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# Sexual Harassment in Las Vegas Nightclub Industry

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SEXUAL HARASSMENT IN LAS VEGAS NIGHTCLUB INDUSTRY

by

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## Table of Contents

ABSTRACT.....	3
PART ONE.....	4
Introduction.....	4
Purpose Statement.....	5
Justification.....	5
Limitations.....	6
Definitions.....	7
PART TWO.....	8
Introduction.....	8
Literature review.....	8
Sexual harassment at a workplace.....	9
Sexualization of American Society.....	12
Sexual Harassment in Hospitality Industry.....	13
Nightclub Industry and VIP Bottle Service.....	17
Nature of Las Vegas and the Evolution of Nightclub Industry in the City.....	22
Sexual Harassment in Las Vegas Nightclub Industry.....	27
Current Sexual Harassment Policies and Procedures in Las Vegas Nightclub Industry.....	29
PART THREE.....	33
Results.....	33
Limitations.....	37
Implications and Recommendations.....	38
Summary.....	43
References.....	45

## ABSTRACT

Las Vegas nightclub industry creates awfully ideal conditions for workplace sexual harassment. Considering the history of sexual harassment cases against major Las Vegas nightclub operators, the industry is currently facing the problem of either continuing to follow the “good old days” model of using bottle service girls’ sexuality to attract business or develop safer and more efficient business model to protect themselves and their employees. Analyses of secondary data including academic literature, trade publications and press, showed that similarly to the city itself, Las Vegas nightclub industry expanded and evolved from a boy’s town to one of the most visited cities attracting both males’ ad females from all over the world. It also exposed serious ethical issues on every step of bottle service girls’ employee lifecycle. Las Vegas nightclub operators should reconsider current policies and procedures, implement sexual harassment training and conduct customer satisfaction survey to uncover the reasons that are currently drawing customers to their establishments. Finding of this study could help businesses make effective strategic decisions on how to decrease chances of sexual harassment incidents, enhance customer service and improve working conditions for bottle service girls in Las Vegas nightclub industry.

## PART ONE

*“Beauty provokes harassment, the law says, but it looks through men's eyes when deciding what provokes it”. Naomi Wolf, The Beauty Myth*

Women are primary objects of sexual harassment for evident reasons. This unfortunate phenomenon is much more common in hospitality than in any other industry (Poulston, 2008). Women involved in hospitality (or service industries in general) fit both of these descriptors, which means their chances to become victims of sexual harassment at a workplace are even greater (McLaughlin, Uggen & Blackstone, 2012). Adding another variable, Las Vegas, takes the issue up to an entirely different level.

Las Vegas is known for being the so-called “adult playground” of America, “sin city”. Some people even refer to it as an “entertainment capital of the world” (Staudinger, 2012). Many travelers perceive Las Vegas as a place to escape reality, which often results in inappropriate and unethical behavior that often ends up affecting employees of the entertainment industries (Morrison, 2011).

Nightclubs are transforming the Las Vegas entertainment industry, attracting an entirely new type of visitor. More and more people come to Las Vegas with the sole purpose of partying in mega nightclubs, seeing famous electronic DJ's and, of course, experiencing VIP bottle service (Hollands, 2002).

VIP bottle service is a fairly new concept in nightlife, which refers to selling liquor by the bottle with a table space at a nightclub (Milzoff, 2006). Bottles are usually sold for the price dramatically exceeding their real value, though customers do not only pay for the liquor itself but for the service they receive (Le Draoulec, 2007).

Bottle-service girls are those attractive young females who provide VIP bottle service to nightclub guests (Schuster, 2013). Informal work environment and close contact with customers often results in sexual harassment incidents involving both customers and

managers. Some of these cases have already become scandalously famous and went far beyond the borders of Las Vegas (McGinley, 2012).

Las Vegas nightclub industry is expanding with new mega nightclubs opening almost every year, which means employing more women as bottle-service girls (Dominick, 2015). Nightclub operators are continuously involved in the process of hiring, training and managing VIP bottle service girls, which is often based on the practices that were developed and incorporated decades ago (McGinley, 2012).

#### *Purpose Statement*

The purpose of this paper is to explore the issue of sexual harassment among bottle-service girls in Las Vegas nightclub industry. Based on these findings the paper intends to develop recommendations for nightclub operators in Las Vegas on how to better train and manage bottle-service girls in order to protect them and develop policies and procedures essential to prevent future cases of sexual harassment.

#### *Justification*

Bottle-service girl position proposes an entirely new approach to service and roles of females in entertainment/service industry (Shuster, 2013). It has been provoking countless rumors and gossip, revealing shocking stories, most of which have sexual context. A new scandal comes out almost every year with one or another major nightclub operator being accused of “creating hostile work environment” and sexually harassing female bottle service employees (McGinley, 2012).

This position almost assumes such conditions. At least that’s what media is suggesting when featuring stories about those scandalous law suites. Sexual harassment is undoubtedly “complex, subtle and highly subjective” (Gifford, 1998), though it is vital for nightlife operators in Las Vegas to have as much knowledge about the issue as possible in order to be able to control it.

Considering the history of sexual harassment in the Las Vegas nightclub industry and the evolution of the business itself, nightclub operators are currently facing the question whether they should continue following the practices of the industry's "good old days" or consider altering bottle-bottle girls' employee lifecycle in order to protect themselves and their employees. Research and the data retrieved from it will help nightclub operators reduce uncertainty when making this complex strategic business decision.

### *Limitations*

Due to the lack of primary data this study can only suggest certain assumptions based on previous research in hospitality, which should be analyzed thoroughly since not everything that applies to hospitality industry in general may be used to judge the nightclub industry in particular. Due to the nightclub industry being fairly new, particularly in its modern state with the VIP bottle service and the bottle-service girls who deliver it, there is not enough academic literature that can be examined. Therefore, a significant part of information will come from mainstream and commercial publications. Such literature should be used with caution due to media being highly subjective and often exaggerating facts in order to "make the story". Legal documentation will be used as a source of information about sexual harassment cases, which should also be analyzed considerably due to the simple fact that most law suites are either extreme cases or exaggerated interpretation of the facts.

### *Definitions*

**Sexual Harassment:** any kind of sexual behavior including physical, verbal or visual actions that are unwelcomed by the person they are being addressed to and negatively affect him or her (Woods & Kavanaugh, 1994)

**Nightclub:** an entertainment venue, which operates late at night and differs from bars and lounges by the presence of DJ booth, dance floor and live performance of a DJ or an Artist (Hollands, 2002).

**VIP Bottle Service:** “selling liquor by the bottles in nightclubs and lounges” (Milzoff, 2006), which was born in Europe and developed in the US in the early nineties (Taddeo, 2010).

**Bottle-Service Girl:** a female employee who is providing bottle service experience to the guests of a nightclub establishment (Schuster, 2013).



## PART TWO

### *Introduction*

Literature review will begin with the examination of sexual harassment at a workplace, followed by an analysis of the issue through the lens of so-called “sexualization” of American society. Sexual harassment in hospitality industry will also be thoroughly investigated. Furthermore, the review will explore the nature of nightclub industry and the position of a “bottle-service girl”. It will overview an evolution of Las Vegas nightclub industry to its present state and the history of sexual harassment cases in the industry. The review of literature will conclude with an analysis of bottle-service girls’ lifecycle as well as current sexual harassment policies and procedures among major Las Vegas nightclub operators.

### *Literature Review*

Sexual harassment has been an issue in Las Vegas nightclub industry since the earliest stages of its existence (Morrison, 2009). However, during the past several years it evolved from an issue to a serious problem for major nightlife operators in Las Vegas and the industry in general (Smith, 2014). Several big law suites were filed against major nightlife operators accusing them of not only “creating hostile work environment”, but also directly sexually harassing their employees. All of these cases were actively covered in media and involved female VIP bottle servers as primary plaintiffs (Knapp & Adams, 2014).

Major nightclub operators were affected severely by the cases that were made public by the press (Knapp & Adams, 2014). The issue went far beyond the industry and even Las Vegas itself. Was there anything that could have been done to prevent this from happening? What measures (if any) were taken after the incidents took place? Such questions can hardly be answered with any degree of certainty without thorough analyzes of both Las Vegas nightclub industry and sexual harassment cases in the industry throughout the years of its

existence. First, however, it is vital to thoroughly examine the issue of sexual harassment at a workplace itself.

### *Sexual Harassment at a Workplace*

Sexual Harassment is identified as any kind of sexual behavior including physical, verbal or visual actions unwelcomed by the person they are being addressed to and negatively affecting him or her (Woods & Kavanaugh, 1994). Sexual harassment violates Title VII of the 1964 Civil Rights Act, under which harassment is a conduct of sexual nature that interferes with the employee's work performance (Dessler, 2010).

Sexual harassment also includes any "unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature" (US Equal Employment Opportunity Commission), including anything that creates "intimidating, hostile, or offensive work environment" (Cortina & Berdahl, 2008). Sexual harassment at a workplace harms both individual who is being harassed and the establishment itself, contributing to high employee turnover, while fostering psychological (depression, drug and alcohol abuse) and, sometimes even physical harm to the employees (Gilbert, Guerrier & Guy, 1998).

There are three main types of sexual harassment at a workplace:

- Quid Pro Quo, which is identified as a hostile work environment created by supervisors. It also applies to a hostile work environment created by coworkers or nonemployees (Kath et al., 2014). Under Quid Pro Quo an employee loses or is denied particular working benefits when she refuses to sexually cooperate to the desires of the supervisor. It usually involves two people – an aggressor (supervisor) and a victim (employee).
- Creating hostile work environment may also involve numerous people and include any kind of sexual or demanding behavior from the supervisor (Cortina & Berdahl, 2008).

- Coworkers and nonemployees (customers in service industries, for example) may be the source of sexual harassment at a workplace. A case of an employee wearing mandatory provocative uniform which aggravates sexual behavior from customers could be an example, if there is no so-called “job-related necessity” to wear such uniform and the employee has no choice but to wear it in order to maintain the employment.

Federal Violence Against Women Act (1994) implies that “a person who commits a crime of violence motivated by gender and thus deprives another of her rights shall be liable to the party injured” (Dessler, 2010).

The issue of sexual harassment is going back centuries ago, though it has only been officially carrying its name since the 1970s. Being less than 50 years old, the term “sexual harassment” has already managed to become very well recognized among most cultures around the globe (Hunt et al., 2007). The fact that sexual harassment is recognized, however, doesn't always mean that it is known and understood. Even though most modern organizations, particularly the ones in the western world, have sexual harassment policies in place, many employees (and often managers) fail to understand how to cope with it and find it very shocking if and when it happens at the place of their employment (McLaughlin, Uggen & Blackstone, 2012).

The one thing that most scholars agree on is that sexual harassment occurs at a workplace due to gender inequalities and other types of discrimination at work. Power (and abusing it, particularly) was discovered to be one of the major triggering points of sexual harassment at a workplace (McLaughlin, Uggen & Blackstone, 2012).

Sexual harassment may take place in a variety of forms from seemingly innocent sexual remarks, jokes or comments to actual physical sexual assault. Individuals are found to perceive certain behaviors differently, particularly women view some events as offensive and

having sexual context compared to men not feeling uncomfortable at all when being exposed to the same kind of situations at work (Hunt et al., 2007). Personal sexual harassment experience is highly subjective, though it is always unwelcomed by the recipient (Hunt et al., 2007).

Understanding the issue of sexual harassment at a workplace is problematic for many employers due victims often being embarrassed by the sexual behaviors they have experienced from their co-worker, managers or customers. It often forces employees to quietly leave their positions without even providing the reason for leaving (Gilbert, Guerrier & Guy, 1998). This may result in maintaining the employment of sexually aggressive employees who affect other workers' wellbeing at work while leaving management uninformed about what really goes on at the establishment (McLaughlin, Uggen & Blackstone, 2012).

Due to the issue being highly subjective, it may be challenging to identify what exactly caused particular events. What appears to be sexual harassment for one person might be perfectly acceptable for another. Research has also shown that many people fail to understand what sexual harassment is, and when asked directly about sexual harassment experience, people tend to give answers that don't generate as good of a data compared to the answers given to more broad questions offering a list of possible sexualized behaviors (Hunt, et al., 2007). This leads to an important question – do people realize what sexual harassment is, and what behavior is not acceptable at a workplace in particular? And how do social changes that have been happening throughout the recent years affect the way most people perceive sexual harassment?

### *Sexualization of American Society*

During the past several decades' society, western world in particular, has been going through a transformation of the way people perceive sexuality. What was inappropriate or

even unacceptable 20 years ago, now is not only allowed, but also openly discussed, shown all over the media, and, often even encouraged and used as a marketing tool (Wouters, 2010). The term “sexualization” was introduced in the nineteenth century, though it only became fairly common in American journalism and academia in the early nineteen seventies (Duschinsky, 2012).

Sexualization is a part of a much broader process of the so-called “informalization” (making everything less formal), which applies to men and women, adults and children, developing more “egalitarian and open” relationships (Attwood, 2010). These processes affected social morals and values triggering the “manners shift”, which resulted in “the decline of innocence, courtesy, and romance” (Wouters, 2010, p. 729).

Wouters (2010) even refers to American Psychological Association (APA) having found the evidence of widely spread sexualization of girls in the United States, which was also discovered to have damaging affects on the morals of American society.

APA proposes the following four conditions under which sexualization typically occurs (Wouters, 2010):

- Individuals base their value system on sexual behaviors, often excluding other characteristics.
- Physical attractiveness is defined associated solely with being sexy.
- “A person is sexually objectified – that is, made into a thing for others’ sexual use” instead of being treated as a person capable of decision making and taking action (Wouters, 2010, p. 724).
- Inappropriately forcing sexuality upon an individual.

The social changes described above affect the way individuals perceive themselves and those around them, and, of course, the way they interact with others in both formal and informal settings. If we believe that movie industry, for example, represents a part of our

culture, how does the Hollywood making 400 movies a year vs. the porn industry producing over 10,000 movies every year, characterizes us as a society (Wouters, 2010)? Since modern culture proposes such sexual freedom, people tend to get involved in sexual behaviors without even realizing or even noticing it. It simply becomes a new social norm, which undoubtedly finds its way into the work environments (Attwood, 2010).

If the issue of sexual harassment is relatively common in the business world that assumes professional setting and certain boundaries, how does it appear in hospitality industry, which often implies informal and relaxing atmosphere?

### *Sexual Harassment in Hospitality Industry*

Paulson (2008) discovered that sexual harassment occurs much more often in hospitality than in any other industry. Managers in the industry also recognize the issue as a widespread problem among hospitality workers (Woods & Kavanaugh, 1994). There are numerous factors that help explain commonality of sexual harassment in service industry. Some of them are connected to the nature of the job itself, while others relate to the people the industry employs (Folgerø & Fjeldstad, 1995). It may be unclear what exactly affects the frequency of sexual harassment incidents in hospitality. The harm it brings to both employees and the workplace, however, is inevitable (Cortina & Berdahl, 2008). In order to analyze sexual harassment in hospitality, it is important to understand the nature of the industry itself.

Results of the study among American hospitality graduates show that 39% of male respondents and 65% of female respondents believed that females working in hospitality industry were sexually harassed regularly (Woods & Kavanaugh, 1994). According to Poulston (2008) hotels and catering departments to be affected by sexual harassment more than any other sector of hospitality industry.

New Zealand Human Right Commission during its 2000 study discovered that 54 out of 284 (19%) sexual harassment cases that were filed between 1995 and 2000, came from

hospitality industry. This number appears to be even more significant when considering the fact that hospitality industry on average employed less than 5% of the country's workforce during those five years (Poulston, 2008, p. 233).

Gilbert et al. (1998) outline the following major effects of sexual harassment: high turnover, poor working relationships, economic costs, and psychological impacts on the victims. As mentioned earlier, some employees choose to quietly leave their workplace in order to avoid sexual harassment, while others report it and leave anyways after finding working for the same employer surrounded by the same environment where the incident(s) occurred unbearable (Gilbert, Guerrier & Guy, 1998). This results in labor shortage, time consuming hiring and training activities.

Sexual harassment may also create hostile, unpleasant work environment that affects most employees in the organization from front line and back of the house to senior and upper management (Kath et al., 2014). Decreased job satisfaction among employees results in absenteeism and high turnover, which inevitably affects the quality of customer service and often draws substantial economic costs (Yagil, 2008). Not to mention legal outcomes if the sexual harassment case is filed against the company (Smith, 2014). Finally, sexual harassment often has an absolutely damaging psychological affect on its victims, including but not limited to anger, anxiety, fear, sleep problems, depression, and even complete nervous breakdown (Gilbert, Guerrier & Guy, 1998).

Where does sexual harassment come from? Unlike in most other industries, the issue may appear both internally and externally in hospitality. On top of dealing with their co-workers and managers on a regular basis, most hospitality workers due to nature of their job have to constantly communicate with the customers. This increases the chances of sexual harassment incidents, which are hard or even impossible for the employer to control, particularly when it is coming from the outside, the customers (Cortina & Berdahl, 2008).

It is rational to start evaluating the aspect that could be entirely or at least partially controlled by the organization.

As mentioned earlier, harassment could be an outcome of abusing power in order to control others (McLaughlin, Uggen & Blackstone, 2012). Due to being strongly hierarchical most hospitality organizations develop the structure in which low-skilled workers (mostly females) are in subordination to their management (Poulston, 2008). It often puts service industry employees in unfavorable positions, which may not only make them feel uncomfortable if being treated unfavorably, but also prevent them from standing up for themselves (Gilbert, Guerrier & Guy, 1998). This develops conditions for vertical harassment in hospitality – managers harassing employees (Poulston, 2008).

When discussing horizontal level of sexual harassment, among employees that occupy identical or similar positions, Poulston (2008) brings up seniority, which is very common in hospitality organizations and refers to awarding better shifts or sections (e.g. restaurants) to the employees who have been working in the company longest periods of time.

Another reason for sexual harassment being so common in hospitality is that the industry mostly employs “young, low skilled female workers in positions subordinate to those of men” (Gilbert et al., 1998). On top of being poorly educated, many of these women don’t know how to defend themselves when sexual harassment occurs on the workplace. Poulston (2008) believes that not only do many hospitality workers widely accept sexual harassment, they might also even welcome and enjoy it to a certain extent.

It seems fairly obvious that thorough training of both management and employees is vital in order to lower the possibility of sexual harassment in hospitality organizations (Cortina & Berdahl, 2008). However, many service establishments consider sexual harassment prevention programs too expensive, therefore hospitality managers often choose to ignore the issue (Poulston, 2008).



As mentioned above the incidents of sexual harassment in hospitality may also be triggered externally – by customers or guests of the establishment (Cortina & Berdahl, 2008). Service industries in general cultivate "the customer is always right" concept, trying to satisfy the needs of even most demanding customers (Poulston, 2008). Hospitality workers generally come in close contact with customers, and often they are even encouraged to not only satisfy customers' needs but also exceed their expectations (Gilbert, Guerrier & Guy, 1998).

Due to the industry being highly competitive, restaurants, hotels, as well as bars and nightclubs are going out of their ways to keep their business. Management often chooses to misinterpret offensive or harassing customers' behavior, or simply deny the incident when it happens (Yagil, 2008). Studies among hospitality personnel directors show that as many as almost 30% of them don't consider sexual jokes an issue, while 7% of them even consider flirting to be a part of the service job (Poulston, 2008, p. 233). Moreover, Poulston (2008) argues that common in hospitality commission based compensation leads to establishing unequal relationships between customers and employees. Finally, many service establishments, particularly bars and nightclubs serve alcohol, which is one of the main triggering factors of harassing and abusing customers' behavior (Yagil, 2008).

Before analyzing the issue of sexual harassment in Las Vegas nightclub industry, it is critical to understand the nature of the business itself and follow the evolution of Las Vegas nightclub scene.

#### *Nightclub Industry and VIP Bottle Service*

Nightclub is an establishment that delivers drinking, dancing, socializing and entertainment to its customers after dark (Bianchini, 1995). It is an entertainment venue that offers dancing and socializing for young people worldwide. Modern nightclub scene can be viewed as a mix of mainstream, residual and alternative spaces with mainstream nightlife establishments dominating in the urban nightlife scene (Miyakubo, 2009). The main feature

that distinguishes nightclubs from bars and pubs is a dance floor and a DJ booth, where a DJ or an artist performs live or recorded music (Hollands, 2002).

Nighttime entertainment started gaining popularity among general public in 1970-1980s in major cities around the globe (Bianchini, 1995). Both Bianchini (1995) and Northcote (2006) agree that demand for nightlife increased drastically due to the expansion of higher education, which developed a new audience attracted to nightlife – students. According to Northcote (2006) nightlife plays a significant role in transitioning from childhood to adulthood in Western societies. Nightclubbing, which means going to nightclubs regularly (several times a week), is viewed as an important leisure based activity allowing young people go through essential social interactions and experiences (Northcote, 2006).

Hendrie, Mannion and Godfrey (2009), tried to explain human behavior during nightclubbing from a biological standpoint, focusing on sexuality and mating of mature humans. Similarly to other biologists they compared human behavior to animal behavior and suggested that nightclubs serve the same purpose for humans as the mating areas do for animals.

Careful observation helped the researchers collect data proving 50% increase in the number of couples leaving the nightclub at the end of the night compared to the amount entering the club. 80% of dances inside the nightclub were discovered to be initiated by males, which put females in competition to attract attention. Females who dressed and behaved “in a sexually suggestive manner” were found to attract most attention. As a result this research concluded that nightclubs promote female sexuality and treating females strictly as sexual objects (Hendrie, Mannion & Godfrey, 2009).

Nightlife industry went through major transition during the past 20-30 years. Dance music and electronic DJ’s entered nightlife scene, which transformed the old-school bars and

pubs into the so-called “mega-clubs” with massive spaces, dance floors and table service (Hollands, 2002).

Less than several decades ago the whole new experience, VIP bottle service, was introduced to nightclub guests. This fairly new concept in nightlife is identified as “selling liquor by the bottles in nightclubs and lounges” (Milzoff, 2006). It was born in Europe and was brought to the US in the early nineties (Taddeo, 2010).

In nightclubs liquor bottles are sold at a price in times exceeding their value, varying anywhere from \$350 to \$600 per bottle of premium liquor (e.g. Grey Goose vodka). Bottle prices vary greatly and can go up tens of thousands of dollars per bottle of elite champagne. 18%-20% service charge is usually included on top of the price of the bottle as well as tax. So a \$600 bottle will end up costing \$768 in Vegas, for example, where sales tax is 8.1% (Le Draoulec, 2007). However, the customer is not only paying for the liquor, but for the table, club/lounge space and an experience, of course (Le Draoulec, 2007).

In cities like Las Vegas and Los Angeles nightclubs attract high-rolling clientele including professional athletes and celebrities, who can easily spend \$15,000-20,000 per table and often go much higher than that (Hahn, 2015). Nightclubs in Las Vegas, Miami, Los Angeles and abroad also had customers spending hundreds of dollars on bottle service. A 23-year old financier, for example, spent over £200,000 (\$300,000) at a nightclub Manchester City in April 2012. 10% percent service charge (almost \$28,000) was included in the final bill (Young, 2013). Charging 18% auto-gratuity is standard in the US, therefore, in Las Vegas the service charge would be almost double that amount, most of which goes to bottle-service girls.

A big spender in a nightclub is the one who gets that special treatment and true VIP experience. Bottle-service girls dress up, “get on the guys’ shoulders” (Hahn, 2015), and bring sparklers to put on a big show if the customer spends \$5000 or more. This often

provokes other customers in a club to spend more money. They even ask what they have to buy in order to receive a show in their honor. People seem to be obsessed over feeling VIP, getting special treatment and drawing attention, especially in the cities like Los Angeles, Las Vegas, New York or Miami (Hahn, 2015).

Bottle service is becoming more popular than ever, comprising over 70 % of Las Vegas nightclubs' revenue (Palmeri & Brandt, 2015). Le Draoulec (2007) explains popularity of this service by the fact that it allows guests to feel important. Nightclub operators call it VIP experience for a reason, after all. Besides, the whole concept of serving alcohol by the bottle often leads to overconsumption and customers losing control. Some nightclub operators argue against bottle service even despite of its high profit margin. Bordello lounge in Los Angeles, for example, discontinued bottle service in order to keep the atmosphere at the establishment more civil and protect employees from violent behavior of some customers (Le Draoulec, 2007).

Bottle-service girls are females, employed by nightclubs to provide VIP bottle service to the guests. Officially this position is called "VIP table hostess" or "cocktail server model", depending on the company (Schuster, 2013). However, both press and nightclub industry professionals refer to these females as "bottle-service girls" (Hahn, 2015). These employees are usually very young (age 21 to 28) and very attractive females who serve customers when they purchase bottles. Their responsibility is to sell bottles, bring them to the table, make drinks, but most importantly make sure their clients are having a good time (Woodman, 2012).

Even though the job requires an ability to deal with drunk customers and work late hours, young women are ready to cope with it in order "to make what lawyers make" while only working 10 hours a week (Hahn, 2015). Most nightclubs use tip pull-systems, where gratuity is divided among all the bottle-service girls, so they all end up making the same

money. This helps provide equal and fair compensation system, avoiding employees fighting over sections, tables and customers, (Hahn, 2015).

In an extensive interview to one of the popular online publications several bottle-service girls shared their experiences and thought in regards to working in nightclub industry (Hahn, 2015). All of the four young women interviewed by Hahn (2015) were under 25 years old, started working in Los Angeles nightclub industry right after turning 21 and were attracted by the money and the connection they could make. They mentioned dealing with customers who have “zero respect for women”, some of whom in response to the girl asking not to touch her would say “Well, you are a bottle girl”. Girls explain that many people perceive bottle-service girls as “trashy”, though they all argue against this common opinion.

The interview clearly shows that these women consider themselves lucky to be working as bottle-service girls, are proud of what they do, calling it “being independent”. They also seem to enjoy looking “hot and sexy” in their uniforms, which look nothing more than a lingerie on the pictures posted in the article (Hahn, 2015).

“Bottle-service girl” is a very well paid position that allows making hundreds and, sometimes, even thousands of dollars a night (Taddeo, 2010). However, the job is very easy-to-replace since it doesn’t require any particular experience or special skills. Among the qualities that are appreciated to succeed as this job are good looks, young age and so-called “bubbly, fun personality” (Hahn, 2015). VIP bottle servers are usually wearing revealing outfits, are expected to up-sell their tables (make them spend more money) and, often, even have their own client lists (Taddeo, 2010).

Women involved in nightclub industry are surrounded by toxic environment on a weekly basis, which results in manners shift and behavior changes. Seeing people losing control and doing unethical and inappropriate things, to say the list, being triggered by alcohol and nightclub environment, changes personalities and values. Bottle-service girls

share how they are hardly surprised to see married or engaged people cheating, for example. They also don't seem to believe in relationships or values whatsoever, though many of them not only fail to realize how the environment affects them, but even find it entertaining. Some of them even proudly admit that they "have no shame anymore" (Hahn, 2015).

In an interview to NY Post in 2013, a former VIP bottle server shared her experience working as a VIP bottle service girl, suggesting that "when people are spending a certain amount of money, they think they can have anything they want..." (Schister, 2013). Scandalously famous bottle service girl Rachel Uchitel in her interview with NY Magazine even called this job a form of "social prostitution", meaning the girls didn't necessarily have to sleep with the customers but were expected to "flirt with them, booty dance with them, call them, hang out with them, occasionally procure girls and 'party favors' for them, all while wearing teeny tiny outfits" (Taddeo, 2010). She also mentioned gifts and trips with customers the girls would occasionally agree to in order to "maintain relationships" with them. Another former VIP bottle service girl shared how she was fired when she slapped a customer for touching her (Schister, 2013).

The opinions of women with the experience of working as VIP bottle servers, suggest this position itself almost assumes revealing and sexual behavior, which could be misleading to customers and even managers (Taddeo, 2010). The industry analysis has also shown connection to the argument Poulston (2008) made when studying sexual harassment in hospitality. Employing particular kinds of people may result in higher chances of sexual harassment incidents at a workplace. Incidents of sexual harassment are very common in nightclub industry and usually involve female employees (McGinley, 2012).

Applying the findings of the research in hospitality industry to nightclub industry shows that it creates an environment that triggers sexual harassment, including the following factors:

- Employing young inexperienced females (Poulston, 2008).
- Females working under direct male supervision, which arises the issue of power (Gilbert et al., 1998).
- Servicing nature of the job with the “customer is always right” approach (Yagil, 2008).
- Extensive alcohol consumption (Yagil, 2008).
- Relaxing entertainment environment (Poulston, 2008).

In order to achieve the purpose of this paper and develop recommendations particularly for Las Vegas nightclub operators, it is critical to not only examine the evolution of Las Vegas nightclub industry and the history of sexual harassment cases, but to also consider how the nature of Las Vegas affects bottle-service girls’ jobs and nightclubs that operating on the strip.

#### *Nature of Las Vegas and the Evolution of Nightclub Industry in the City*

Generally speaking, when people travel they feel reduced sense of responsibility, even anonymity, which may affect their decisions and provoke inappropriate behavior (Morrison, 2011). Unlike many other travel destinations, Las Vegas is also viewed by many travellers as the place where they can escape the reality and act however they want, which will not only be accepted, but also emphasized in many cases. Las Vegas is famous for being an “adult playground of America”, “sin city”, where whatever happens stays and never leaves its boarders. Moreover, trips to Las Vegas often involve extensive alcohol or even drug consumption and hard-core partying at a nightclub (Staudinger, 2012).

Sexualization of American society was discussed earlier as one of the suggested factors triggering sexual harassment at a workplace. Las Vegas also recently went through the process of sexualization. Casinos, bars and nightclubs have been contributing to sexualizing entertainment industry in Las Vegas during the past several decades.

McGinley (2012) believes, for example, that it was one of the reasons for the Strip becoming the number one adult entertainment destination in the country and casinos (particularly nightclubs) collecting fortunate profits. According to Las Vegas Convention and Visitors Authority the number of annual visitors increased from 6,787,650 people in 1970 to 41,126,512 people in 2014 (more than 500% increase in a little over 40 years). In 2014 Las Vegas was number 23 in the list of 25 world's most visited cities (CNN, 2015).

Las Vegas entertainment scene is changing. Unlike ten-fifteen years ago, when primary reason for coming to Las Vegas was gambling, most people nowadays come to the city for other types of entertainment. MGM, for example generates only 30% of revenue from gambling with the remaining 70% coming from hotel rooms, spas, shows, restaurants and, of course, nightclubs (Palmeri & Brandt, 2014).

Famous electronic DJ's and Hollywood celebrities serve as one of the major attractions in Las Vegas nightclubs. These entertainers are paid thousands (in case of some famous DJ's millions) of dollars for simply showing up the club (Morrison, 2011). Las Vegas nightclub industry has a lot to offer, with all major nightclubs being conveniently located inside the mega hotels and casinos along the strip (Staudinger, 2012).

Las Vegas nightclub industry has been showing a steady growth during the past several years (Leach, 2015). The concept of mega-nightclub in Las Vegas began in the mid 1990's when the first big club, Club Rio, was open inside the hotel and offered bottle service to its guests. Studio 54 was open several years later in 1998. In the year 2001 The Light Group opened its first exclusive nightclub Light at the Bellagio with highest bottle prices in the city. Light had been one of the most popular nightclubs in Las Vegas for years. In less than 10 years the company itself managed to become one of the major nightlife operators in the city (Stein, 2011).



It took less than two decades for Las Vegas to develop one of the most competitive nightclub industries in the world (Staudinger, 2012). According to Nightclub & Bar Association in the year 2014 Las Vegas was “the hottest nightclub destination in the country” for the third consecutive year. In 2014 XS Nightclub at Encore Hotel was the highest grossing nightclub in the US, and six more Las Vegas nightclubs made it to top 10 of one-hundred list (Nightclub & Bar, 2015).

The list doesn't include, however, another mega nightclub, Omnia, that opened its doors on March 12, 2015. \$107 million investment resulted in creating 75,000-square-foot indoor-outdoor nightclub establishment, one of the largest ones in Las Vegas. It is managed by fairly new nevertheless particularly successful nightlife operator, The Hakkasan Group (Leach, 2015).

The company entered Las Vegas market in 2013 with the opening of Hakkasan nightclub. Table 1 shows that in 2014, during its first year of operation, Hakassan was second most profitable nightclub in the country. XS nightclub, a veteran of Las Vegas nightclub industry that has been open for over seven years, was the only one to outperform Hakassan (Nightclub & Bar, 2015). Famous electronic celebrity DJ's like Tiesto and Calvin Harris are residents at Hakkasan, which alone attract millions of visitors from all over the world. The club is also famous for being the most expensive nightclub in the history of the industry, costing \$130 million to build (Palmeri & Brandt, 2014).

Hakassan Group is growing fast, aggressively outperforming and even acquiring its main competitors. At the beginning of 2015 The Hakkasan Group acquired previously one of the most successful Las Vegas nightclub operators, The Light Group (Mac, 2014). This made Hakkasan the largest entertainment and hospitality company that is currently operating in Las Vegas market (Katsilometes, 2014).

## 2014 TOP 100 REVENUE GENERATING NIGHTCLUBS IN THE U.S

Table 1

### *Nightclub Characteristics*



TOP 100 REVENUE GENERATING NIGHTCLUBS, BARS & LOUNGES IN THE U.S.

Rank	Concept Name	Website	Location	2014 Total Revenue (\$MM)
1	XS Nightclub	xslasvegas.com	Las Vegas, NV	\$103 - 105 MM
2	Hakkasan	hakkasanlv.com	Las Vegas, NV	\$100 - 103 MM
3	Marquee Nightclub	marqueelasvegas.com	Las Vegas, NV	\$80 - 85 MM
4	TAO Las Vegas	taolasvegas.com	Las Vegas, NV	\$50 - 55 MM
5	LIV	livnightclub.com	Miami Beach, FL	\$40 - 45 MM
6	Surrender Nightclub	surrendernightclub.com	Las Vegas, NV	\$40 - 45 MM
7	LAVO New York	lavony.com	New York, NY	\$30 - 35 MM
8	Story	storymiami.com	Miami Beach, FL	\$25 - 30 MM
9	Hyde Bellagio	hydebellaio.com	Las Vegas, NV	\$25 - 30 MM
10	LAVO Las Vegas	lavolv.com	Las Vegas, NV	\$20 - 25 MM
Honorable Mention	E11EVEN	11miami.com	Miami, FL	
11	Seacrets	seacrets.com	Ocean City, MD	\$20 - 25 MM
12	Mango's Tropical Café	mangostropicalcafe.com	Miami Beach, FL	\$20 - 25 MM
13	LEVU Dallas	levudallas.com	Dallas, TX	\$20 - 25 MM
14	The Pool After Dark	caesars.com/poolafterdark	Atlantic City, NJ	\$20 - 25 MM
15	Marquee NY	marqueeny.com	New York, NY	\$15 - 20 MM
16	PHD at Dream Downtown	phdlounge.com	New York, NY	\$15 - 20 MM
17	Chandelier Bar	cosmopolitanlasvegas.com	Las Vegas, NV	\$15 - 20 MM
18	Tryst Las Vegas	trystlasvegas.com	Las Vegas, NV	\$15 - 20 MM
19	Create Nightclub	createnightclub.com	Los Angeles, CA	\$15 - 20 MM
20	Avenu Lounge	avenulounge.com	Dallas, TX	\$15 - 20 MM

*Note:* The table was prepared by Nightclub and Bar Convention and Tradeshow (2015).

Another important part of Las Vegas entertainment scene is party pools that are often referred to as “dayclubs” and described as “must-visit Las Vegas pool parties” and “everything you know to be true about a Las Vegas nightclub, but during the day” (Colton, 2013).

In her 2012 article about Las Vegas party pools, Domanick described the nature of the daytime partying, including history, customer expectations and dress codes. Some party pools in Las Vegas “require women to wear swimsuits with a sundress” and “encourage them to do their hair, makeup and wear heels”. The pools can refuse access to people that are dressed “inappropriately” or not considered good looking “enough”. Guests are offered “a five-star

experience”. Looks, personal style, sexuality are endorsed in Las Vegas day clubs (Domanick, 2012).

Each major hotel and casino has a full functioning day club operated by one of the major nightlife operators in town. Most party pools open in the mid March and till the end of October (Colton, 2013). Even though such establishments operate during the daytime hours, they are considered as a part of nightlife/entertainment industry in Las Vegas (Yansley, 2013).

Las Vegas is expanding rapidly, with nightclubs contributing greatly to its recent growth. Several decades ago, right around the time when first nightclubs entered Las Vegas entertainment scene, the city was a travel destination primarily for men (Staudinger, 2012). This resulted in using female sexuality in nightclub industry as well as other other Las Vegas industries in order to attract more business. Some scholars, like McGinley (2012), for example, believe that this active sexualization of Las Vegas contributed to such rapid growth of the city.

Not only did Las Vegas grow, however. It also went through a major transformation. Unlike fifteen years ago significant part of visitors are currently females who come to Las Vegas to celebrate bachelorette parties and enjoy girls-only trips (Morrison, 2011). According to 2014 Las Vegas visitor profile study, conducted by LVCVA in 2014, during the past five years from 2010 to 2014 half of the people visiting Las Vegas were female (LVCVA, 2014).

### *Sexual Harassment in Las Vegas Nightclub Industry*

Las Vegas nightclub industry is focused on providing entertainment to adults in an informal environment away from home, which affects their behavior encouraging them act in an unusual and often inappropriate manner (Morrison, 2011). The examples of studies proving nightclubs promoting female sexuality, were discussed in earlier chapters and

showed that females at a nightclub are often treated as objects, particularly if they wear sexually revealing outfits (Hendrie, Mannion & Godfrey, 2009). Women are viewed as sexual objects in an environment that promotes fun and partying while emphasizing female sexuality, complimented with the excessive intake of alcohol and, often, illegal drugs (McGinley, 2012).

McGinley (2012) believes that sexualization of Las Vegas entertainment industry and using female sexuality is believed to contribute to its extensive growth and development. When discussing nightclub industry the term “over-sexualization” is often used to describe the industry and point out that it uses female sexuality as a marketing tool to attract more business and, therefore, increase profits (McGinley, 2012).

Aside from increased revenues and rapid growth, however, using female sexuality in nightclub industry resulted in serious legal problems for major nightclub operators in Las Vegas (McGinley, 2012).

The Light Group, one of the major Las Vegas nightclub operators prior to being acquired by Hakkasan Group in 2015, was involved in several scandalous sexual harassment lawsuits during the past several years. Even though all of these cases were quietly settled before going to court, they were extensively covered in press, attracted bad publicity and resulted in substantial financial losses for the company (Knapp & Adams, 2014).

During the decade of operating in Las Vegas nightclub industry, The Light Group managed all of its venues inside MGM properties. When asked to comment on the acquisition, representatives from MGM resorts stated that they “looked forward to Hakkasan's seamless transition and recognized The Light Group for its impact on Las Vegas” (The associated press NY Times, 2014).

During the analysis of the history of sexual harassment at The Light Group the following data was retrieved. In 2011 former company's employee, who worked as a VIP

bottle service girl at one of the major Las Vegas nightclubs for several years, filed a law suit against the company. The plaintiff stated that she was inappropriately touched by management at work, and was also “forced to sit on the laps of VIP guests, to kiss and touch them in an inappropriate manner, and to allow herself to be touched” (McGinley, 2012, p. 267). She also claimed that she was encouraged to drink “excessive amounts of alcohol” and use drugs, such as cocaine, which were provided to her by nightclub managers in order to “mingle with guests” (McGinley, 2012, p. 267).

Some Las Vegas nightclub “veterans”, who currently work in the industry and chose to be interviewed anonymously, believe that The Light Group is known for being the worst employer for females (Knapp & Adams, 2014). Most recent 2014 lawsuit against the company suggests that “sex is encouraged and even expected”. The attorney for the plaintiff against The Light Group in 2014 case even called the approach of using females as sexual objects company’s “business plan”. Another common opinion in the industry, which was shared during the anonymous interviews, is that bottle-service girls get involved in those behaviors because they are afraid to lose their jobs. They know they are “expandable”, therefore they think they have to go out of their ways to keep their well-paid jobs (Knapp & Adams, 2014).

The law suits as well as the articles in the media, fail, however, to describe the women who were interviewed, which makes their testimonials and opinions questionable, on top of being subjective in the first place. The personalities of some hospitality workers are more likely to attract sexual attention, and even passively emphasize it, which affects the way customers act towards other workers, who may be less tolerant (Poulston 2008). Bottle-service girls interviewed by Hahn (2015) clearly expressed the pleasure that “looking hot and sexy” brings to them when wearing revealing outfits at work (Hahn, 2015).

The question is whether the testimonials and opinions communicated through the media could be applied to the industry in general. Considering the fact that sexual harassment experiences are highly subjective and depend on individual perception (Hunt et al., 2007), it is hard to make any kind of conclusions in regards to what actually goes on behind the scenes in the industry. Though it is inevitable that Las Vegas industry triggers behaviors that may result in sexual harassment significantly more than other industries and possibly even cities in the country (McGinley, 2012).

McGinley (2012) suggests that laws and policies of Nevada as well as other markets involved in the entertainment business should be reconsidered in order to protect the reputation of the industry and guarantee safety for its employees and consumers. Changing state and governmental policies might lower the possibility of sexual harassment cases, though nightclub operators are the ones who have to pay closer attention to their own policies and procedures in order to be able to control the situation (McGinley, 2012).

#### *Current Sexual Harassment Policies and Procedures in Las Vegas Nightclub Industry*

Las Vegas casinos and other entertainment establishments exclusively hire attractive women for positions of cocktail servers. Moreover, wearing “tight-fitting, sexy outfits and high heels” is one of the job requirements (McGinley, 2007, p. 257).

Every year around January/February all the main Las Vegas nightclub operators host pool auditions in order to staff the famous party pools that were mentioned earlier. Females are required to audition in swimwear and apply for positions of “model cocktail servers”, which helps employers explain hiring based on looks and the necessity of wearing bathing suites during the auditions (Dominick, 2015).

Competition to get a job at the pool or major Las Vegas nightclub is vicious. Hundreds of girls are applying for bottle service positions with only 20 to 40 being eventually hired depending on the size of the venue (Dominick, 2015). Candidates are given advice to “look

their best” and show that they “can provide guests with the best time possible”(Woodman, 2012).

Day clubs are not the only ones requiring auditioning in swimwear. When The Hakassan group, discussed earlier, was holding auditions for Omnia Nightclub at Caesars, the company shared the following message with the candidates: “All applicants must audition in swimwear attire” for positions like “model cocktail server” or “model bartender” (Womack, 2014).

Females normally have to go through the first round of group interviews in bathing suites. Candidates are required to take pictures in their bikinis while being surrounded by company’s staff and other candidates (Womack, 2014). During the first interview an applicant is given several seconds to greet the hiring committee, give her resume and leave the room (Woodman, 2012).

If chosen, candidates are invited for the follow-up personal interviews with owners and managers of the nightlife operating company. The ones who make it to the second and third rounds of interviews have to be pre-approved based on their appearance (Dominick, 2015).

Nightclub operators lease the space from major Las Vegas hotel and casino establishments, and therefore, depend on the regulations those establishments have in place. Therefore, they have to comply with the rules of Game and Control Board similarly to the hotels themselves (Morrison, 2009). Most of the hotels on the strip are unionized, and therefore, union rules apply to both hotel and nightclub employees.

Union represents the rights of female VIP bottle service employees as well as other service positions in Las Vegas ([www.casselpc.com](http://www.casselpc.com)). However, according to the training manual, developed specifically for female VIP bottle service employees by one of the major Las Vegas nightclub operator, new hires neither have to go through union sexual harassment training, nor they are informed that they have an option of addressing the union with any

issues that arise during their employment. New hires do have to register with the union, which is a formality that includes receiving union beige and flyers appealing to such topics as health insurance and immigration.

Every VIP bottle server has to go through several steps of training, including property, company and venue training. Property training means a full day of training at the particular hotel where the venue is located. VIP bottle server goes through exactly the same property training as bartenders, restaurant servers, housekeeping or engineering staff. During the property training new hires learn the history of the venue, its rules, policies, names of executives, etc. (Hynes, 2015).

The Light Group training manual for VIP Table Hostess (or bottle-service girl) includes the following sections: job and shift responsibilities, venue orientation, basic functions and principle duties, uniform standards, etc. General principles of hospitality are communicated to the new hires during the training, such as making verbal and eye contact, smiling, being nice and greeting every guest. The importance of “zero tolerance no drug policy” is brought up and stressed during the whole training period. Sequence of service is also communicated, learned and practiced. Finally, upselling techniques are discussed, during which building personalized relationship with customers is highly emphasized. New hires are recommended to ask their clients questions like “Which hotel are you staying at?” “What do you like to do for fun?” or “Do you like to dance”.

Having fun with customers is encouraged, along with dancing and partying with the guests, sitting down with them when taking the order or bringing the bill (Hahn, 2015). Finally, during the night VIP bottle server is required to get personal information, such as phone number or email, from her guests in order to keep in touch with them after they leave the venue, invite them to come back, etc. Throughout the whole 60-page training manual the



issue of sexual harassment is neither brought up, nor explained and discussed with the new hire in a position of VIP bottle-service girl (The Light Group Training Manual, 2010).

The analysis of The Light Group VIP bottle-service girl training manual has shown that it focuses solely on operations, ignoring the issues of sexual harassment. Not only the new hires are not taught how to cope with sexual harassment when it appears, but also they are not even informed about the issue throughout the whole training process.

## PART THREE

### *Results*

Similarly to the city itself, Las Vegas nightclub industry expanded and transformed during the past several decades. Twenty years ago Las Vegas was a “boy’s town” destination with gambling being a main source of revenue. It is now one of the most visited places in the world, where both men and women come primarily for entertainment. In fact, during the past five years half of Las Vegas visitors were females (LVCVA, 2015). Las Vegas has also developed a very competitive nightclub industry that attracts visitors from all over the world. Despite this major transformation, Las Vegas service industries, particularly nightclubs, continue following the “good old days” model of using female sexuality to attract business.

An extensive review of literature showed that Las Vegas nightclub industry creates an environment that triggers workplace sexual harassment, which primarily affects VIP bottle service girls (McGinley, 2012). Factors, triggering sexual harassment in nightclub industry, similarly to hospitality in general, arise from both the nature of the job itself and the characteristics of females that nightclubs hire as bottle-service girls (Poulston, 2008). Managing a nightclub in Las Vegas adds another aggravating factor. Operating in a travel destination where people feel a reduced sense of responsibility and often look for an escape from reality (Morrison, 2011), puts Las Vegas nightclub operators and their employees at serious risk of experiencing inappropriate and even aggressive customers’ behavior.

A position of nightclub bottle-service girl assumes females working under direct supervision of men and also being in an unfavorable position to customers in a service environment with “customer is always right” approach (Yagil, 2008). Bottle-service girls are usually very attractive, young, inexperienced females, required to engage in close contact with customers, create fun environment that often involves dancing and flirting with them (Taddeo, 2010). The job is performed in a relaxing atmosphere and accompanied by

excessive alcohol consumption. In fact, the main goal of bottle-service girls is to sell more liquor and provide “good customer service” (Hahn, 2015).

Male customers in Las Vegas nightclubs are paying thousands of dollars for bottles of alcohol served by attractive young females who are not only wearing revealing outfits but also often flirt with them in an attempt to make a sale. What kind of service is considered “good” in such an environment can vary greatly from one customer to another (Schister, 2013). The idea of females provoking sexual harassment is widely criticized, however, some bottle-service girls admit that customers often perceive them as “trashy”, “escorts” or even prostitutes, which they argue against even though many of them wear uniforms not much different from lingerie and “have no shame” when dealing with customers (Hahn, 2015).

Poulston (2008) argues that hospitality attracts individuals that are likely to not only become objects of sexual harassment, but also enjoy it to a certain extent. The analysis of several interviews of bottle-service girls has shown that Poulston’s theory could potentially be applied to females employed in nightclub industry. In the recent interview to one popular online publication (Hahn, 2015), several bottle-service girls stated that they were proud of their jobs and enjoyed “looking hot and sexy” while wearing very provocative uniforms.

Also, working in an environment, in which people lose control, publicly engage in unethical and inappropriate behaviors, results in manners shift and even personality changes. Some bottle-service girls admit that they are so used to seeing people engaging in demoralizing behavior, that they are not surprised by it anymore, and even expect it from customers (Hahn, 2015).

Such manners shifts often result in people accepting certain behavior and even engaging in it without realizing that it might be inappropriate or even immoral. This brings up the issue of sexualization, which appeared in Las Vegas and the nightclub industry similarly to the way it did in society in general. Sexualization refers to active use of female

sexuality across all points of social contact from media to businesses. Wouters (2010) believes that using sexuality not only damages the morals of American society, but also puts individuals and businesses at risk of regularly experiencing unwelcomed sexual behaviors (Wouters, 2010).

Las Vegas has been using female sexuality to attract business for decades before nightclubs and bottle service appeared on the strip (Staudinger, 2012). Twenty years ago when nightclubs and the concept of bottle service entered Las Vegas entertainment scene, men were primary visitors of nightclubs and the city in general. Following the practice of Las Vegas hotels and casinos, nightclubs also began using female sexuality to attract more business. Nightclubs had to justify charging hundreds of dollars for 10 dollars bottles of liquor. Attractive young females serving those bottles in revealing sexual outfits became one of the main reasons for men to come to a nightclub in Las Vegas.

According to Las Vegas Convention and Visitors Authority the number of annual visitors increased from 6,787,650 people in 1970 to 41,126,512 people in 2014 (more than 500% increase in a little over 40 years). In 2014 Las Vegas was number 23 in the list of 25 world's most visited cities (CNN, 2015). McGinley (2012) believes that active sexualization of Las Vegas contributed to such rapid growth of the city.

Not only did Las Vegas grow, however. It also went through a major transformation. Unlike several decades ago visitors are not attracted by gambling anymore. MGM, for example generates only 30% of revenue from gambling with the remaining 70% coming from hotel rooms, spas, shows, restaurants and, of course, nightclubs (Palmeri & Brandt). Las Vegas also developed one of the most competitive nightclub industries in the world with celebrity DJ's performing almost every weekend and highest revenue generating nightclubs in the country (Staudinger, 2012). The concept of using female sexuality lasted in nightclub

industry throughout all those years and seems to be still prevailing in most Las Vegas nightclubs.

Visitors' profile has also evolved. Unlike fifteen years ago, when Las Vegas was mostly attracting male visitors, a significant part of visitors nowadays are now females who come to Las Vegas to celebrate bachelorette parties and enjoy girls-only trips (Morrison, 2011). This should have helped to solve the original problem, lack of females traveling to Las Vegas, nightclubs had.

Even if McGinley (2012) is right and using female sexuality did contribute to the rapid growth of Las Vegas and its nightclub industry in the recent past, is it still reasonable to continue using employee sexuality, considering the change the industry went through? During the past five years 50 percent of Las Vegas visitors were females, meaning the original problem of not having enough women to attract men is solved. Is it necessary at all to continue using female sexuality and does it even contribute to the growth of nightclub industry anymore? And is it possible that using "the good old days" model of using sexuality is now hurting the nightclub businesses in Las Vegas?

There is another side of using sexuality in business. Several scandalously famous sexual harassment lawsuits against major Las Vegas nightclub operators have significantly hurt the businesses in recent past, resulting in bad publicity, impaired reputation and substantial costs (McGinley, 2012). Bottle-service girls were primary plaintiffs in every case that was filed against nightclub operators in Las Vegas. Even though neither of the cases went public, shocking details about bottle-service girls' work conditions were revealed through the press (Morrison, 2011).

An analysis of current policies and procedures related to managing bottle-service girls in nightclub industry raised numerous ethical issues. Throughout their employee lifecycle bottle-service girls are exposed to sexual and unethical behavior on every point of contact

with the employer from interview and hiring to training and managing. Not only the hiring is strictly based on appearance, but the whole interview process is also handled in a very stressful and uncomfortable for potential employees environment (Dominick, 2015). Provoking uniforms are required to work in most Las Vegas nightclubs in order to maintain employment. According to the training manual developed by one of the major Las Vegas nightclub operators throughout the whole 2-week training period the employees, whose position implied an exposure to sexual harassment on a regular basis, were neither informed about the issue itself, nor taught how to cope with it (The Light Group Training Manual, 2010).

Las Vegas nightclub industry keeps expanding. A new mega nightclub is entering the scene almost every year (Nightclub & Bar, 2015). This means nightclub operators are employing more females in positions of VIP bottle servers, which puts businesses as well as their employees in danger of experiencing the damaging affects of workplace sexual harassment incidents uncovered and discussed in this research paper.

McGinley (2012) suggests that laws and policies of Nevada as well as other markets involved in the entertainment business should be reconsidered in order to protect the reputation of the industry and guarantee safety for its employees and consumers. Changing state and governmental policies might reduce the possibility of sexual harassment incidents, though nightclub operators are the ones who have to reconsider their own policies and procedures in order to be able to control the situation.

### *Limitations*

Nightclub industry is fairly new, therefore there is a very limited amount of academic literature on the topic. Most of the sources used to analyze the industry were retrieved from trade publications. This rises up validity and reliability issues.

Sexual harassment is a very complex and highly subjective topic. Interviews and opinions of the employees, who experienced workplace sexual harassment in Las Vegas nightclub industry, establish significant part of the foundation for assumptions proposed in this paper. Sexual harassment lawsuits discussed during the review of literature represent subjective opinions and extreme cases, which means this data cannot be generalized to the whole Las Vegas nightclub industry.

Due to the fact that nightclub industry is considerably different from hospitality industry in general, findings regarding sexual harassment experiences in hospitality also cannot be generalized to nightclub industry.

Finally, no primary data was conducted during this research, which limits the possibility of discovering most recent and relevant information. Hence, developing implications and recommendations can only be based on researcher's assumptions drawn from the limited secondary data.

#### *Implications and recommendations*

Human resources and the upper management of nightclub operating companies could use the findings of this paper to build awareness about the issue of sexual harassment among employees. Nightclub operators could also consider this research when establishing the norms and regulations regarding sexual harassment at a workplace.

Females who consider employment in a position of VIP bottle server could use the findings of the study to get more information about the position and the responsibilities it assumes. This paper may encourage some females, who consider employment in this position, to consider the risk of being exposed to sexual harassment before accepting the job and to decide if they are willing to work in such an environment.

The paper can also be used as a foundation for future research in the area of sexual harassment and nightclub industry. Additional research is needed in order to be able to make

any conclusions and expand the knowledge on the topic. This will allow nightclub operators making more conscious data-driven decisions in management and operation.

Considering the nature of bottle service, personalities of the women hired as bottle-service girls and the revealing sexy outfits they are required to wear, exposure to sexual harassment is almost inevitable. Throughout the whole employee lifecycle bottle service girls are communicated that sexuality is their primary “work tool”, which will help maintain employment and succeed on the job. Is it still efficient to continue using female sexuality of bottle-service girls in Las Vegas nightclubs? Do bottle-service girls still “provide an eye candy that draws in punters” (Hahn, 2015)? Considering all the shortcomings of using female sexuality in business is it even worth the risk anymore?

Las Vegas nightclub industry is becoming highly profitable as well as more and more regulated due to operating inside hotels and casinos on the strip. Maybe its time for nightclub operators to consider implementing a more professional business model, that focuses on providing high-end customer experience on top of simply selling sex. What do customers really come to Las Vegas nightclubs for? Is it to see famous DJ’s, get the feeling of self-worth when buying expensive bottles, and meet young bachelorettes? Or are they still attracted by the sexuality of bottle-service girls?

These are the questions Las Vegas nightclub operators should focus on when making decisions on how to better manage bottle-service girls on every step of their employee lifecycle. Conducting an in-depth customer satisfaction survey might help uncover the real reasons why customers are coming to Las Vegas nightclubs and buying bottles and answer the questions like “Would a so-called “high-roller” fly across the country to specifically see this particular bottle-service girl or is he attracted by nightclub performance, Las Vegas event, business opportunities, etc.?” and “How much do revealing outfits and sexual behavior of bottle-service girls affect customers’ buying behavior and help increase revenues?”



Based on the results of this survey, nightclub operators should consider implementing changes that would help elevate operations to a more efficient and, of course, professional level. If the study proves that bottle-service girls' sexuality of Las Vegas bottle-service girls is not the primary attraction for nightclub customers anymore, nightclub operators should reconsider and possibly reorganize their employee lifecycle.

The criteria for hiring bottle-service girls should be reconsidered. Even though nightclub environment may lead to manners shift and personality changes (Wouters, 2010), some people are more likely to attract and even enjoy sexual harassment on the first place (Poulston, 2008). Focusing on personality rather than looks when hiring bottle-service girls may ultimately help nightclub operators increase efficiency and even revenues. Females that are able to handle intelligent easy-going conversation and provide high-end customer service without constant hustling and flirting may help improve customer service, particularly for the high-end clientele which nightclub industry seems to start attracting.

Nightclub operators should also reconsider the unethical, resources-consuming interview process that is currently in place. They should focus on developing more efficient pre-screening techniques, requesting pictures ahead of time, using Skype and phone interviews instead of or in addition to group interviews.

When hired, bottle-service girls as well as other nightclub employees should sign "sexual content" waiver similarly to "smoke exposure" waiver. This will help inform new hires about the possibility to be exposed to sexual harassment and provide more information about the nature of the job in general.

If the primary data supports the data discovered during the literature review of this paper, nightclub operators should also focus on reducing vulgarity at their establishments. Wearing sexual outfits, for example, was discovered to provoke sexual behavior from men

(Hendrie, Mannion & Godfrey, 2009). Wearing sexual revealing uniforms undoubtedly contributes to creating hostile work environment.

In order to reduce bottle-service girls' exposure to workplace sexual harassment, nightclub operators need to set boundaries. Reconsidering uniforms could be helpful in order to build a more professional work environment. Bringing taste and class to nightclubs may help change the way customers perceive bottle-service girls and nightclub industry in general, and, even result in more business from high-end customers.

Nightclub operators should also develop bottle-service job description that emphasizes professional work environment, high-end customer service and also sets boundaries in regards to what behaviors to avoid.

Businesses involved in the nightclub industry should consider using other tools besides female sexuality to increase profits, including, for example, marketing and upselling workshops for bottle service girls as a part of new hire training and ongoing employment training.

Nightclub operators should also consider developing and implementing sexual harassment training manual for nightclub employees, bottle service girls in particular. Training manual should focus on informing young females employed in service positions about the issue of sexual harassment at a workplace, its triggering factors, the forms it may be expressed through, and the sources it may come from (integrally and externally). It should also outline the set of actions that could help prevent sexual harassment, and what should be done when it appears.

Hiring the third party to handle sexual harassment training for bottle-service girls should be considered. This training could be presented as a three-day workshop for new hires as well as those already employed by the company who haven't gone through sexual harassment training.

Day one should be devoted to building awareness about sexual harassment, clarifying what it is, covering both internal (co-workers, managers) and external (customers) sources of harassment. It is important to establish guidelines on why these young attractive females hired for well-paid and perceivably fun positions should care about the issue and learn how to cope with it. The topic like self-worth and self-respect should be brought up at the beginning of the training, as well as the history of using female sexuality.

Second day will cover policies and procedures on how to prevent sexual harassment and how to deal with the issue when it happens. An organized set of actions should be outlined and practiced in order to ensure employee comprehension. There has to be a clear and direct understanding of who to address the issue when it happens, which person in human resources to contact if harassment occurs internally, as well as what actions to take if it comes from the customer.

The final day of sexual harassment workshop should be focused on communicating and practicing selling techniques and teaching VIP bottle service how to sell and deliver value to their customers. Female sexuality is not the only tool that could be used to increase sales. It is important to deliver a message to the employees that their main goal is to provide exceptional customer service while maintaining the reputation of an upscale nightclub establishment that doesn't tolerate particular behaviors neither from customers nor from the employees.

The main goal of this proposed 3-day relationship-driven sexual harassment workshop is to empower employees to provide the experience of superior value for their customers in a safe environment.

Finally, new policies, job description and training should be communicated to both new hires and current employees. If based on primary research nightclub operators choose to elevate nightclub experience to another level and focus on providing high-end customer

experience, bottle-service girls with the mindset and years of using their sexuality as a work tool, should be retrained and taught the new norms and regulations.

A change is only possible on a greater scale across the whole industry. When customers visit one nightclub establishment and find bottle-service girls overusing their sexuality and wearing revealing outfits, they will often expect the same kind of “service” in another establishment. This may also trigger customers’ demoralizing behavior towards bottle-service girls and other employees in other venues, since customers will most likely perceive their original experience as industry standards.

The most important question nightclub industry professionals are facing right now is whether it is time for them to find ways of protecting themselves and their workers by changing the industry standards.

### *Summary*

The third part of this paper outlines the results of the research, covers limitations and develops recommendations for nightclub operators.

Even though the research presented in this paper is limited due to lack of related academic data and the absence of primary data, it is possible to trace certain patterns that allow making assumptions and developing recommendations for the industry in general and nightclub operators in particular.

Las Vegas nightclub industry creates an environment that triggers sexual harassment, which primarily affect bottle-service girls. Considering that this position implies exposure to sexual harassment on a regular basis nightclub operators should re-evaluate current policies and procedures and look for ways to protect themselves and their employees from the damaging affects of workplace sexual harassment.

Nightclub operators in Las Vegas should also examine how changes in the industry and characteristics of the visitors affected the business. The analysis of secondary data lead to

questioning the efficiency of using female sexuality in nightclub business, considering the risks it carries. Conducting an in-depth customer satisfaction survey was recommended to discover the real reasons of customers coming to nightclubs and buying expensive bottles of liquor. Based on results of the survey nightclub operators can make weighted strategic business decisions on how to better hire, train and manage bottle-service girls at their establishments.

Sexual harassment training for both new hires and current employees was also recommended. The 3-day workshop should be focused on building awareness about sexual harassment as well as teaching and practicing techniques to help prevent the incidents when possible and cope with them when they occur. Finally, the training should be built around employee empowerment as well as communicating techniques of upselling and delivering superior value to customers.

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