



Article Title

The smoking ban next door: do hospitality businesses in border areas have reduced sales after a statewide smoke-free policy?

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Abstract

Despite numerous studies demonstrating no significant economic effects on hospitality businesses following a statewide smoke-free (SF) policy, regional concerns suggest that areas near states without SF policies may experience a loss of hospitality sales across the border. The present study evaluated the impact of Ohio's statewide SF policy on taxable restaurant and bar sales in border and non-border areas.

Methods

Spline regression analysis was used to assess changes in monthly taxable sales at the county level in full-service restaurants and bars in Ohio. Data were analyzed from four years prior to policy implementation to three years post-policy. Change in the differences in the slope of taxable sales for border and non-border counties were evaluated for changes following the statewide SF policy enforcement, adjusted for unemployment rates, general trends in the hospitality sector, and seasonality.

Results

After adjusting for covariates, there was no statistically significant change in the difference in slope for taxable sales for either restaurants or bars following the SF policy for border areas compared to non-border areas of Ohio.

Conclusions

Border regions in Ohio did not experience a significant change in bar and restaurant sales compared to non-border areas following a statewide SF policy. Results support that Ohio's statewide SF policy did not impact these two areas differently, and provide additional evidence for the continued use of SF policies to provide protection from exposure to secondhand smoke for both workers and the general public.

The current findings contrast with recent evidence that some smokers do travel across jurisdictional borders to purchase cigarettes at lower prices. There are several possible explanations for this discrepancy. Consumers are likely more motivated to travel farther by price differences that directly impact their bottom line than by differences in where they can smoke during visits to full-service restaurants or bars. The impact of price differentials may be

enhanced by purchasing cigarettes for multiple days or weeks in one trip, whereas the impact of smoking restrictions on a hospitality experience only lasts as long as the experience. Additionally, these businesses accommodate smokers by providing areas outside their establishment where smoking is permitted, and compliance is high from those smokers who patronize these businesses