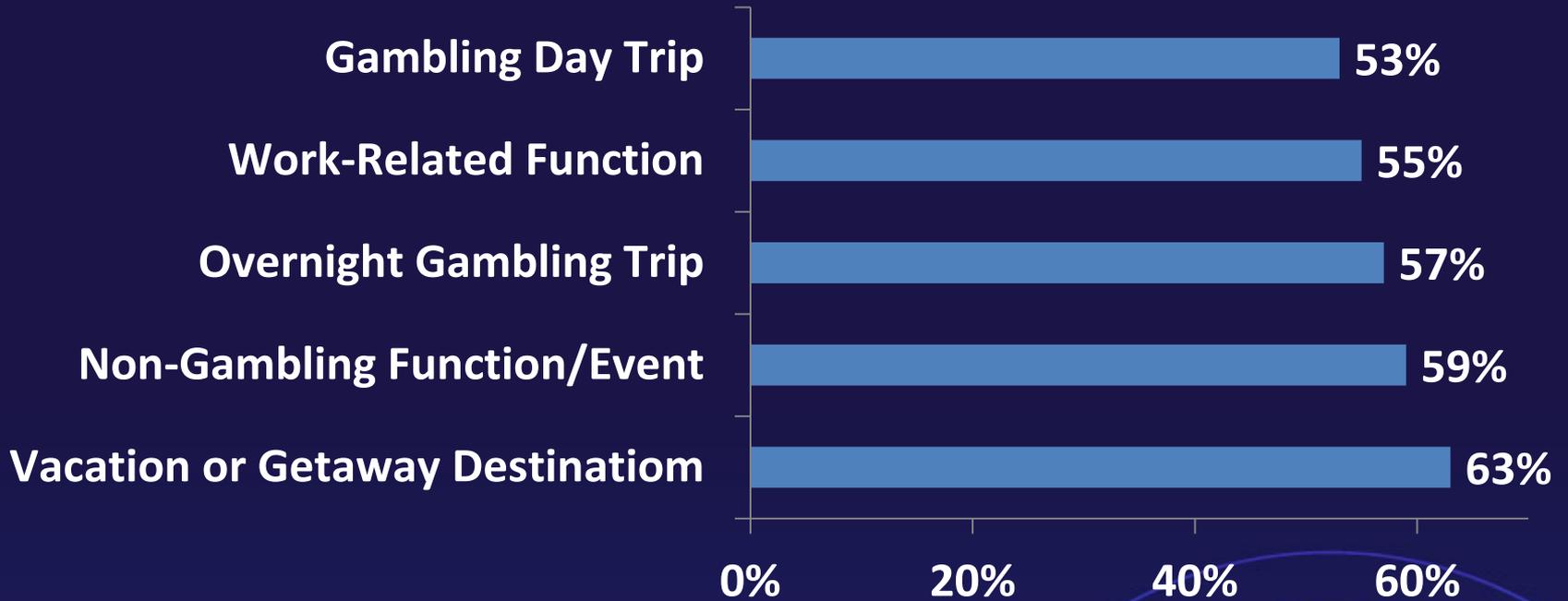
How often have you visited a casino in the last 12 months?



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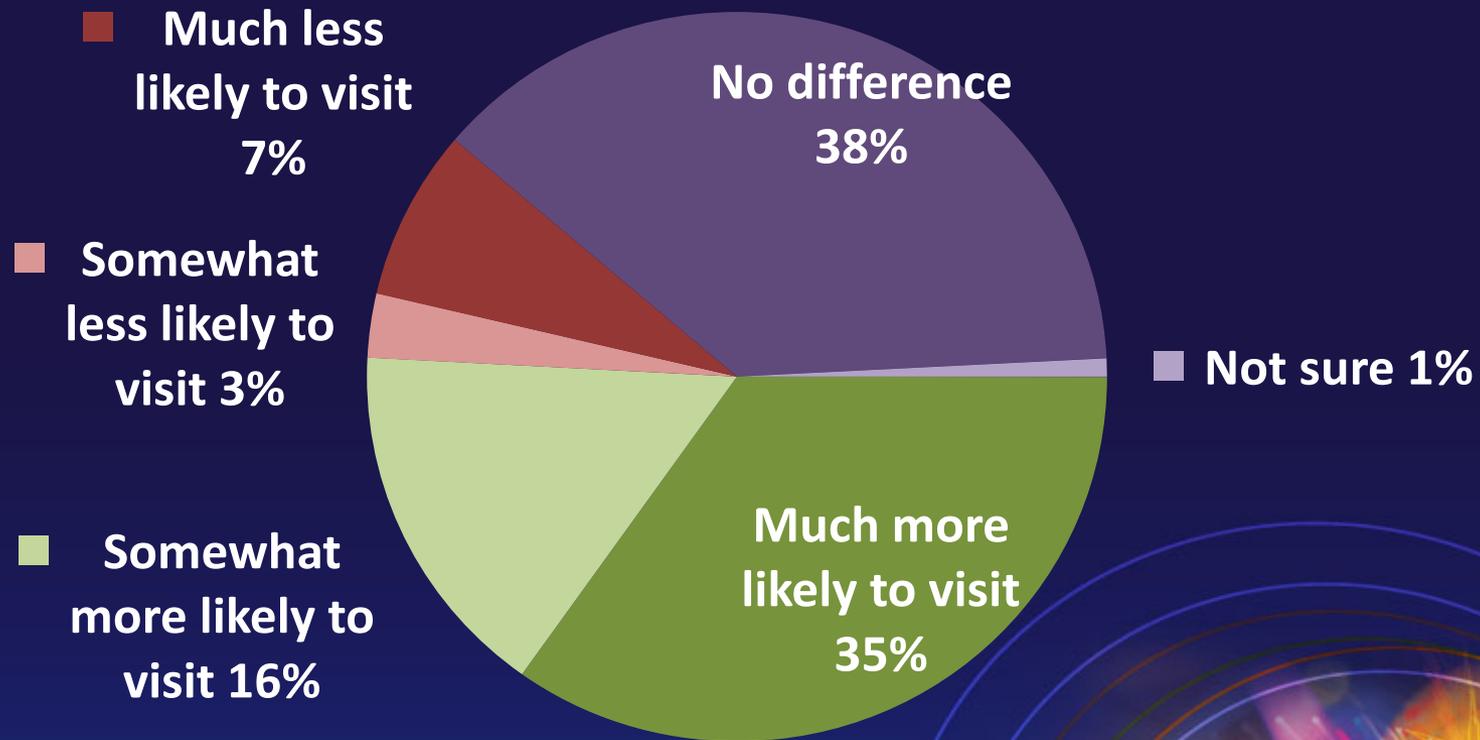
More Likely to Visit A Smoke-Free Resort (SFR) by Trip Purpose (Summary)



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How would smoke-free affect your decision to visit a luxury casino resort?

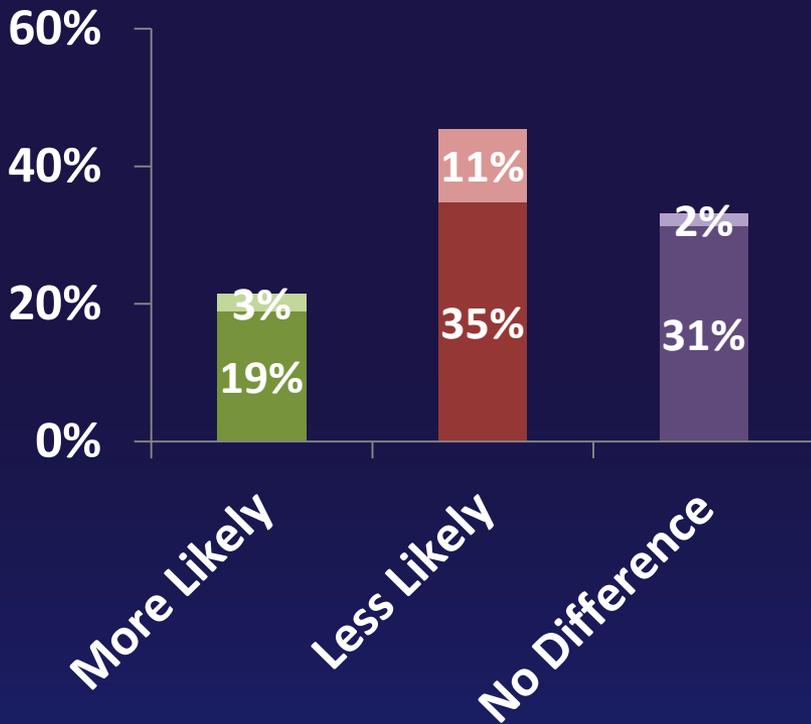


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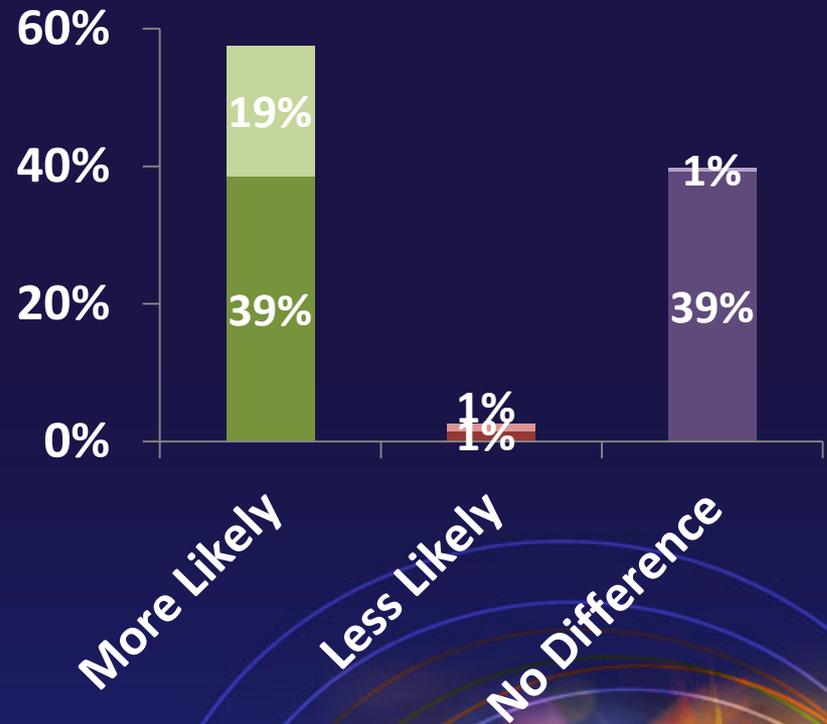


Smokers vs. Non-smokers

Smokers Intention to Visit SFR



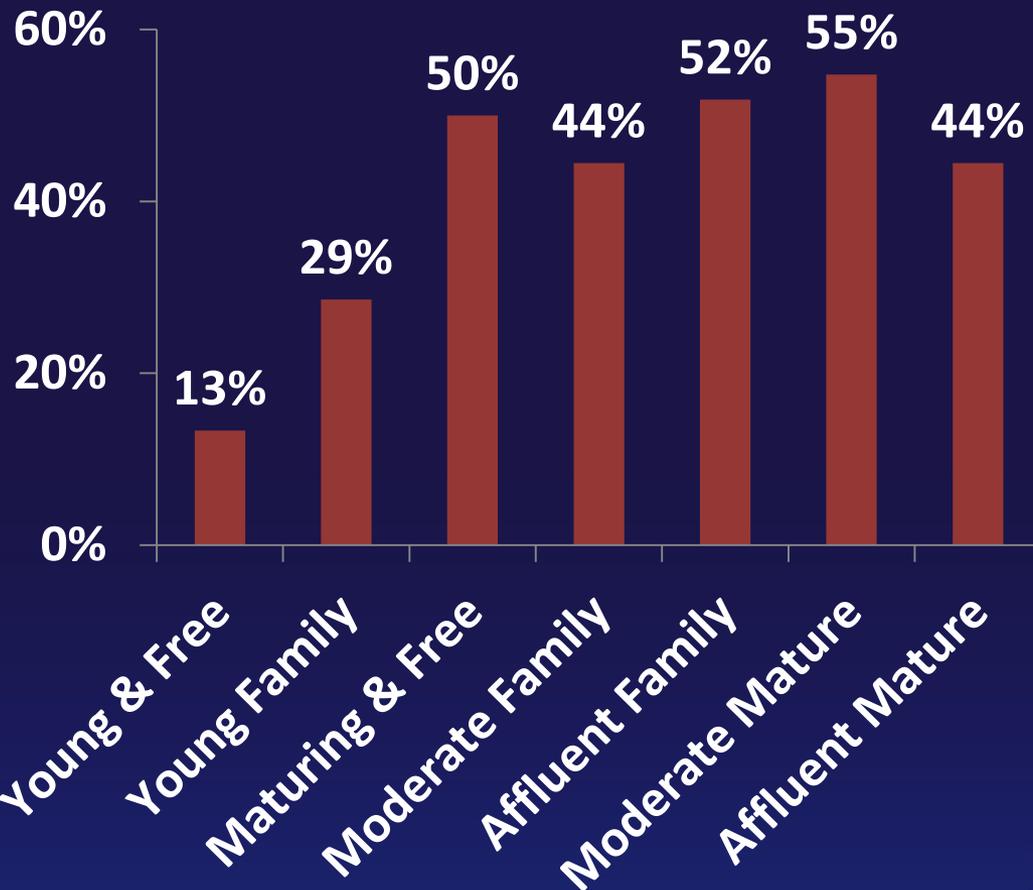
Non-smokers Intention to Visit SFR



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% of Smokers Less Likely to Visit by Lifestage



- Young Smokers (both Free and Family) appear less sensitive to NO Smoking Policy at an SFR
- Young smokers have adapted to a non-smoking culture



% of Smokers who are Less Likely to Visit a SFR by Time Spent Gambling



- Gamblers who played more than six hours/day are most concerned about a smoke free premises.
- As the length of time spent gambling decreases, smoke free is less of an issue.



Non-smokers

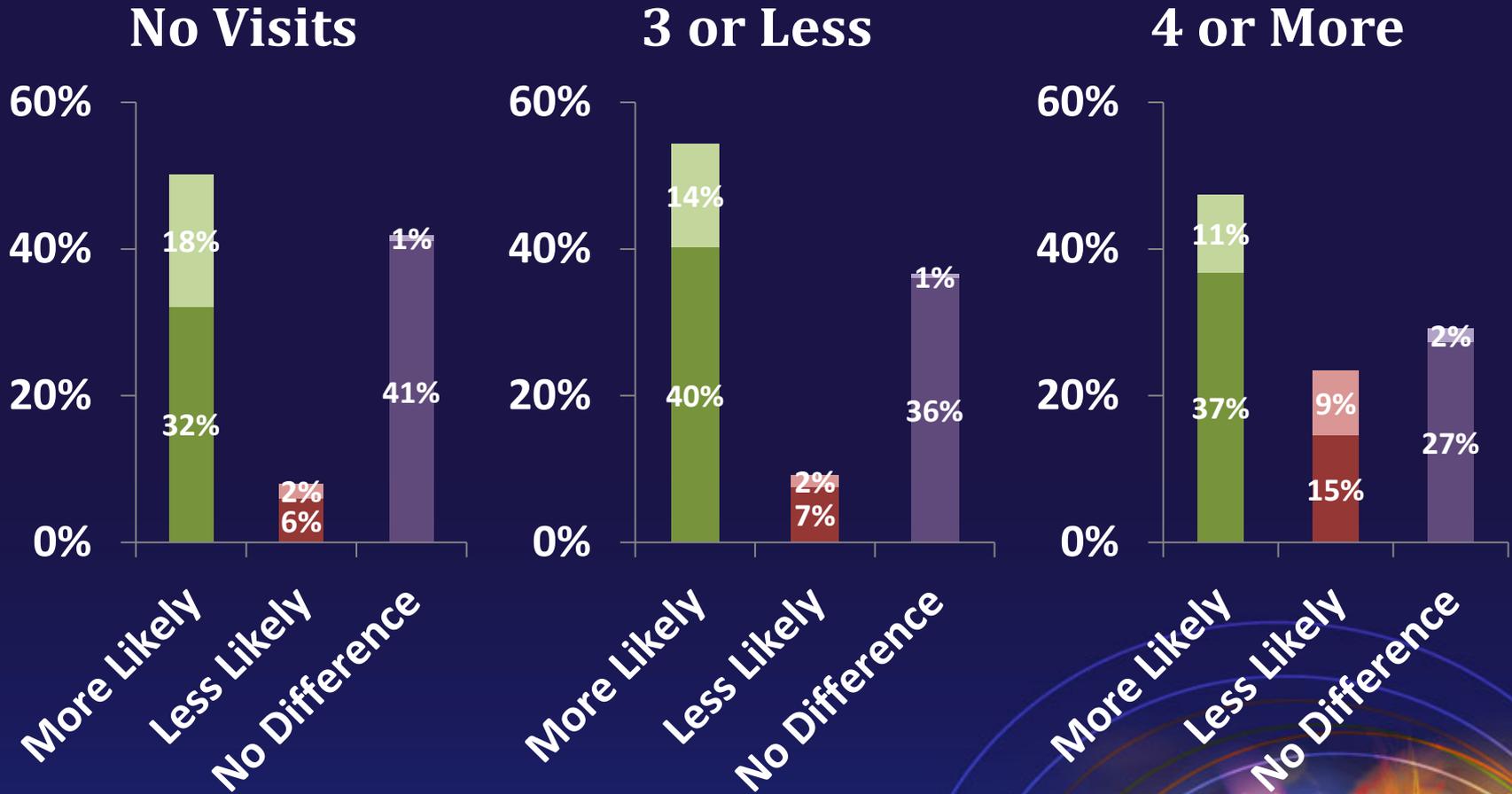
All non-smokers are attracted to a smoke free premises, regardless of age, income, frequency of visitation to Atlantic City or time spent gambling.

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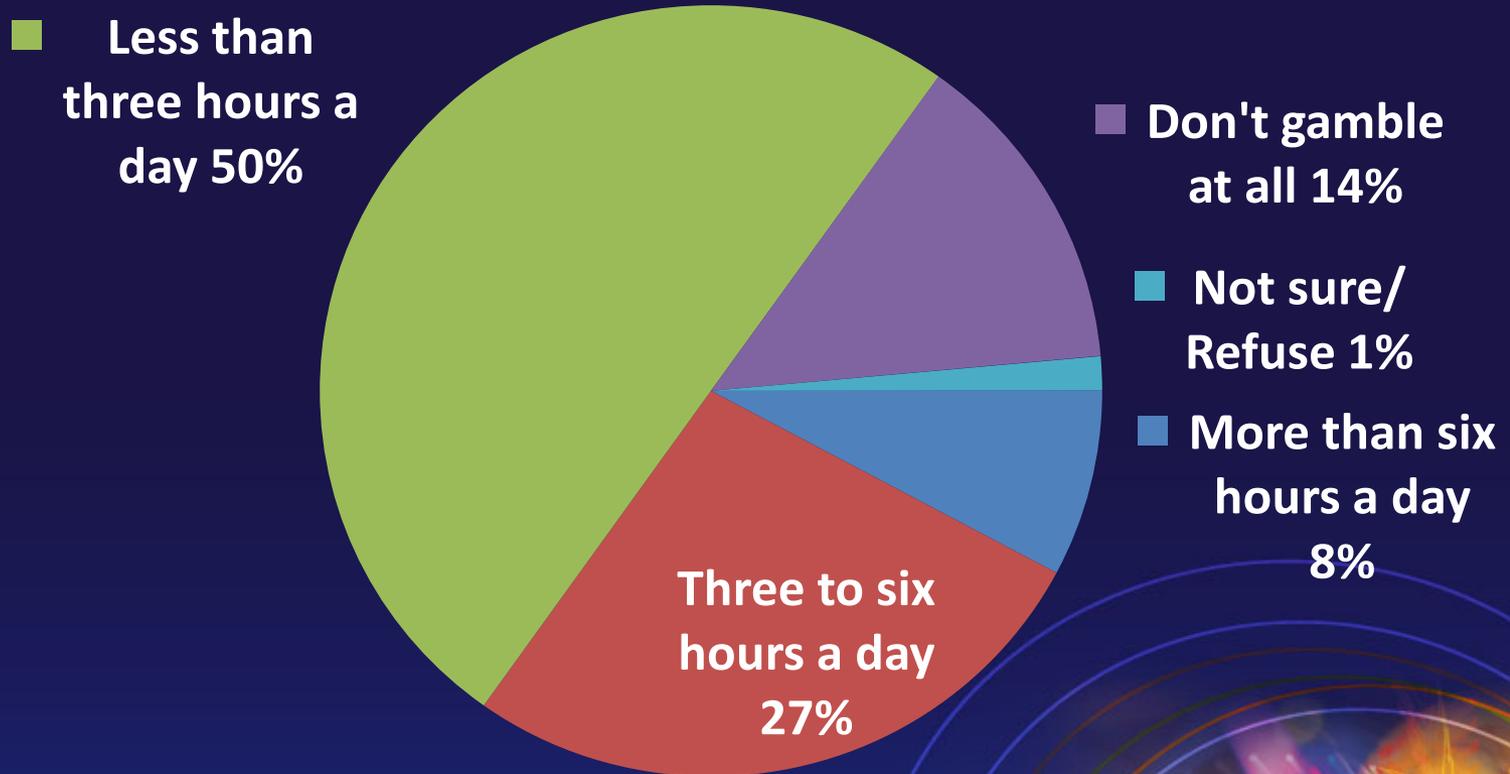
Number of Casino Visits



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On a typical trip, how much time do you spend gambling (if available)?



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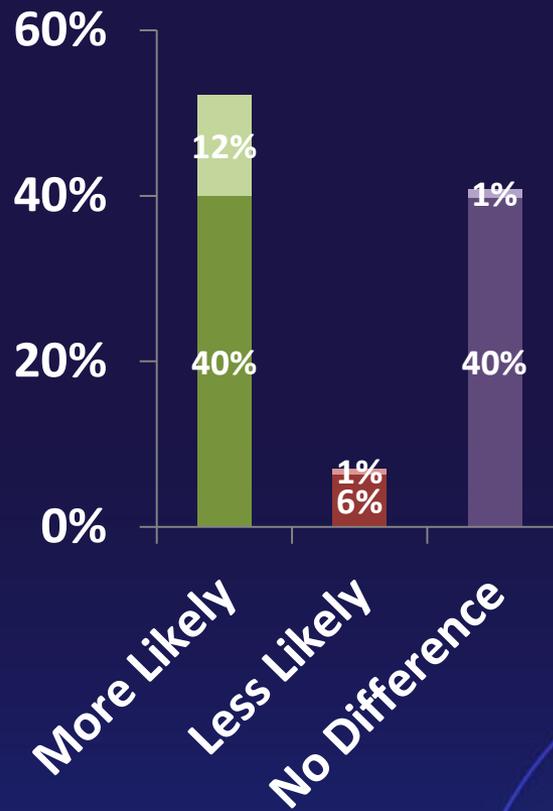


Likelihood to Visit an SFR By Time Spent Gambling

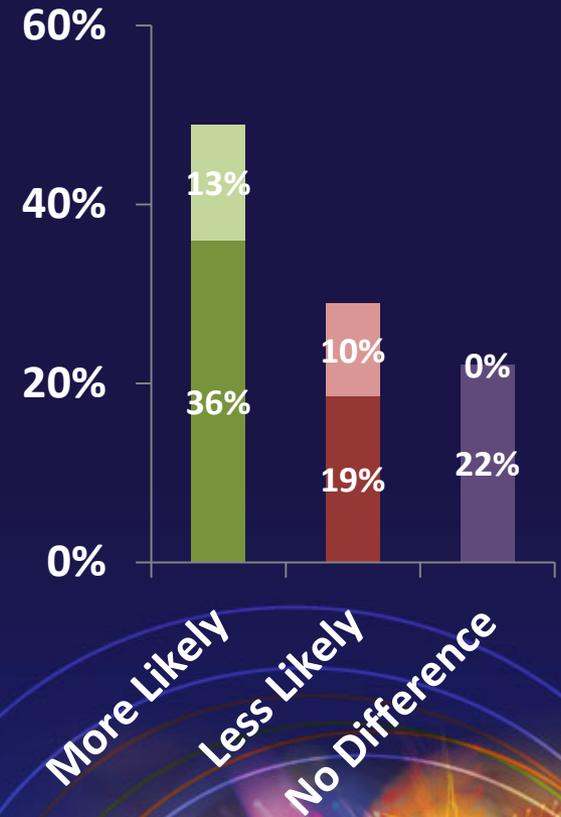
Doesn't Gamble



3 or Less Hours



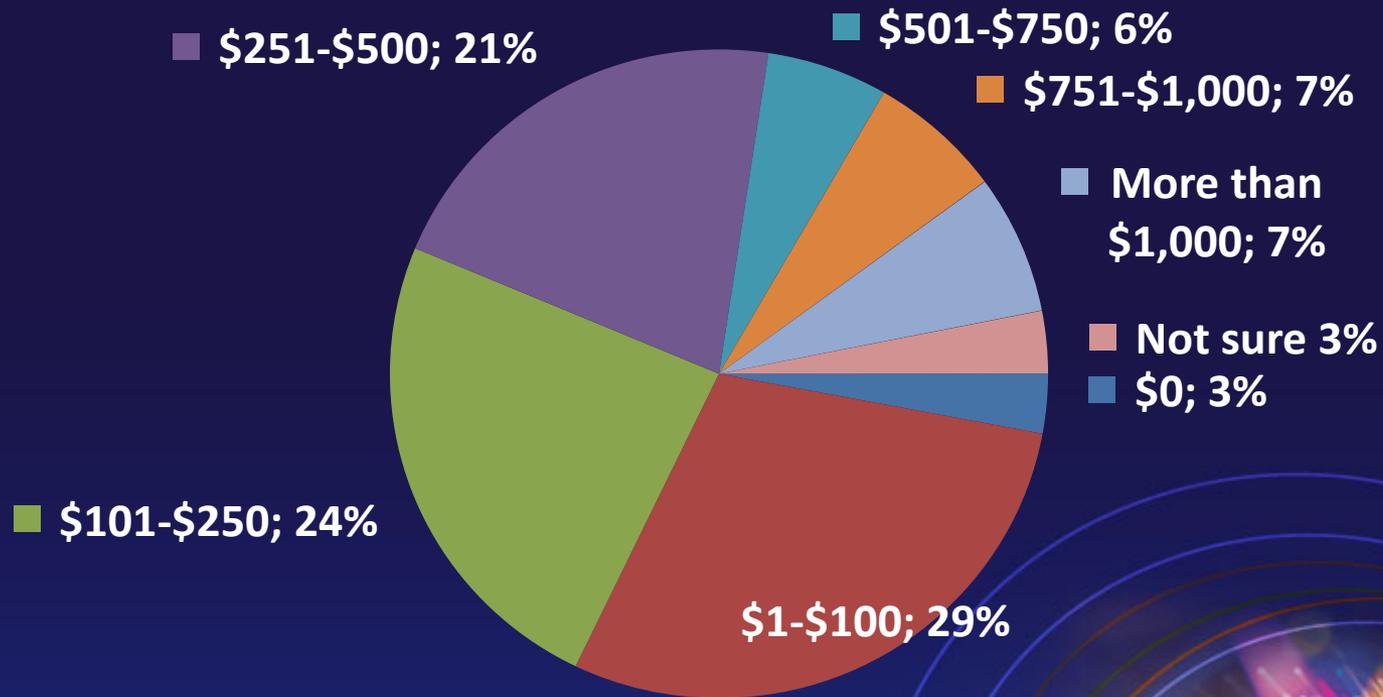
4 or More Hours



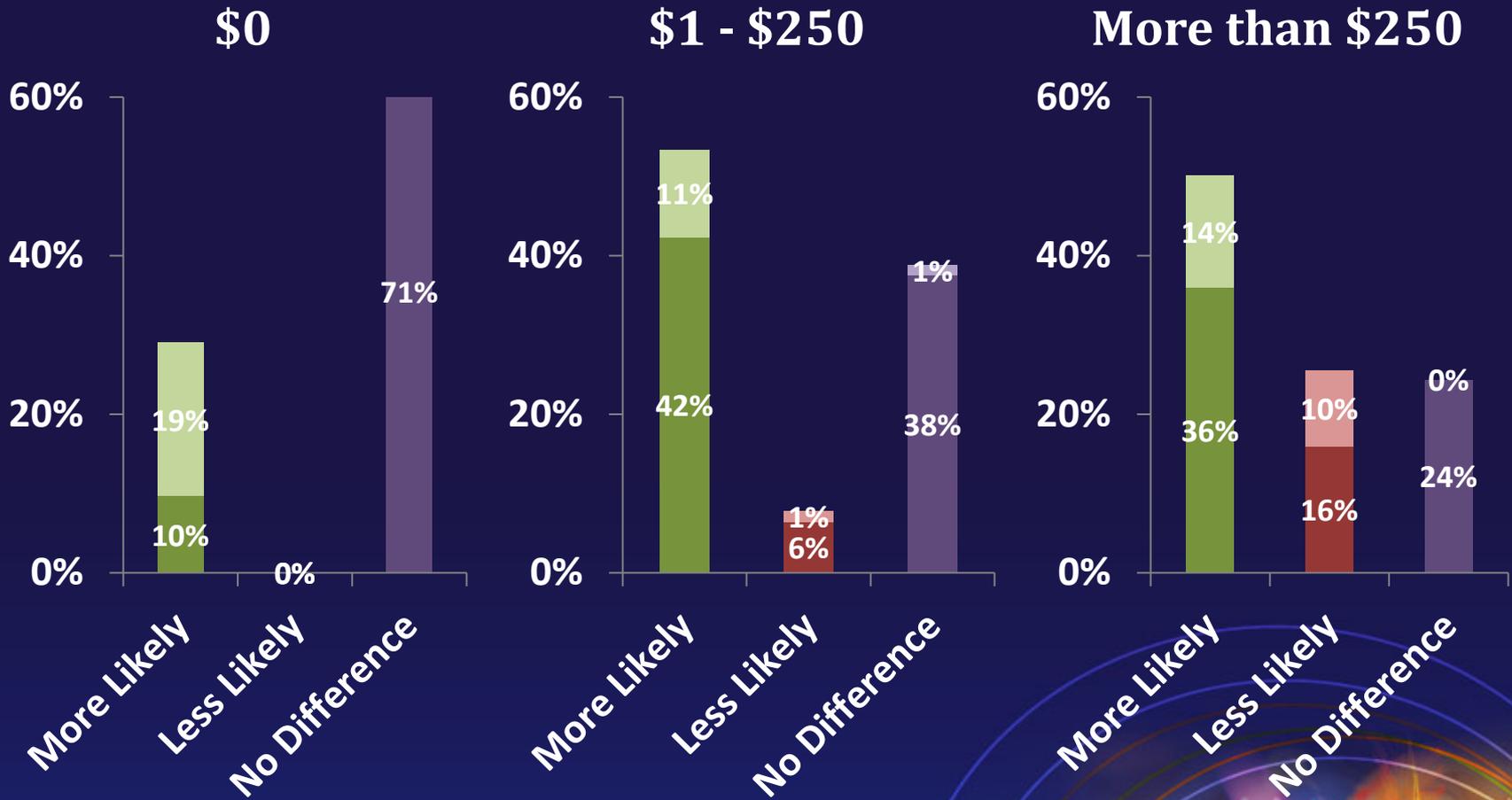
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**Not including travel, food or lodging, how much money do you budget for gambling per trip?
(personal gambling budget)**



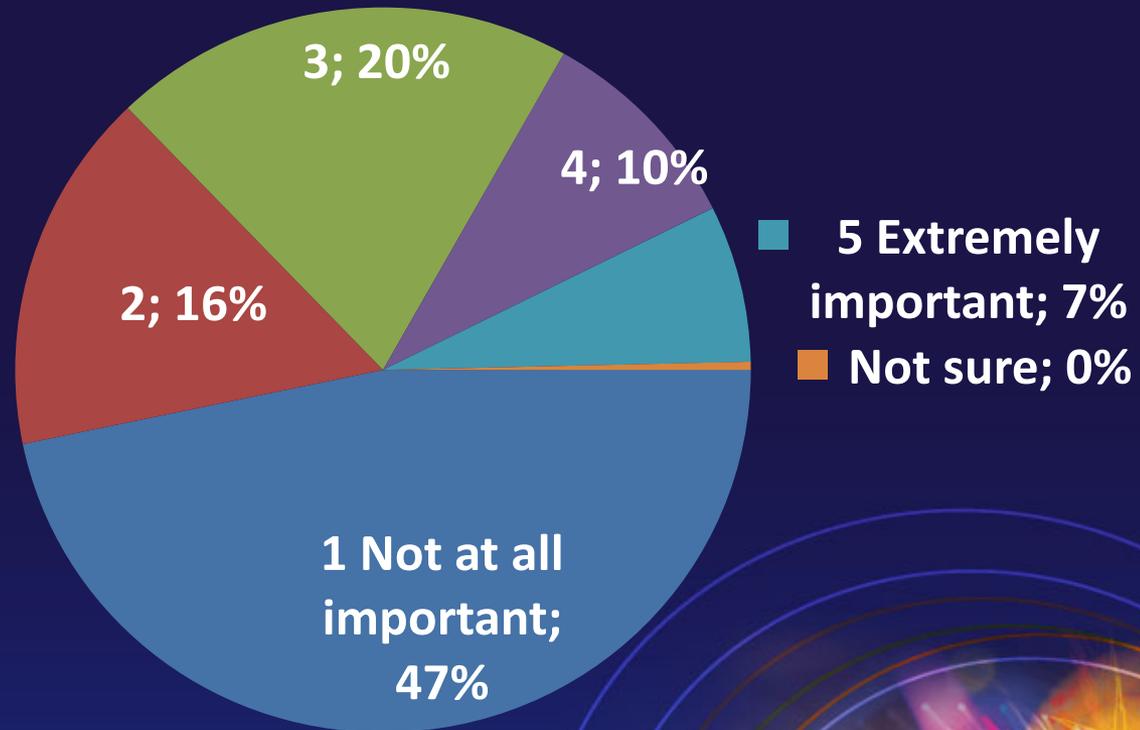
Gambling Budget



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How important are each of the following factors when planning a vacation or 'get-away' - Gambling

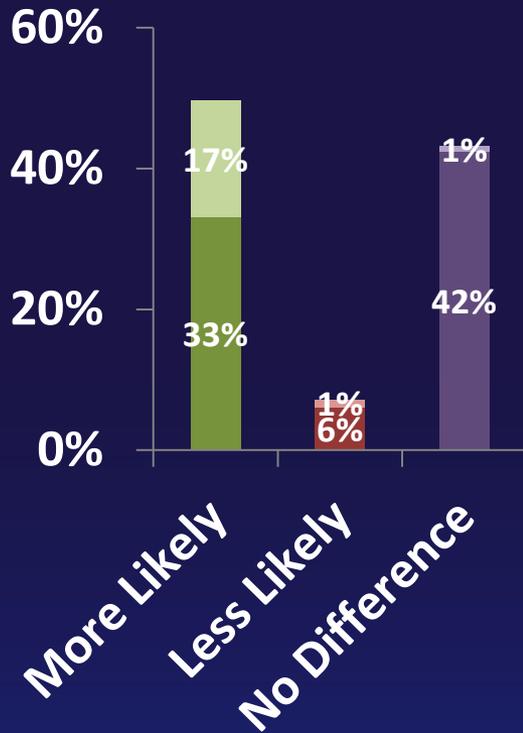


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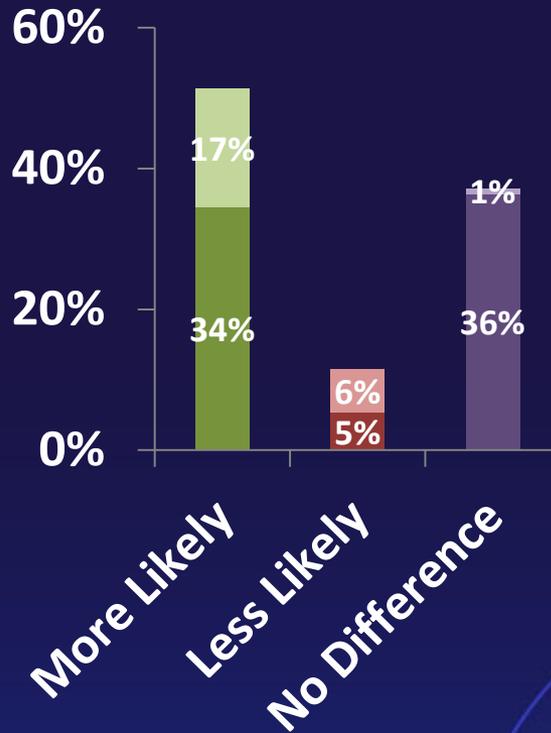


Likelihood to Visit an SFR by Importance of Gambling

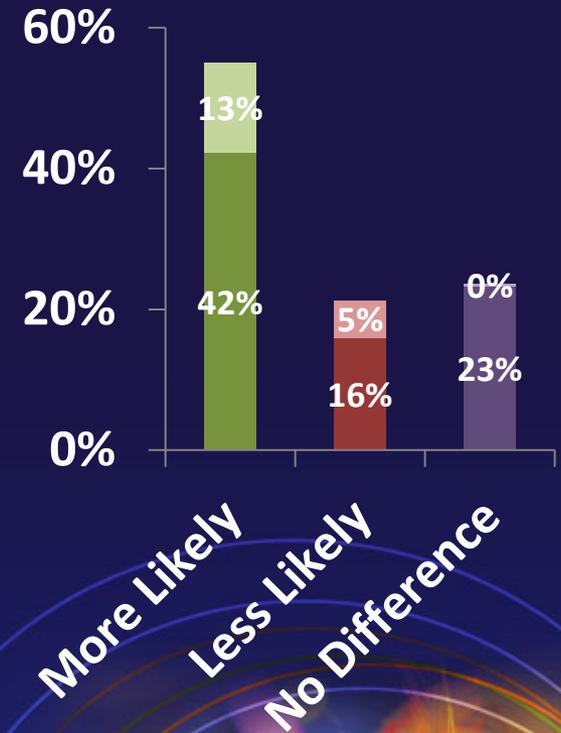
Tend Toward Not Important



Neutral



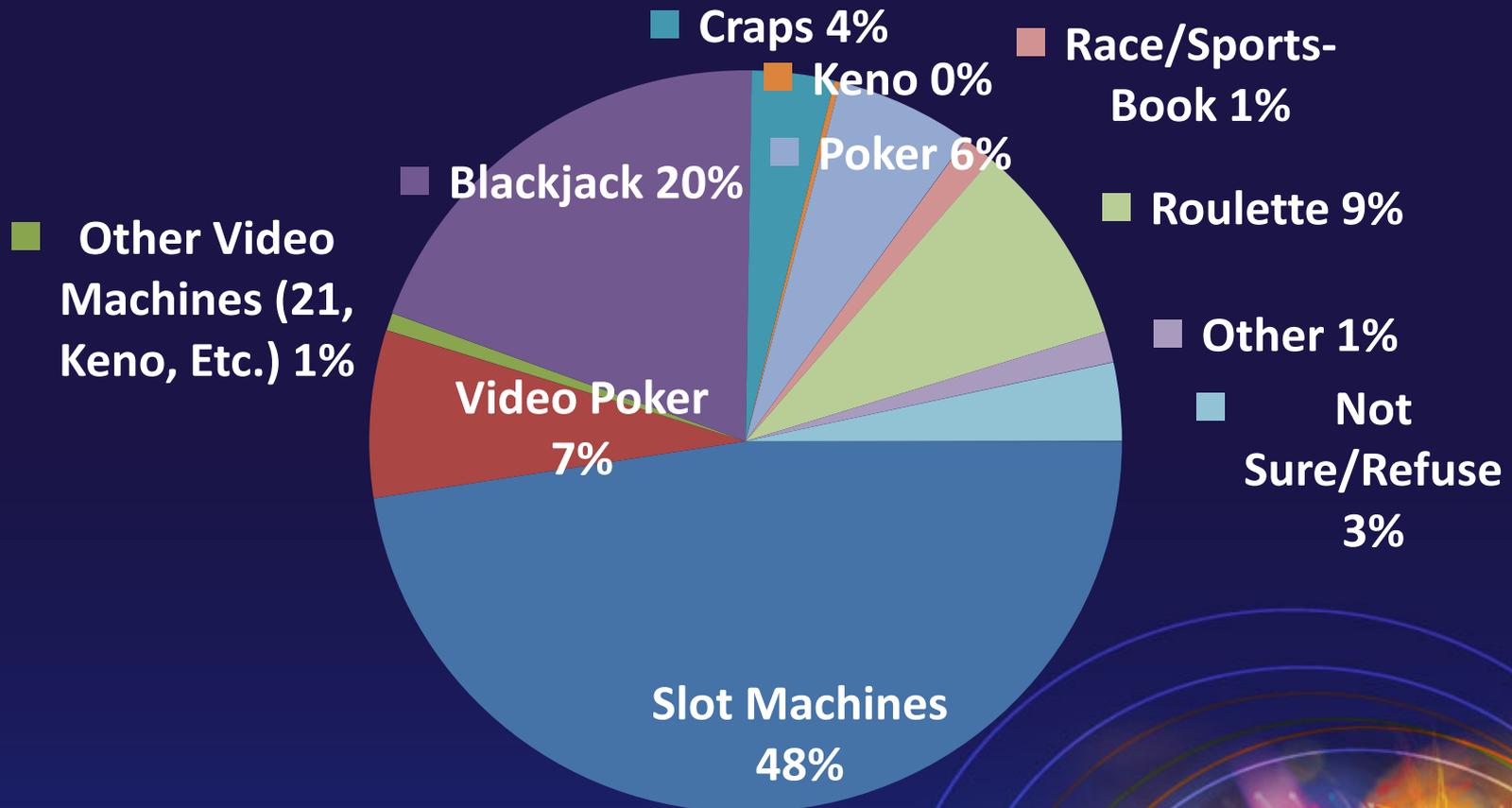
Tend Toward Important



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When visiting a casino, which type of game do you play most often?

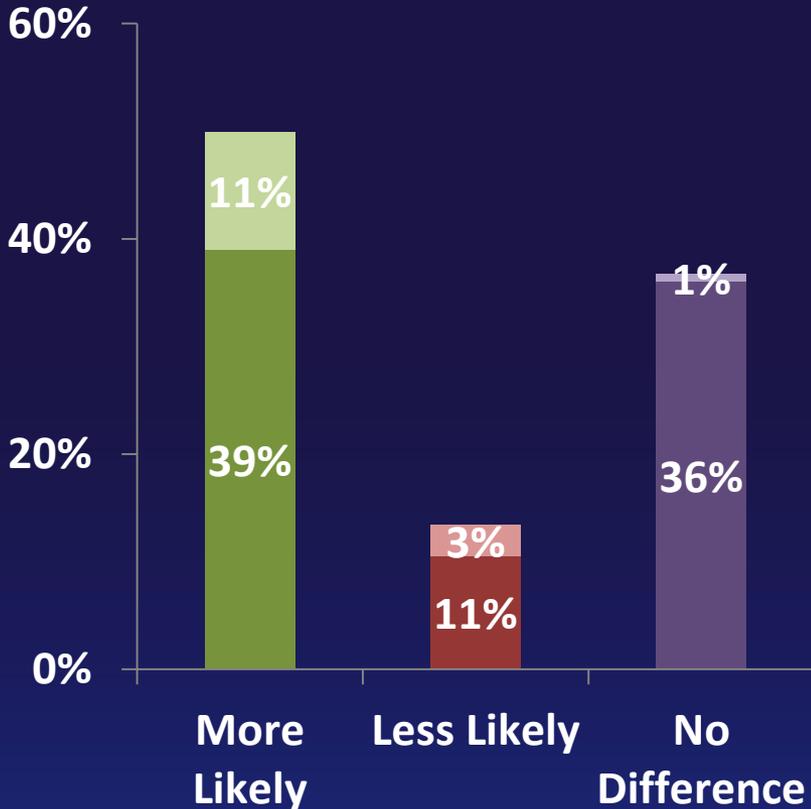


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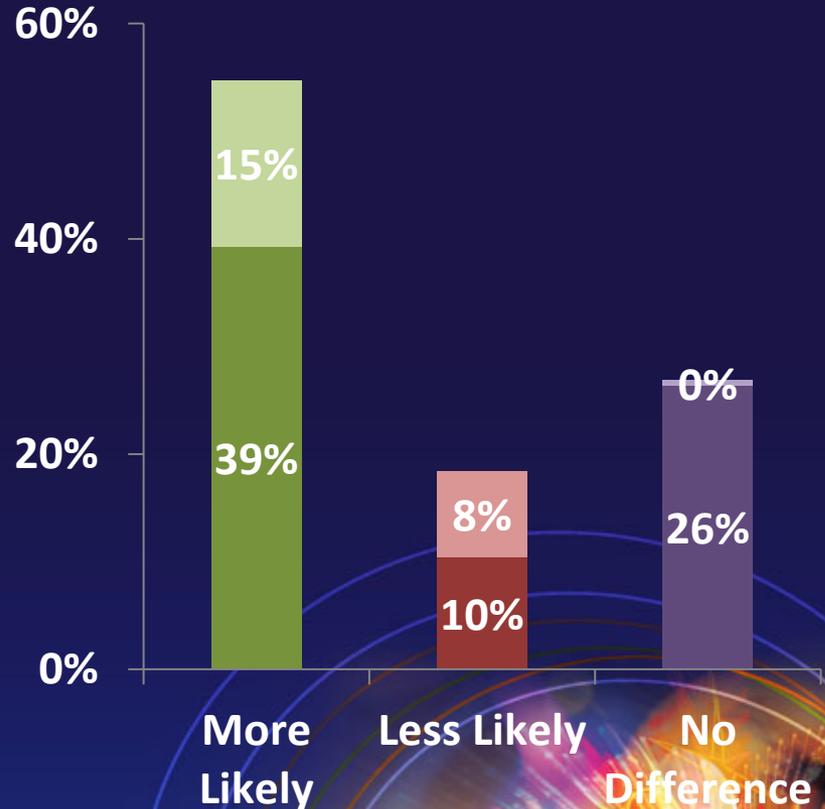


Likelihood of Visiting an SFR by Casino Game Preference

Slots/Videos



Tables



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Atlantic City Information



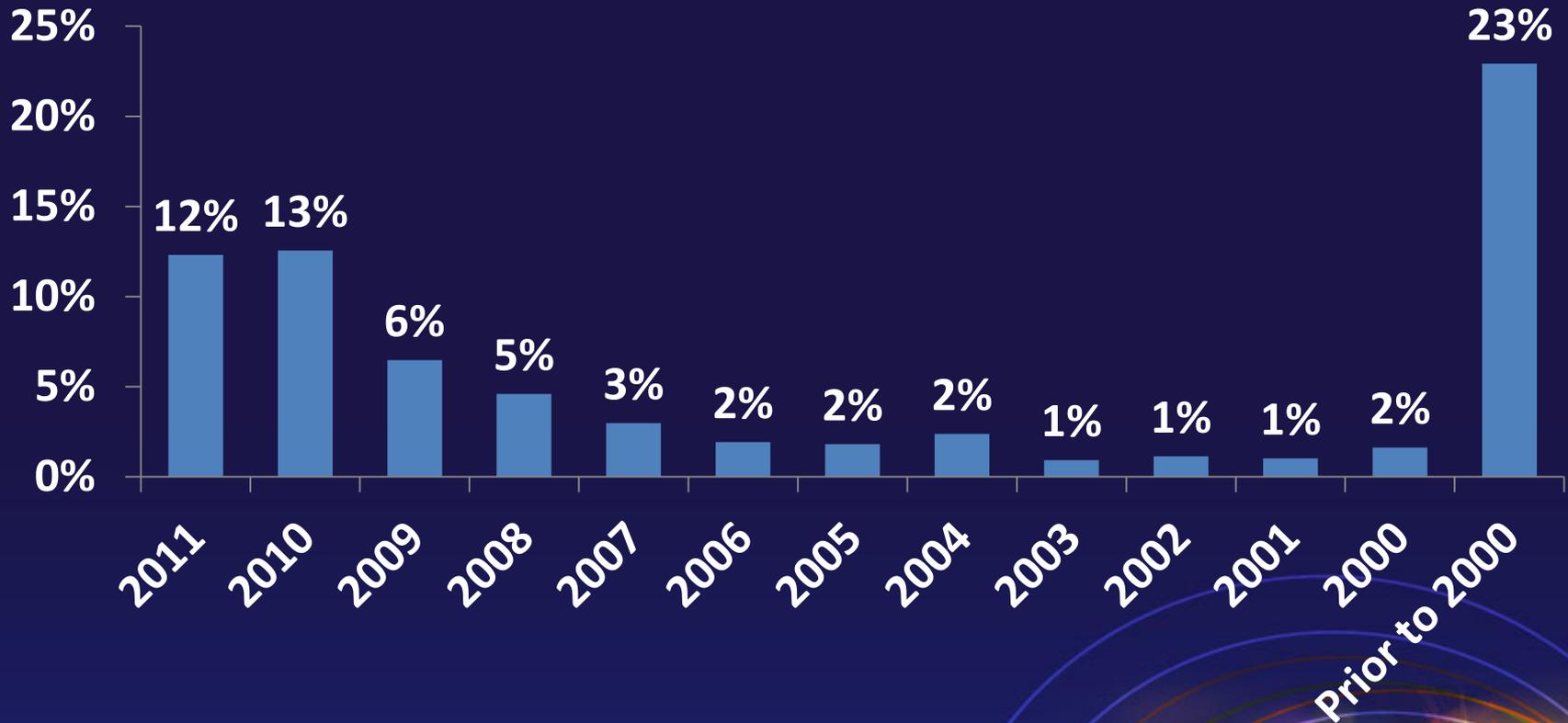
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When did you most recently visit Atlantic City, NJ?

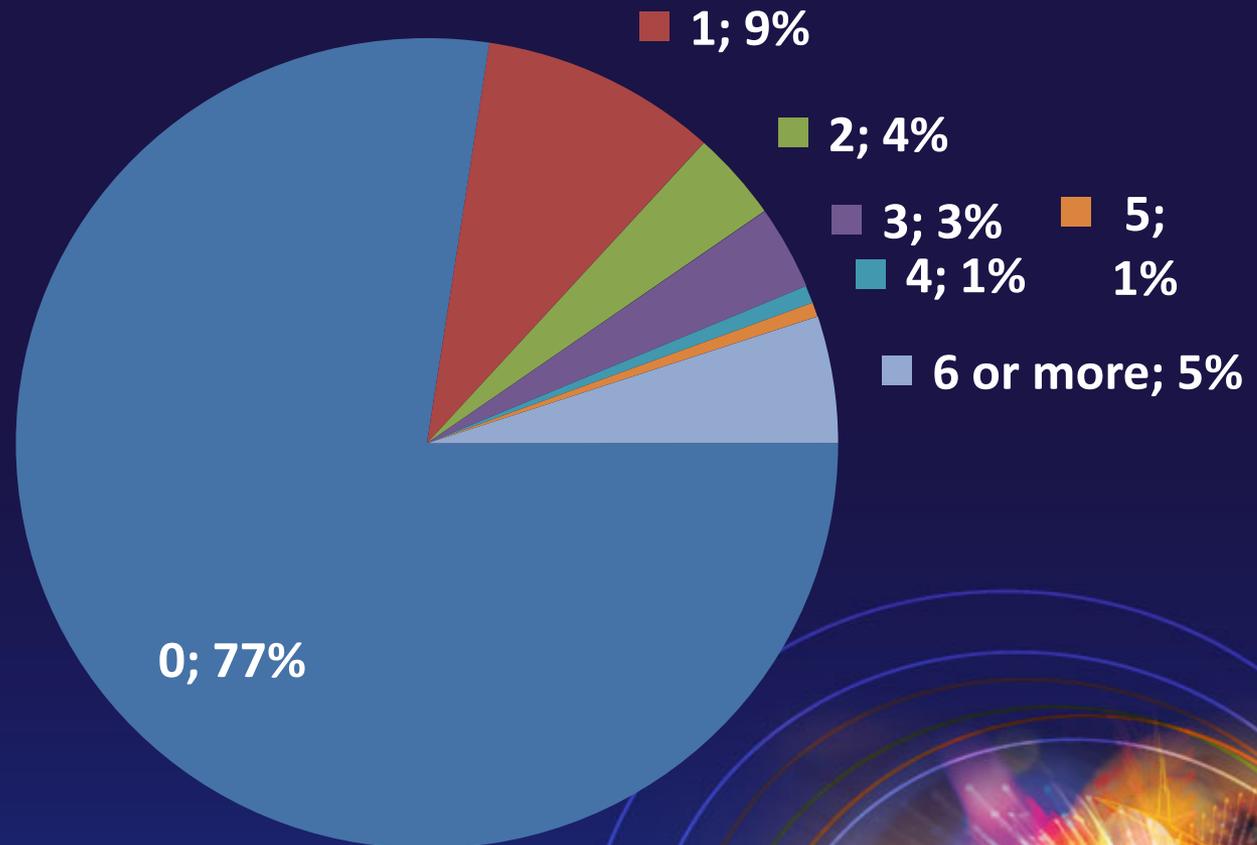


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TO LAS VEGAS
NEVADA

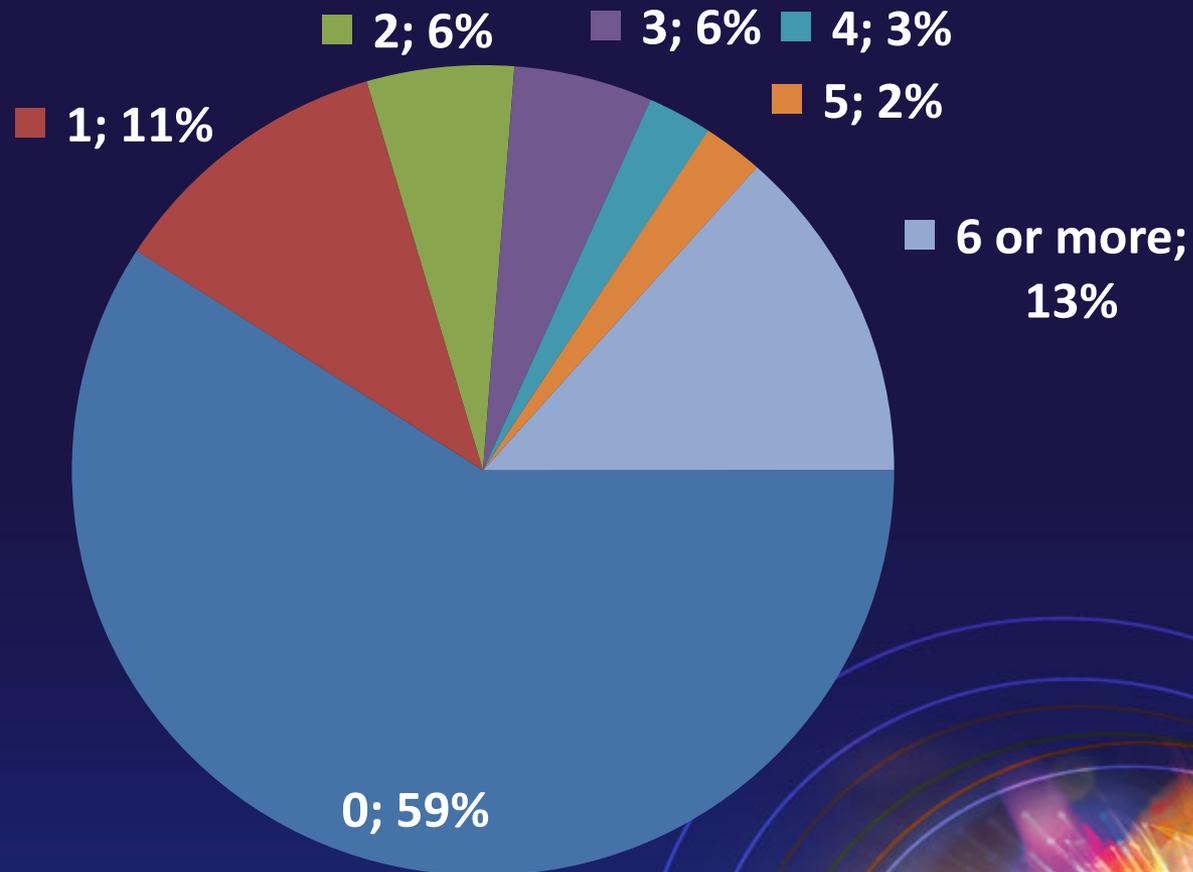
How many times in the past 12 months have you visited Atlantic City, NJ?



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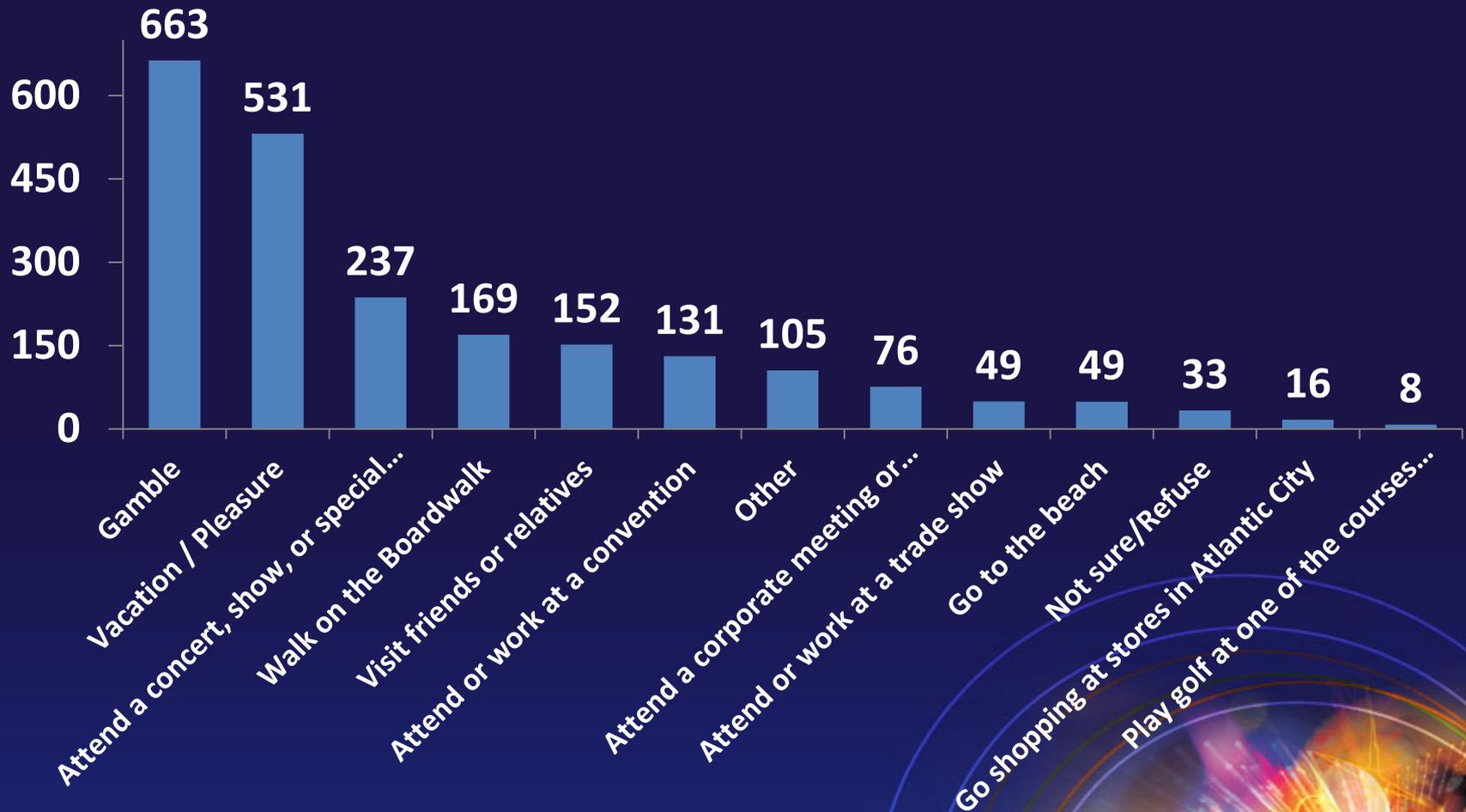
How many times in the past five years have you visited Atlantic City, NJ?



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What was the primary purpose of your last visit to Atlantic City, NJ?

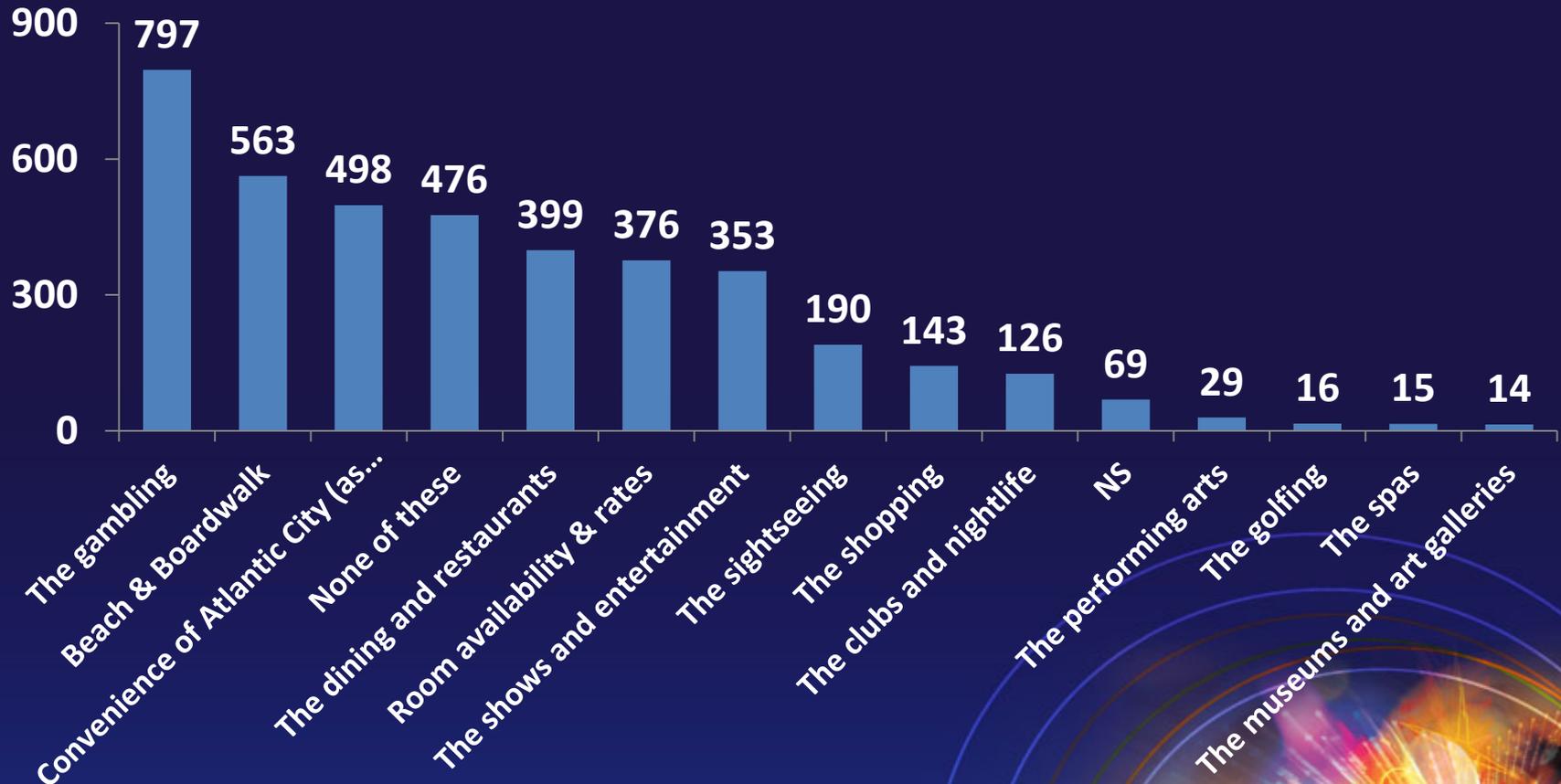


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Which of the following were the most important factors in your decision to visit Atlantic City? (Choose three)



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Questions?

Thanks...

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