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The antecedents of tourists' gaming spend: does the brand prestige matter?

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ABSTRACT

This study endeavors to empirically analyse the influential effect among brand prestige, service quality, casino visitor satisfaction and spend. Data from 304 tourists who had travelled to Macau and had participated in gambling activities were used and structural equation modelling and multi-group analysis were employed in hypotheses testing. The findings demonstrated that both brand prestige and perceived service quality are determinants of satisfaction and gaming spend, and that brand prestige also affects service quality positively. Furthermore, past experience moderates the service quality and visitors' satisfaction relationship, also service quality and visitors' gaming spend relationship.

Introduction

Recent boom in gaming tourism has intensified global competition among casino operators. Thanks to the Internet and mobile devices, casino visitors are becoming more sophisticated in seeking information about various casino properties and finding the best deals across properties. Consequently, attracting and retaining the critical mass of customers is becoming a challenge for casino operators (Tsai, Lee, & Pan, 2015). Many casino operators allocated billions of dollars in creating a prestigious image of their physical properties. Brand prestige is also a pivotal concept in casino industry because of fierce competition (Hwang & Han, 2016). Despite previous researches have demonstrated the significant value of brand prestige on attracting and retaining customers in luxury industry (Hwang & Hyun, 2012; Monkhouse, Barnes, & Stephan, 2012), as far as we know, there has been little evidence focusing on whether the brand prestige of casino will affect casino customers' behaviour. Considering the suggestion made by Aaker (1991) that brand image (one part of brand equity) varies in different context, casino business is

such a different context. The distinctiveness of the casino industry is that possessing and running a casino is regarded as a privilege, not a right (Tsai, Cheung, & Lo, 2010). Therefore, one of the goals of the research is to explore how brand prestige affects casino visitors' behaviour in the casino industry.

In addition, although some researches within the Western casino context have found that service quality affected customer satisfaction positively, this relationship remains to be tested in a non-Western setting. As Kale and Spence (2009) observe, there exist significant differences in behaviour across Asian and Western casino visitors, and it would be erroneous for casino executives to follow the same strategies and service initiatives across culturally diverse markets.

Lastly, lots of studies have concentrated on tourists' past experience in order to explore the affect factors of tourists' behaviour (Ji, Li, & Nie, 2017). Furthermore, some studies insinuate that tourists' experience has embraced in their perceptive evaluation processes of a destination image and the impact on their future behaviour (Rodríguez Molina, Frías-Jamilena, & Casta-ñeda-García, 2013). However, the effect of these

effects varies across individuals and across objects (Malhotra, 2005). Because of this, it is the most interesting to savvy whether tourists' past experience have moderating effect among the relationship of brand prestige, visitors' satisfaction and their behaviour – a question that has barely been addressed in casino literature. For instance, tourists who patronize the casino many times with more experience should have a more exhaustive and well-synthetic basis for their attitudes about the casino. Therefore, tourists' experience may be an important moderator on the relationship between visitors' brand prestige perception and their behaviour. Another aim of the study is to make sure whether the moderating effects of casino visitors' past experiences on the influence that brand prestige – together with perceived service quality – has on their gaming behaviour exist or not.

As discussed above, not only the concept of brand prestige itself but also the moderation effect of visitors' past experience on the relationship between brand prestige and its consequence variable is crucial to the casino industry, however, relatively little research has focused on its effect on casino visitors' behaviour. For this reason, the present study employs a quantitative approach to explore the interrelationships between casino brand prestige, service quality, customer satisfaction, gaming spending and casino visitors' past experience. More specifically, this research explores (1) whether the brand prestige of a casino affects some consequence variable, such as perceived service quality, casino visitors' satisfaction and their gaming spend; (2) by segmenting casino visitors into two subgroups based on their past experience, assessing the magnitude of the moderating function of casino visitors' past experience on the hypothesized relationships.

Findings from this work contribute significant insight into the construction of effective casino marketing and management strategies, and also contribute to expand consumer behaviour theories in tourism (Cohen, Prayag, & Moital, 2014) as well. Specially, information regarding casino visitors' past experience can be helpful in casinos' market segmentation and in defining the position of a casino in its life cycle strategically.

Conceptual framework

Brand prestige

Growing demand in luxury products has stimulated substantial research on "prestige brands" (Vigneron

& Johnson, 1999). We define brand prestige as the "higher status of product positioning associated with a brand among similar product categories" (Steenkamp, Batra, & Alden, 2003). Vigneron and Johnson (1999) classify prestige brands into three classes – luxury, premium and up market brands. Although the influence and role of brand prestige on managerial actions have been studied in some industries (cf. Ahn, Kim, & Hyun, 2015; Baek, Kim, & Yu, 2010; Hwang & Han, 2014, 2016; Hwang & Hyun, 2012), especially in brand study area (So, King, Hudson, & Meng, 2017), not many studies have explored how brand prestige impacts consumer behaviour (Baek et al., 2010).

The lack of total information about an offering will bring about an increase of the ambiguity of consumers' perceived service quality. According to signalling theory (Spence, 1973), brand name are often used by consumers as an indicator of quality (cf. Baek et al., 2010; Gammoh, Voss, & Chakraborty, 2006). Compared with non-prestigious brands, consumers typically believe that the quality of prestigious brand is higher (Baek et al., 2010; Rao, Qu, & Ruekert, 1999). Vigneron and Johnson (1999) argue that the value of perceived quality is one of the five values that brand prestige provides to consumers. The results of Baek et al. (2010)'s research indicated that brand prestige had significant effect on customer's perceived quality in retail industry. Therefore, it is likely that brand prestige will affect perceived service quality positively. Thus, it is hypothesized that:

> H1: Brand prestige influences the casino visitors' service quality perception of the brand positively.

Because the prestigious brand is actively associated with a customers' self-concept and public image, customers perceive that the brand they consume reflect their social status and self-worth (Hwang & Han, 2014, 2016). Consumers therefore often enjoy conspicuous and ostentatious consumption of prestigious products and services (Hwang & Han, 2014; Tynan, McKechnie, & Chhuon, 2010), and derive satisfaction from the status such consumption confers upon them (Hwang & Han, 2014; Jin, Line, & Merkebu, 2015). Prestigious products/services can influence customers' affective responses and drive a positive attitude toward a brand (Ahn & Back, 2018). Previous researches have also shown the substantive function of brand prestige in customer satisfaction. For example, using data from 398 luxury restaurant diners, Jin et al. (2015) detected that brand prestige was a valuable antecedent factor of customer

satisfaction. Data from an online survey of 309 coffee-house customers in the U.S. also drew the same conclusion (Choi, Ok, & Hyun, 2011). Collected data from 236 casino customers in the U.S., Han, Lee, and Hwang (2018) showed that brand prestige significantly influences customer satisfaction. For the reason, we can except that the brand prestige will affect casino visitors' satisfaction. Thus, it is hypothesized that:

> H2: Brand prestige affects casino visitors' satisfaction level positively.

Using prestigious products provides consumers with a way of distinguishing themselves from others, a feeling of exclusivity (Jin et al., 2015). Customers pay higher prices for prestigious brands to enhance their self-worth and their sense of distinctiveness and uniqueness (Hwang & Han, 2014; Jin et al., 2015). In addition, prestigious brand has its luxury image, and some customers are enthusiastic about purchasing a famous brand to boast their socio-economic status (Han et al., 2018). In order to achieve their psychological satisfaction, these customers have willingness to pay more for prestigious brand (Hwang & Han, 2014). Thus, it can be supposed in the background of casino customers, if the target casino brand is perceived as prestigious, customers would be more likely to have greater willingness to spend money on their gaming activity. According to the above discussion, we propose the hypothesis:

> H3: Brand prestige affects casino visitors' gaming spend positively.

Perceived service quality

The Nordic School (Grönroos, 1982) put forward the concept of service quality originally and then the concept was subsequently further developed by North American researchers (Cronin & Taylor, 1992; Parasuraman, Zeithaml, & Berry, 1985). Perceived service quality has been varyingly operationalized using several dimensions by different researchers. Grönroos (1984) proposed two dimensions of service quality: technical quality (what a customer receives) and functional quality (how a service is provided or delivered). In their remarkable works, Parasuraman et al. (1985) conducted research across several industries to develop the instrument called SERVQUAL. Three years later, using a 22-item questionnaire, they distilled five underlying dimensions of SERVQUAL: tangibles, reliability, responsiveness, empathy and

assurance (Parasuraman, Zeithaml, & Berry, 1988). Although plenty of conceptual and operational criticisms have been levelled against SERVQUAL, it is still the most widely applied instrument to gauge service quality (Buttle, 1996).

For consumer behaviour literature, although some different theories are brought forth to expound the issue of customer satisfaction, the Expectancy-Disconfirmation model developed by Oliver (1977) has received broad acceptance among researchers. According to Oliver (1977), satisfaction was decided by the comparison of customers' priori expectation and their perceived performance about a produce. If the performance transcends their expectations, consumers will achieve high satisfaction, and vice versa. Service quality is also evaluated by consumers according to the comparison between their expectation standards and the real performance they apperceived. However, different standards are adopted to compare and discriminate the two constructs (Parasuraman et al., 1988). The standard used to evaluate consumer satisfaction is the predictive standard, while the quality of service is assessed using the ideal standard. Previous studies in services marketing suggest that both perceived service quality and satisfaction are very important indicators used by consumers in the process of assessing service provider.

In the tourism context, exploring how service quality interacts with customer satisfaction has received some attention (Chen, Lee, Chen, & Huang, 2011; Moutinho, Albayrak, & Caber, 2012). Most studies have confirmed that perceived service quality can influence customer satisfaction positively (Chen et al., 2011; Moreira & Dias, 2010). In the casino context, Wong and Fong (2010) used the "three component service quality unified model" advocated by Rust and Oliver (1994) and Brady and Cronin (2001) and delved into the relationship among perceived service quality, customer satisfaction and loyalty. They took service environment, service delivery and game service as three casino service quality drivers and found that the first two drivers can strongly influence customer satisfaction; however, the influence of game service on customer satisfaction was not significant. Carried out the investigation from six Macau casinos, Shi, Prentice, and He (2014) identified that there is a moderation effect on the relationship between service quality and customer loyalty. However, this mediation effect only got support in casino members. Their results further suggested that four SERVQUAL aspects (tangibility,

reliability, responsiveness and assurance) significantly affected customer satisfaction, but the dimension of empathy had an insignificant negative impact on satisfaction. In the U.S. casino context, Mi Jeon, Magnini, and Kim (2013) report that only tangibles, responsiveness, assurance and empathy had a significantly negative influence on casino patrons' satisfaction, the effect of other sub-dimension of service quality on satisfaction was not significant. Integrating the above theoretical review, we propose the hypothesis as follow:

H4: Perceived higher service quality positively affects casino visitors' satisfaction.

Higher service quality should lead to more customer spend. Perceived high levels of service quality provide the supplier with the option to charge higher prices in relation to competitors. Also, premium price often is adopted as a gauge of high service quality (Rao & Monroe, 1989). Consumers are inclined to disburse high price for high quality good or service because high quality product increases the product's perceived value. High service quality will also cause casino patrons to spend more time in a casino, which in turn, should translate into higher spend. Following this logic, we can expect a positive relationship between perceived service quality and casino visitor's gaming spending. We therefore propose that:

H5: Perceived higher service quality positively affects casino visitors' gaming spend.

Satisfaction and spending

Some existing empirical studies suggest that customer satisfaction can be predictive of consumer spending, and in general, improving customer satisfaction will leads to increased consumer spending (Fornell, Rust, & Dekimpe, 2010; Homburg, Koschate, & Hoyer, 2005). In the tourism context, Kim, Prindeaux, and Chon (2010) focused on visitors who attended a representative local festival of Korea and found that festival visitors' satisfaction was influential factors in estimating visitors' expenditure. Chen and Chang (2012), in the situation of travel agent industry, and Kim and Cha (2002) in the context of hotel industry also report similar findings. However, to the best of our knowledge, how visitors' satisfaction affect their spending is still less clear in the casino context. The one research executed by Mi Jeon et al. (2013) in the gaming context used a sample of 383US casino

players and found that their satisfaction table game was positively related to gaming spend. We therefore hypothesize that:

H6: Casino visitors' satisfaction positively affects their gaming spend.

The moderation effect of past experience

Customer evaluation of merchandise relies on the type of information processing conducted (Hernández Maestro, Muñoz Gallego, & Santos Requejo, 2007). However, customers' knowledge is the most valuable basement for their different information processing activities such as reasoning and induction, opinion formation (Peracchio & Tybout, 1996). Experiential learning is one of the fundamental way of gaining, accumulating and developing knowledge (Chen & Gursoy, 2000). So, previous experience is one of the primary sources of customers' knowledge which can be used to evaluate the goods or services in the consumption activity. A review of the marketing research suggests that patrons with enormous experience are obvious different from experientially deficient patrons in the decision-making process of consume activity (Chen, Lehto, & Choi, 2009; Hernández Maestro et al., 2007). A number of studies have explored the moderating effect of past experiences on attitudinal contexts in different contexts such as rural tourism (Frias-Jamilena, Del Barrio-Garcia, & Lopez-Moreno, 2012; Polo Peña, FríasJamilena, M, & Rodríguez Molina, 2013), choice of tourism destination (Chen et al., 2009; Chen & Gursoy, 2000; Chi, 2012; Lau & McKercher, 2004; Li, Cheng, Kim, & Petrick, 2008; McKercher & Wong, 2004; Morais & Lin, 2010), festival attendance (Anwar & Sohail, 2004; Lee, Lee, & Yoon, 2009), cruises (Petrick, 2004), and whitewater rafting (Fluker & Turner, 2000).

Visitors' destination experiences from previous visits tend to have a marked impact on their perceptions of the destination (Anwar & Sohail, 2004; Frias-Jamilena et al., 2012). Repeat visitors obviously can accumulate greater knowledge than first-time visitors (Frias-Jamilena et al., 2012). Hence, the perceptions of service between first-time and repeat visitors will be distinct, resulting in differences in satisfaction levels. Moreover, repeat visitors will be not sensitive to the information about destination attributes compared with first-time visitors, and they will care more about a destination's psychological meaning (Morais & Lin, 2010; Polo Peña et al., 2013; Rodríguez Molina et al., 2013). Studies present inconsistent findings about

the comparison between first-timer and repeaters' satisfaction with a travel destination. For example, Anwar and Sohail (2004) argued that first-time travellers are more likely to be satisfied with their destination than repeaters whereas while Li et al. (2008) report opposite findings. Applying the above discussion to the context of casinos, we suggest that:

H2a: Past experience will moderate the influence of brand prestige on casino visitors' satisfaction.

H3a: Past experience will moderate the influence of brand prestige on casino visitors' gaming spend.

H4a: Past experience will moderate the influence of perceived service quality on casino visitor's satisfaction.

H5a: Past experience will moderate the influence of perceived service quality on casino visitors' gaming spend.

Although bountiful research has been conducted on service quality, satisfaction issues, few empirical studies have considered how brand prestige affects customers' service quality perception, satisfaction and customers' spending. With the growth and increasing role of the brand prestige in the issue of consumer behaviour, it is absolutely essential to integrate the quality-satisfaction-behaviour chain and brand prestige. This study contributes to the literature by empirically examining the effects of brand prestige on the chain mentioned above. Figure 1 shows the conceptual model indicating the set of relationships among the constructs investigated in this study.

Methodology

Questionnaire development

The questionnaire was devised to gather data on casino tourists, who took part in gambling activities when they travelled to Macau. All items of the measurement scale were adapted from previously published work after an in-depth literature review. Specifically, we used three items put forward by Baek et al. (2010) to measure brand prestige. This scale was also employed in the context of casino industry by Han et al. (2018). The SERVQUAL instrument with 22 items (Cronin & Taylor, 1992) was employed to measure service quality. For customer satisfaction, the three-item scale developed by Fornell (1992) in the ASCI model was used. This scale has previously been used in the casino context by Shi et al. (2014). Gaming spend was measured using the single item, "How much money did you spend on gambling this time in the casino you visited?" Finally, past experience was determined by the number of times that tourist had visited a casino before the current visit. A first-time visitor was operationally defined as one who had never been to the casino before, and a repeat visitor was designated as one who had participated in casino gambling activities before. We composed the questionnaire in English and then transformed it into Chinese abided by the blind translation-back-translation method (Brislin, 1976). Three people with competencies in English and Chinese who didn't connect with the project were invited to revise the Chinese version. They suggested that the questionnaire has high accuracy of
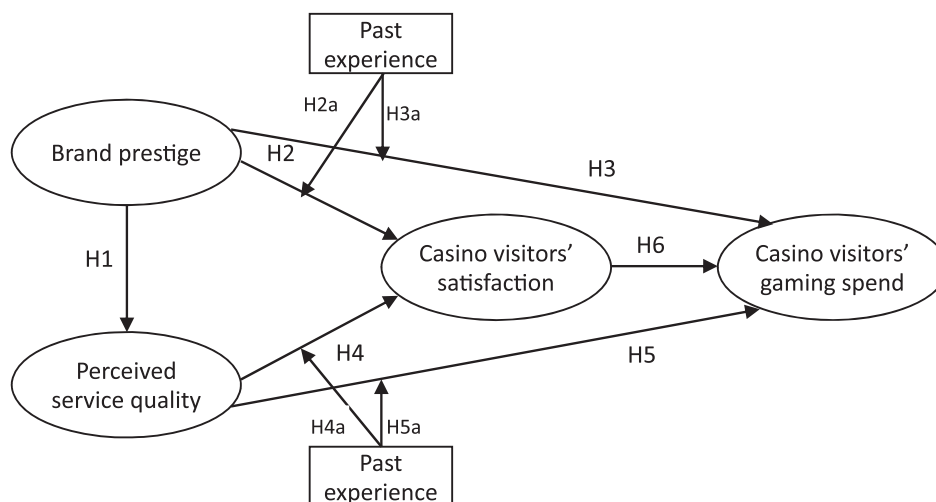

Figure 1. Conceptual model depicting interrelationships across constructs.

translation of each item. Except for past experience, all concepts were measured by 5-point Likert-type scale ranging from 1 (Strongly disagree) to 5 (Strongly agree).

Data collection

Macau, as the largest casino gambling jurisdiction in the world, generated around US$33 billion in revenues in 2017. Despite sharp recent declines, the win per table and win per slot machine in Macau remain the highest in the world, Macau is an ideal setting in which to study casino visitors' behaviour (Lam, Chan, Fong, & Lo, 2011). Meanwhile, most tourists to Macau come from Greater China, including Taiwan and Hong Kong, and it would be important to know if the influence of service quality on customer satisfaction observed in the context of Western patrons applies to Chinese casino visitors.

At the time this study was conducted, Macau's six licensed casino companies (MGM China Holdings Ltd; Melco Crown Entertainment Ltd; Wynn Macau Ltd; Galaxy Entertainment Group Ltd; SJM Holdings Ltd and Sands China Ltd) operated 35 casinos in the city state. An intercept survey was conducted for casino visitors as they exited the casino. All respondents were invited to finish the structured questionnaire during their visit to six large casinos in Macau, that is, MGM, Galaxy, Wynn, Venetian, Grand Lisboa, City of Dreams. Only patrons who had attended gambling activities at the casino were solicited for participation. Four trained undergraduate students served as field researchers for data collection. To obtain a representative sample, surveys were administered on both weekdays and weekends at the six casinos mentioned above. Of the 832 respondents approached, 387 agreed to complete the self-administered survey. Eighty-three questionnaires were excluded because of missing and patterned data. The remaining 304 questionnaires were used for further analysis. Of the final 304 usable respondents, 46.7% (142) were female and 53.3% (162) were male. All of these respondents were from Greater China. Most respondents were in full-employment and in the 21–40 age bracket. Over one-third of participants were college educated, and over 35% reported an income more than HK$20,000 monthly.

Common method variance

Common method variance is a potential threat that may induce measurement bias when the data were collected at the same time from the same participants.

Harman's single factor test is frequently used to examine the issue of common method variance. We also conduct this ex post method to provide a check for common method variance. Since the Harman's test showed a multi-factor rather than a single factor solution and the first factor explained only 19.3% of the total variance, this result suggested that common method variance was not a pervasive issue in this study.

Findings

The collected data was analysed using SPSS 22 and AMOS 22. We followed the classical two-step approach (Anderson & Gerbing, 1988) to test our measurement model and then the structural model. A confirmatory factor analysis (CFA) was employed as the first step to assess the measurement model; then, the overall fit of the proposed model and hypotheses were tested as the second step.

Measurement model

The Cronbach's alpha levels for the measures were all higher than 0.70, thus showing good reliability. According to the results of confirmatory factor analyses, the fit indices of the measurement model ($\chi2/df = 2.38$; RMSEA = .06; CFI = .93; IFI = .92; TLI = .95) demonstrated that the measurement model fit the data well. As depicted in Table 1, composite reliability of each construct is higher than the recommended 0.60 level, giving evidence of internal consistency reliability (Bagozzi & Youjae, 1988). In addition, most of the standardized factor loadings of the individuals were above 0.70, and only two indicators exhibited loadings lower than 0.70 very slightly, indicating preliminary evidence for the convergent validity of the measurement model. Moreover, the average variance extracted (AVE) of all constructs exceeds .50, which further attests to adequate convergent validity (Bagozzi & Youjae, 1988). In order to test the discriminant validity, we complied with the approach of Fornell and Larcker (1981) to compared the AVE values and squared correlations between the constructs. No squared correlations surpass the AVE estimates, confirming the discriminant validity. In sum, acceptable levels of convergent validity, internal consistency and discriminant validity were confirmed prior to hypotheses testing. The detailed information were provided in Table 1.

Table 1. Confirmatory factor analysis results.

Latent variable	Scale item	Loading	CR	AVE	Cronbach α
Brand prestige			.84	.64	.84
	1.Brand is very prestigious	.93			
	2.Brand has high status	.69			
	3.Brand is very upscale	.77			
Service quality			.89	.61	.88
	1.Tangibility	.74			
	2.Reliability	.76			
	3.Responsiveness	.80			
	4.Assurance	.85			
	5.Empathy	.75			
Satisfaction			.82	.61	.82
	1.Overall satisfaction	. 89			
	2.Confirmation of expectations	.67			
	3.Performance versus ideal	.77			

Structural model

Descriptive statistics and correlations for the variables were computed and reported in Table 2. The proposed model presented in Figure 1 was examined through structural equation modelling analysis. Several fit indices reported by AMOS indicated that the propose model provides a good fit to the data ($\chi2 = 154.133$, $p < .001$, $\chi2/df = 1.57$, CFI = .95, IFI = .95, TLI = .93, RMSEA = .04). Table 3 shows the results of hypothesis testing. All hypotheses from H1 to H6 were supported. First, brand prestige was positively associated with perceived service quality (H1:β=.53; $t = 7.74$), casino visitors' satisfaction (H2:β=.41; $t = 7.60$), and casino visitors' gaming spend (H3:β=.34; $t = 5.45$). These hypotheses reveal how brand prestige affects perceived service quality, visitors' satisfaction and their spending in the casino industry. In order to build up and maintain the prestigious character of a brand, the manager is willing to seek ways to offer better service quality. Therefore, a prestigious brand usually means reliable quality and influential reputation (Jin et al., 2015). For the customer, a brand with a high level of prestige can provide favourable impressions of quality, and affect customers' satisfaction positively (Hwang & Hyun, 2012). In addition to signalling unique experience, social status and wealth, consumers are favourably disposed to spend more.

Additionally, the results support the hypothesized effects of perceived service quality on casino visitors' satisfaction (H4:β=.42; $t = 7.53$), and casino visitors' gaming spend (H5:β=.16; $t = 2.51$). Findings also indicate that casino visitors' satisfaction affects gaming spend (H6:β=.38; $t = 5.07$). The result of H4 is also supporting by most of the classical service quality

literature (e.g. Chen et al., 2011; Cronin & Taylor, 1992; Parasuraman et al., 1988). Our findings of H5 and H6 are consistent with previous literature of consumer behaviour where service quality and consumers' satisfaction are argued as important drivers of consumer spend (Fornell et al., 2010; Homburg et al., 2005; Mi Jeon et al., 2013).

Moderator effect

Multi-group analyses (cf. Byrne, 2001) were undertaken to examine the moderation effects of casino visitors' past experience. Based on previous experience (first-time casino visitor or repeat casino visitor), the sample was separated into two groups and then a series of examinations were made to the two groups. We restrict the parameters to be equal in one model across both groups and then allow the parameters to be estimated freely in the second model. The $\chi2$ value of the two models was used to determine whether casino visitors' past experience had a moderating effect or not. If the comparison of the two $\chi2$ values ($\Delta\chi2$ value) was significantly difference, the moderator effect is demonstrated. After testing the pure moderating effect and examining the significant differences mentioned above, the standard coefficients between the two groups were compared (cf. Dabholkar & Bagozzi, 2002). Regarding the overall model, the value of $\Delta\chi2$ difference was significant ($\Delta\chi2 = 61.28$, $p < .001$), indicating that the difference in perceptions between first-time and repeat casino visitor groups was significant. This result supported our premise that the prior experience moderated the effect among the relationship of brand prestige, perceived service quality, casino visitors' satisfaction and gaming spend.

Table 2. Descriptive statistics and correlations.

	1	2	3	4	5	6	7	Mean	S.D.
1.SERVQUAL								3.50	.42
2.Tangibility	.816**							3.70	.56
3.Reliability	.822**	.587**						3.44	.50
4.Responsiveness	.831**	.530**	.669**					3.40	.48
5.Assurance	.871**	.651**	.611**	.679**				3.51	.52
6.Empathy	.799**	.555**	.538**	.592**	.660**			3.46	.46
7.Satisfaction	.655**	.559**	.410**	.495**	.596**	.655**		3.47	.61
8.Brand prestige	.478**	.471**	.305**	.359**	.389**	.447**	.607**	3.50	.67

$N = 304$. ** Correlation significant at the .01 level.

However, for Hypothesis H2a, we did not found a significantly difference between the restricted model and the free model at the .10 level ($\chi2 = 61.98 < \chi2$ $0.10(3) = 64.58$, df = 3). Therefore, H2a was supported. For Hypothesis H3a, it was also not found a significantly difference after the comparison of the $\chi2$ value of the two models at the .10 level ($\chi2 = 63.09 < \chi2$ $0.10(3) = 64.58$, df = 3). Thus, past experience does not moderate the impact of brand prestige and gaming spend.

Using the same method mentioned above, Hypothesis H4a was tested. The result of $\chi2$ difference comparison indicated that past experience moderated the influence of service quality on casino visitors' satisfaction ($\chi2 = 69.85 > \chi2$ $0.01(3) = 68.50$, df = 3), thus supporting Hypothesis H4a. Compared to first timers, service quality has higher impact on satisfaction for repeat visitors, the path coefficient is .422($p < .001$) and .570($p < .001$) respectively.

Lastly, we testes the moderating effect of past experience on the relationship between perceived service quality and casino visitors' gaming spend (H5a). The first timers and repeat visitor samples generated a significant $\chi2$ difference on the path between perceived service quality and casino visitors' gaming spend, indicating significant moderation of past experience at the .05 level ($\chi2 = 67.96 > \chi2$ $0.05(3) = 65.71$, df = 3). It implies that impact of perceived service quality on casino patrons gaming spend varies significantly across first-timers and repeaters, thereby supporting Hypothesis H5a. For first timers,

the influence coefficient between perceived service quality and satisfaction was .045($p > .05$). In contrast, the path coefficient of repeat visitors was .299($p < .001$). These findings indicate that service quality has a greater influence on increasing casino visitors' gaming spend for repeat visitors.

Discussion

Theoretical implications

In the services marketing literature, very few studies have paid attention to explore the consequences of brand prestige (Hwang & Han, 2016), especially in casino customer behaviour literature. This research makes contributions to extant literature from two angles.

First, this is one of the very few studies to explore the relationship among brand prestige, visitors' perceived service quality, satisfaction and gaming spend in the casino context. Although Ahn et al. (2015) argued that first class passengers' perception of airline service quality has a positive effect on the formation of brand prestige, and Hwang and Hyun (2012) found that brand prestige helps to reduce luxury restaurant patrons' information searching efforts and enhance patrons' well-being perception, thus inducting patron satisfaction, this study has extended the existing literature by finding a significant relationship among brand prestige, casino visitors' perceived service quality, satisfaction and

Table 3. Standardized parameter estimates for the structural model.

Paths	Standardized estimate	t-Value	Hypothesis
H1 Brand prestige→ Perceived service quality	.53	7.74**	Supported
H2 Brand prestige→ Casino visitors' satisfaction	.41	7.60**	Supported
H3 Brand prestige→ Casino visitors' gaming spend	.34	5.45**	Supported
H4 Perceived service quality→ Casino visitors' satisfaction	.42	7.53**	Supported
H5 Perceived service quality→ Casino visitors' gaming spend	.16	2.51*	Supported
H6 Casino visitors' satisfaction→ Casino visitors' gaming spend	.38	5.07**	Supported

gaming spend. As such, it contributes toward developing an integrated framework linking brand prestige to satisfaction and customer spending. Overall, the results indicate that high level of brand prestige leads to positive perceptions of service quality; brand prestige and perceived service quality both drive visitors' satisfaction and also their spending.

Second, while a few previous researches have generally argued the difference in behaviour between first-timers and repeaters (Chen & Gursoy, 2000; Polo Peña et al., 2013), very few have specifically addressed the moderation effect of visitors' past experience in the casino industry context. We uncovered no statistically significant differences between the first timers and repeaters when it comes to the impact of past experience on the relationship between brand prestige, visitors' satisfaction and gaming spend. However, we found that past experience moderated the influence of service quality on casino visitors' satisfaction – for repeaters, service quality more strongly impacted satisfaction than for first timers. We also confirmed that past experience was a significant moderator for the effect of service quality on gaming spend – perceptions of service quality have a greater impact on gaming spend for experienced customers than they do for first-timers. Overall, by introducing and testing the role of visitors' past experience, this research makes an important contribution to casino tourism literature.

Managerial implications

In their enlightening work, *Firms of Endearment: How World-Class Companies Profit from Passion and Purpose,* Sisodia, Wolfe, and Sheth (2014) contend that marketers today is facing more challenges because more and more people argue that lots of resources were spent on marketing activities but less customer satisfaction, loyalty, and trust were delivered. The authors observe, "Numerous consumer surveys report that people are looking less to "things" and more to experiences to derive satisfaction from their lives" (p. xxiii) Findings from our research corroborate the key premise of Sisodia et al. (2014) within the context of Macau casino visitors. Specifically, tourists visiting Macau casinos seem to care about the prestige associated with a casino brand as it provides them with positive self-worth and a feeling of distinction. Furthermore, brand prestige also translates into perceptions of higher service quality and hence a better

experience, which in turn leads to greater consumer spend.

Clearly, it behooves casino operators in Macau to endow their brand with attributes of prestige so as to increase visitor spend. Also, at a time when the Macau casino market has seen consecutive year-on-year decline in revenue spanning more than 25 months, it is imperative that operators should be more concerned with the experience they provide their customers as the primary means of engendering customer loyalty. The level and quality of visitor service offered by casino are two of the primary determinants of customer experience. This research has established that visitor spend positively correlated with service quality. Given the current fiercely competitive and shrinking casino market of Macau, operators will need to ensure that they make every attempt to upgrade the quality of service they provide their customers. Voice of Customer (VoC) is a key input to providing quality service and enhancing the customer experience. Operators need to ramp up their research efforts by employing suitably qualified researchers who fully understand relevant methodologies to undertake VoC research and capture customer sentiments.

Interactions between a service firm's interfacing employees and customers play leading roles in service quality and visitor experience. Operators in Macau need to redouble their efforts toward employee engagement. Engagement can be increased through appropriate training, employee involvement in setting procedures, adequate incentives, and inspiring employees through a shared purpose. Macau casino employees show very low level of job engagement and some studies suggest that over two-thirds of employees receive no formal job training (Gu & Siu, 2009). Training not only enhances engagement, it also enables employees to perform better on their jobs, thus reducing service failure, resulting in providing better quality of service to customers.

The moderation effect of past experience found in this research also has important practical implications. Compared to first timers, repeat visitors' perceptions of service quality has a greater influence on visitors' spend. Shi et al. (2014) observe that most repeat customers are members of loyalty programmes offered by various casinos in Macau. Data gathered through loyalty programmes is one very important tool to capture VoC. Casino operators in Macau need to ensure that appropriate and timely data from their membership base are captured and analysed. By

doing so, they will better understand the preferences and expectations of their repeat visitors. By incorporating guest preferences and expectations with regard to customer experience, casinos will improve its capability to offer a superior experience to their valued customers. As of now, the data capture and dissemination of player data within Macau casinos is at a fairly rudimentary level.

Limitations and future research directions

This study has three main limitations that should be addressed in future research. First, this study only sampled Macau tourists who had participated in gambling activities. Most integrated resorts offer a wide array of products including shopping, entertainment, dining, and lodging. In some jurisdictions (such as Las Vegas), these non-gaming amenities constitute the bulk of resort revenues. Future research should incorporate data from gamers as well as non-gamers and test whether the relationships observed in this research regarding brand prestige, service quality, and gaming spend hold within the population of non-gaming visitors. Undertaking such studies is particularly vital given the Macau government's express mandate to increase non-gaming revenues in IRCs.

Second, this study operationalized past experience simply as first-time versus repeat visitors. Future research could further disaggregate repeat visitors based on the number of visits (light repeaters and heavy repeaters) and cumulative length of table games play to classify how different levels of experience affect customers' perceived service quality and satisfaction ratings.

Third, for deeper understanding of casino customers, future research may look at the relationships uncovered in this study through the lens of customer involvement. How does customer involvement impact the relationship between brand prestige and service quality? Do involvement and repeat visitation interact? If so, in what way? These and other fecund areas of research warrant attention.

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