A service of the
ZBW (HTTP://WWW.ZBW.EU)

ECONSTOR
Make Your Publications Visible.

EconStor (/) / Kiel Institut für Weltwirtschaft – Leibniz Zentrum zur Erforschung globaler ökonomischer Herausforderungen (/handle/10419/1) / Economics: The Open-Access, Open-Assessment E-Journal (Vol. 1 - Vol. 14), Kiel Institute for the World Economy (/handle/10419/6)

Please use this identifier to cite or link to this item: **https://hdl.handle.net/10419/147482**

Title:

Do smoking bans always hurt the gaming industry? Differentiated impacts on the market value of casino firms in Macao

Authors:

Zhang, Jing Hua
Tam, Kwo Ping
Zhou, Nan

Year of Publication:

2016

Citation:

[Journal:] Economics: The Open-Access, Open-Assessment E-Journal [ISSN:] 1864-6042 [Volume:] 10 [Issue:] 2016-28 [Publisher:] Kiel Institute for the World Economy (IfW) [Place:] Kiel [Year:] 2016 [Pages:] 1-32

Publisher:

Kiel Institute for the World Economy (IfW), Kiel

Abstract:

The gaming economy has expanded rapidly in East Asia over the past decade. Despite the known public health hazards of secondhand smoking, smoking bans in casinos remain controversial due to concerns over the potential economic harm to casino firms. Applying an event study, the authors examine the abnormal returns of casino stocks in response to three unexpected smoking ban announcements from 2011 to 2015 in Macao. Their analysis reveals that these announcements were associated with differentiated abnormal returns of casino stocks. Stocks of traditional casinos suffered abnormal losses of 0.58-3%, while the Las Vegas themed casinos enjoyed positive abnormal returns of up to 3%. Furthermore, the authors find that low air quality in gaming venues and high dependence on gaming revenues are associated with abnormal losses, while positive management initiatives are significantly correlated with positive abnormal returns. The findings of this study provide a full picture of the impacts of smoking bans on casinos and thus will be a useful policy references for the Macao government, as well as for the rapidly growing gaming industry in Asia and developing economies elsewhere.

A service of the
ZBW (HTTP://WWW.ZBW.EU)

Subjects:

smoking bans
economic impacts
casinos
abnormal returns
Macao

JEL:

L83
K32
Z33

Persistent Identifier of the first edition:

doi:10.5018/economics-ejournal.ja.2016-28

Creative Commons License:



Document Type:

Article

Appears in Collections:

Economics: The Open-Access, Open-Assessment E-Journal (Vol. 1 - Vol. 14), Kiel Institute for the World Economy

Cites the following sources:

19 sources.

Files in This Item:

File	Size
872207129.pdf (https://www.econstor.eu/bitstream/10419/147482/1/872207129.pdf)	532.38 kB

Download Statistics (/esstatistics/10419/147482?year=2026&month=9)

BibTeX-Export (/bibtexexport/10419/147482/Zhang2016smoking.bib)

A service of the
ZBW (HTTP://WWW.ZBW.EU)

Items in EconStor are protected by copyright, with all rights reserved, unless otherwise indicated.

Contact (/contact) | Imprint (/Impressum) | Privacy (/Datenschutz) | Sitemap (/staticpagessitemap) | Accessibility (/erklaerung-zur-barrierefreiheit) | Deutsch (?locale=de)