

2008 National Gambling Report

Consumer Attitudes and Behaviour

Canadian Gaming Summit, April 29, 2008

Presented By: Allan Gregg, Chairman – Harris/Decima



Source of Information for Presentation

- National Gambling Research Study conducted since 2005.
- A research tool used to monitor all lottery and gambling behaviour, attitudes, and trends across Canada.
- A total of 3,047 Canadians surveyed online during March-April 2008.
- Respondents are members of Harris/Decima online research panel, which consists of 400,000 plus members across Canada.
- Data is weighted to reflect age and gender distribution within each province.

	Sample Size	Proportion
Canada	3,047	100%
Atlantic Canada (ATL)	308	10%
Quebec (QC)	756	25%
Ontario (ON)	995	33%
Manitoba / Saskatchewan (MB/SK)	306	10%
Alberta (AB)	303	10%
British Columbia (BC)	379	12%

Objectives

The objectives of the study are as follows:

- To measure past lottery and gambling behaviour;
- To assess perceived seriousness of gambling addiction;
- To gauge satisfaction with governments in regulating gambling;
- To explore attitudes towards gambling;
- To develop segments for positioning communications; and
- To measure acceptability for “new technology” gambling activities.



Introduction

Today's Presentation

- **Benefits and Concerns about Gambling – Attitude Segmentation**
 - Do the benefits of gambling outweigh the problems or vice versa?
 - Should we be free to make our own choice about gambling?
- **Gambling Addiction – Putting it in Context**
 - What social issues are we facing?
 - How big of a problem is gambling addiction compared to other social issues?
 - Do you want more gambling revenues or higher taxes?
- **Government Approval Ratings**
 - What do we think of our provincial governments?
 - How well is the government addressing the issues we face?
 - How high is the gambling “public pressure” barometer?
- **Changes to Gambling Behaviour in the Past 3 Years**
 - Who is gambling more, less or the same amount as 3 years ago?
- **Acceptability of New Forms of Gambling**
 - How acceptable is the Internet or a wireless phone for making wagers?
 - Who favours these new technologies?
- **Summary**

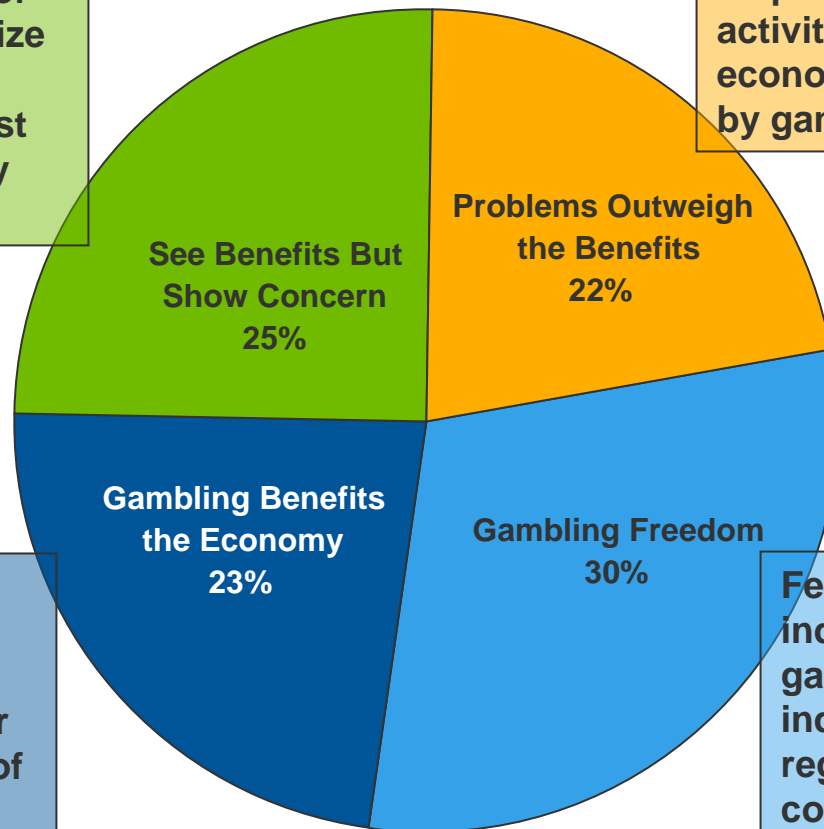


Benefits and Concerns about Gambling

Attitudes Towards Gambling - Canada

Agree that restrictions should be placed on some forms of gambling, but also recognize the expansion of the gambling market in the past decade has provided many economic benefits.

More likely to be concerned about gambling problems and agree that restrictions should be placed on gambling activities. Do not see the economic benefits generated by gambling activities.



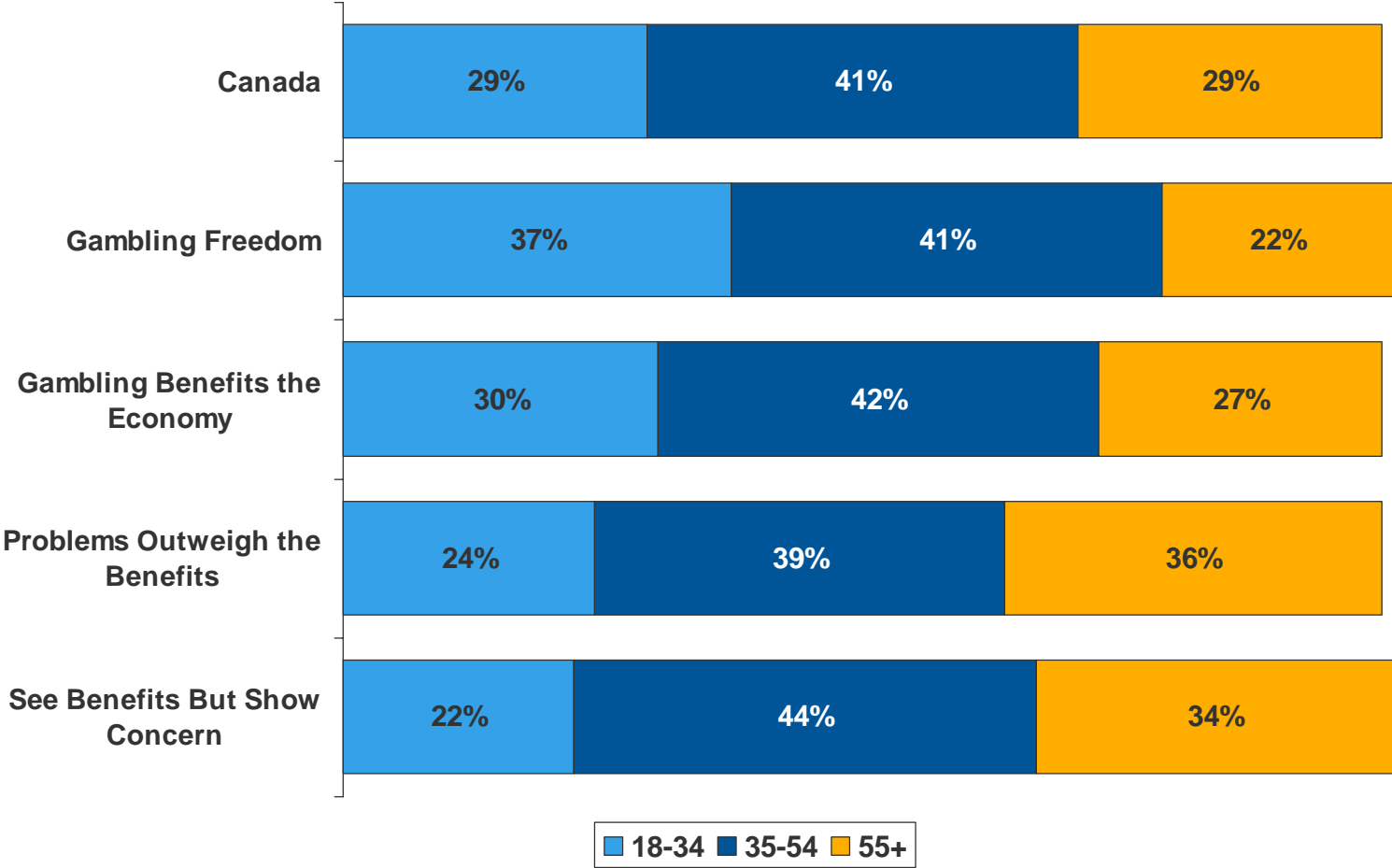
This segment sees the benefits of gambling for economic development but are no more likely than other segments to be supporters of more gambling.

Feel that it is up to each individual to control their own gambling, that it's the individual's right to gamble regardless of the consequences, and that people will find a way to gamble even if it is illegal.

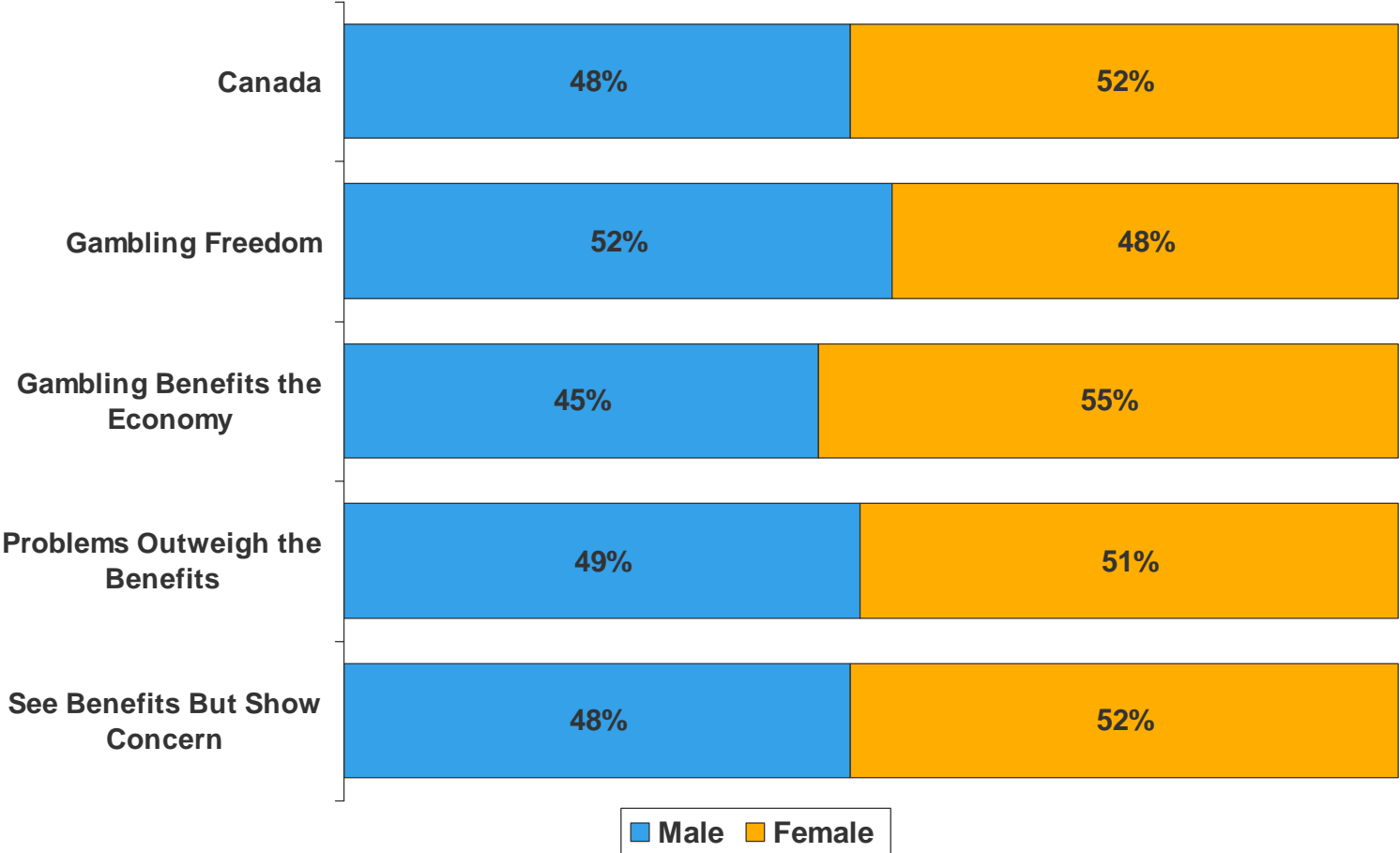
Attitude Segments: Provincial Profile

	Canada	BC	AB	SK/MB	ON	QUE	ATL
Gambling Freedom	30%	38% ↑	36% ↑	35% ↑	33%	19%	27%
Gambling Benefits Economy	23%	20%	23%	20%	25% ↑	22%	21%
See Benefits but Show Concern	25%	19%	19%	30% ↑	26%	32%	15% ↑
Problems Outweigh Benefits	22%	23%	23%	15%	16%	27% ↑	36% ↑

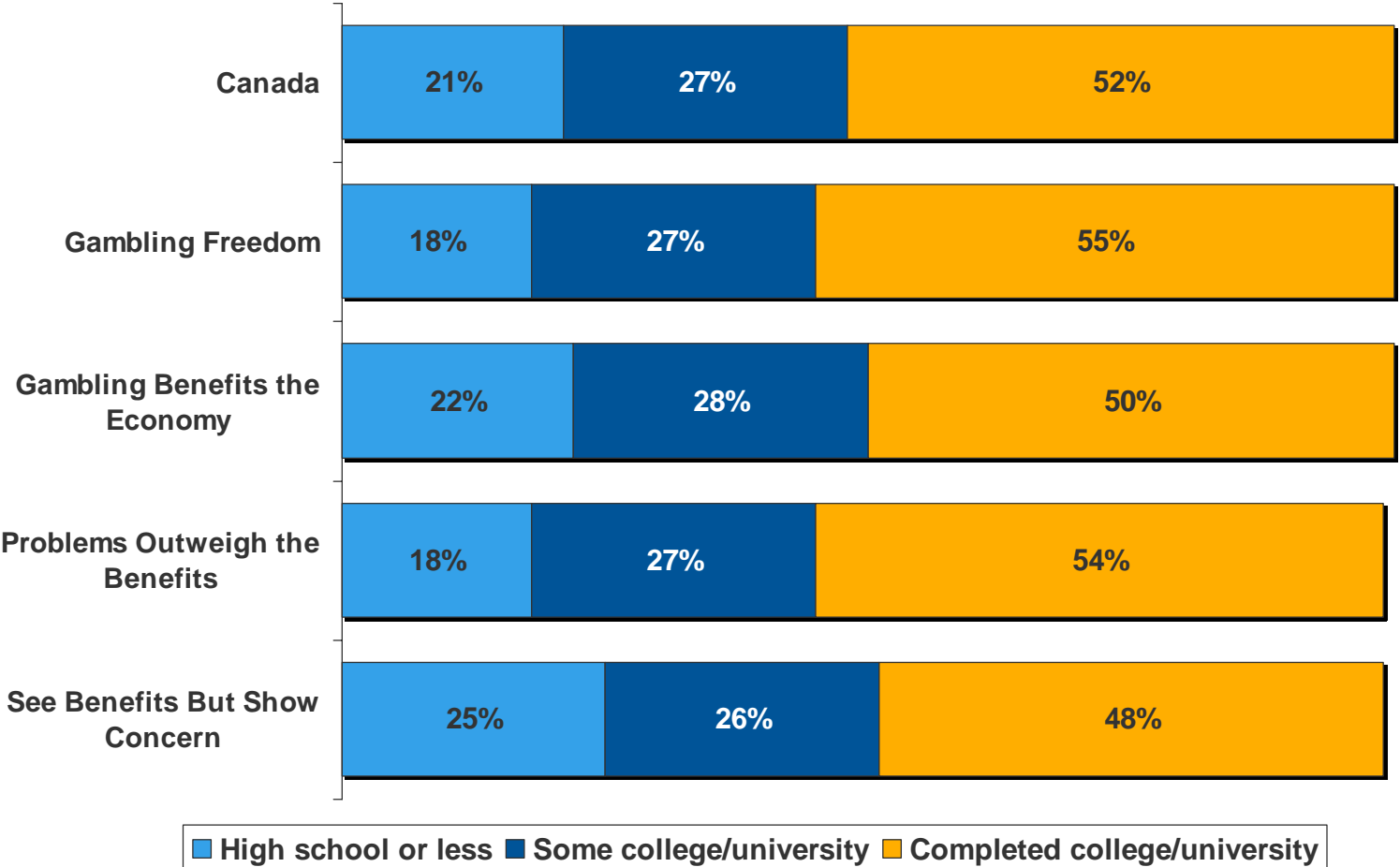
Attitude Segments by Age



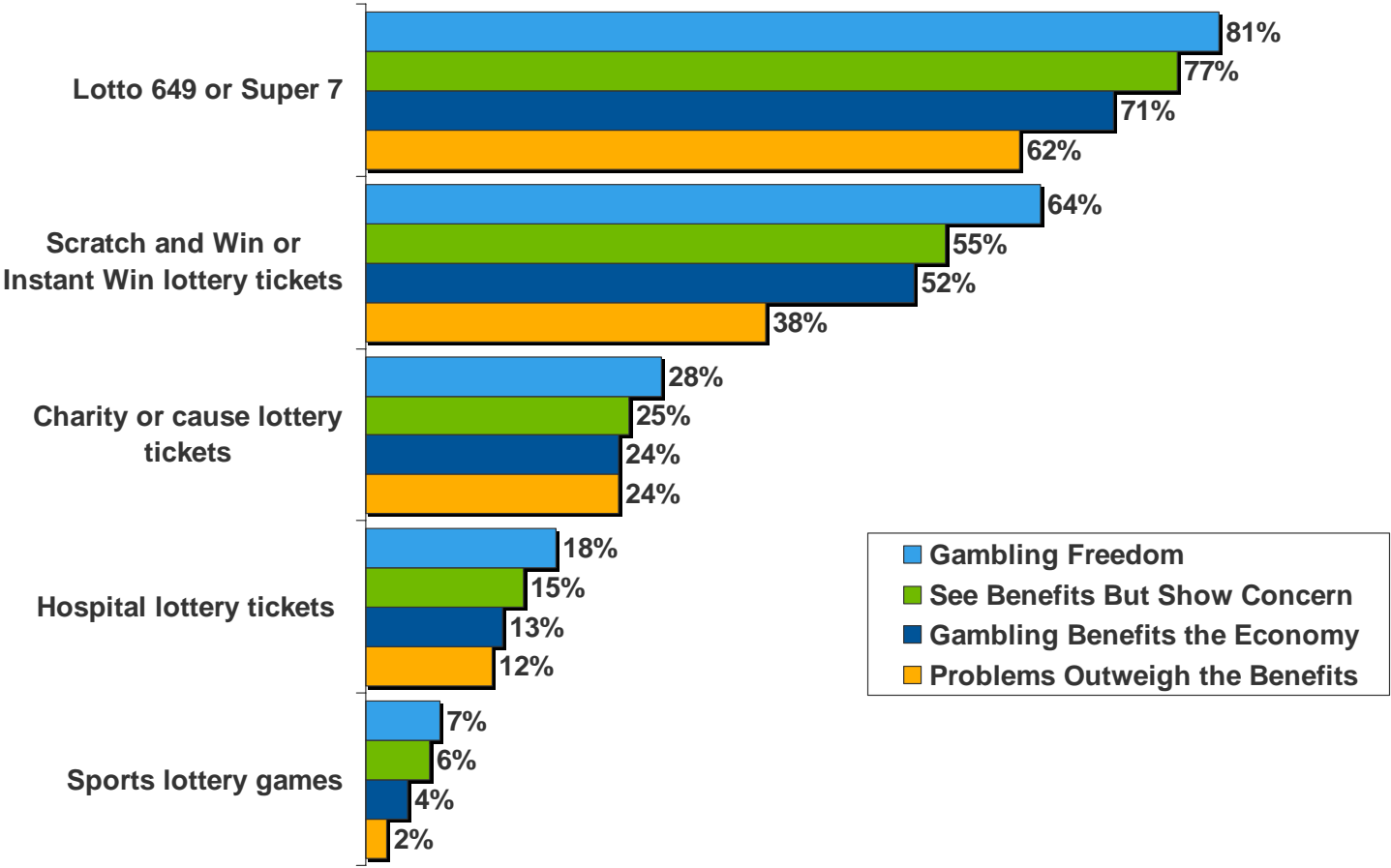
Attitude Segments by Gender



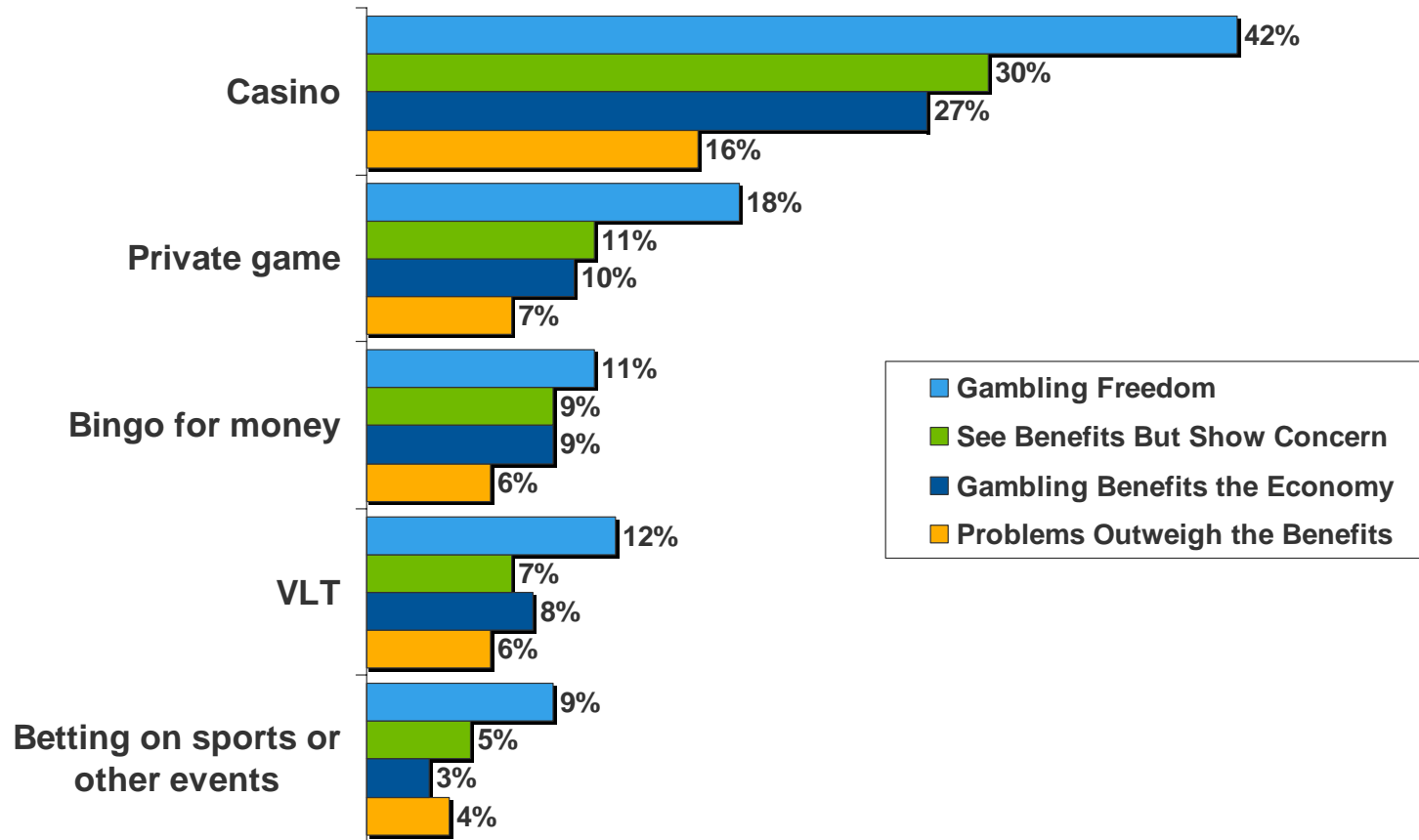
Attitude Segments by Education



Lottery Games Played in Past 12 Months



Gambling Activities Participated in Past 12 Months





Gambling Addiction – Putting it in Context

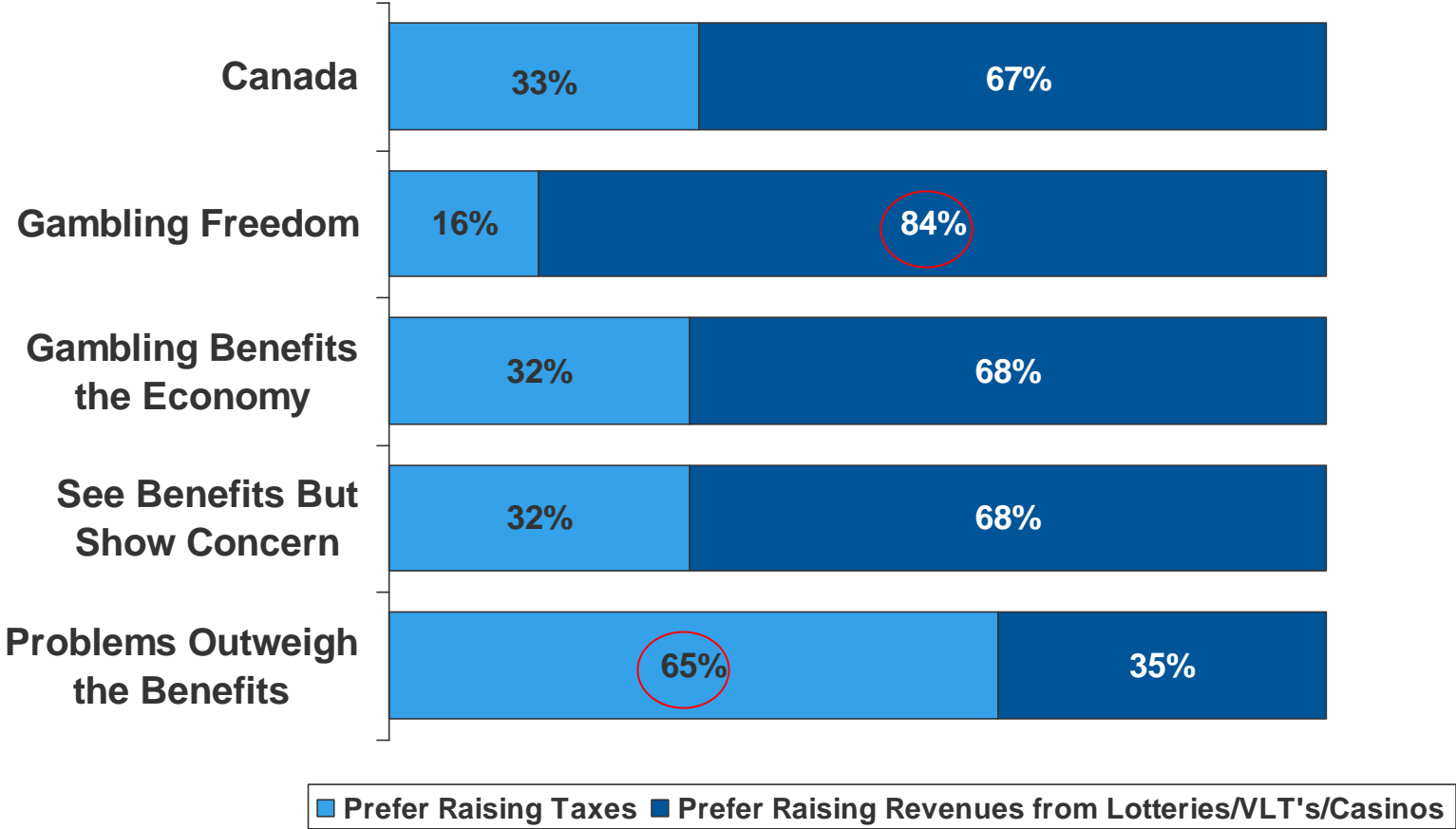
Seriousness of Social Problems (T2B)

	Canada	BC	AB	SK/MB	ON	QUE	ATL
Drug addiction	64%	83% ↑	72% ↑	63%	60%	61%	58%
Driving above the speed limit	60%	55%	60%	45%	59%	71% ↑	48%
Smoking addiction	57%	44%	52%	55%	59%	62%	62% ↑
Alcohol abuse	57%	54%	60%	67% ↑	53%	59%	60%
Crime rates	54%	68% ↑	65% ↑	76% ↑	52%	45%	35%
Gambling addiction	48%	37% ↓	54%	53%	42% ↓	58%	54%
Unemployment Rates	40%	26%	11% ↓	20%	47%	45%	60% ↑

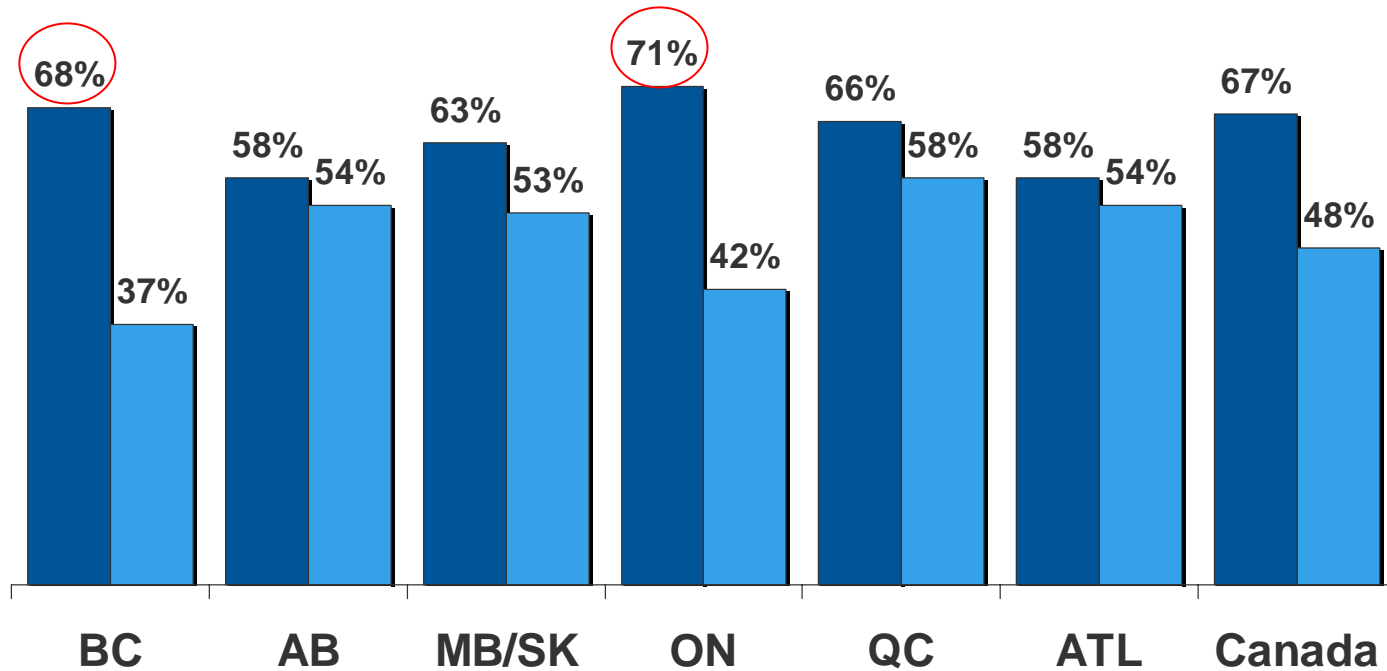
Seriousness of Social Problems (T2B)

	Canada	Gambling Freedom	Gambling Benefits Economy	Problems Outweigh Benefits	See Benefits But Concerned
Drug Addiction	64%	56%	59%	73%	70%
Driving above Speed limit	60%	50%	57%	60%	71%
Smoking addiction	57%	46%	53%	62%	67%
Alcohol abuse	57%	44%	54%	62%	66%
Crime rates	54%	51%	50%	54%	60%
Gambling addiction	48%	28%	40%	67%	62%
Unemployment rates	40%	33%	38%	43%	43%

If Your Province Needs More Money: More Gambling vs. More Taxes

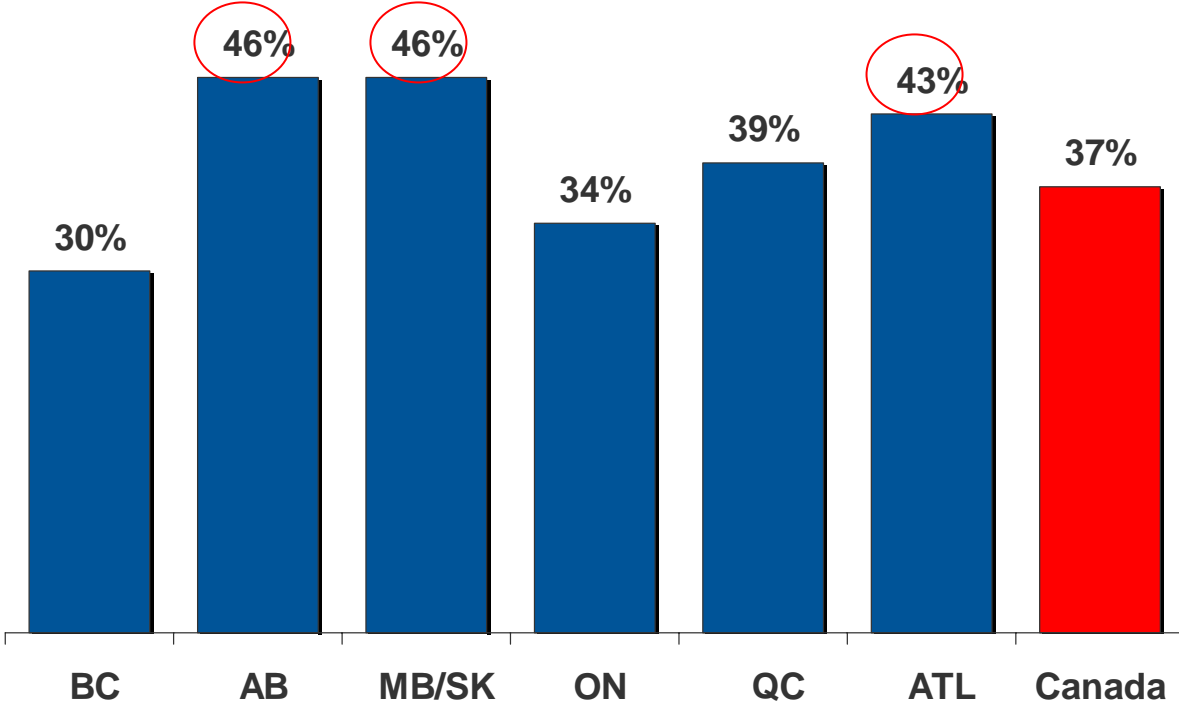


Problem Gambling Perceptions

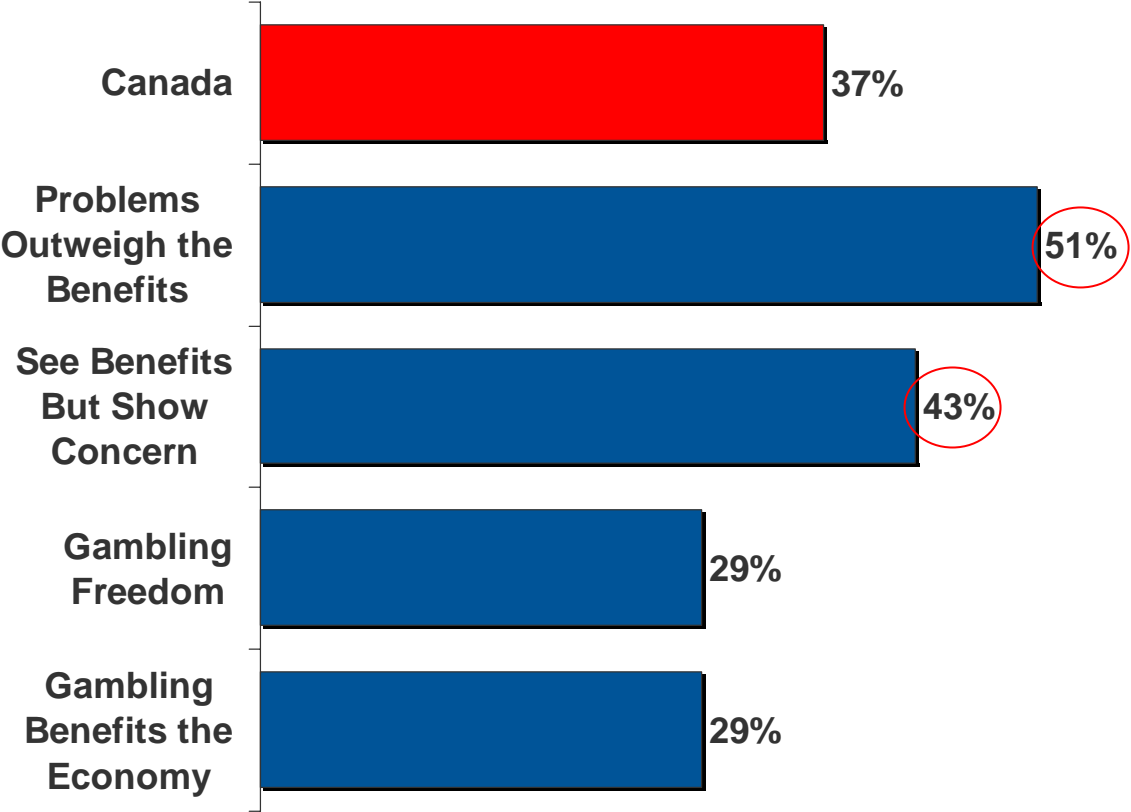


- Gambling Addiction is Serious Problem
- Prefer Raising More Revenues from Gambling Over Taxes

Problem Gambling Perceptions



Problem Gambling Perceptions



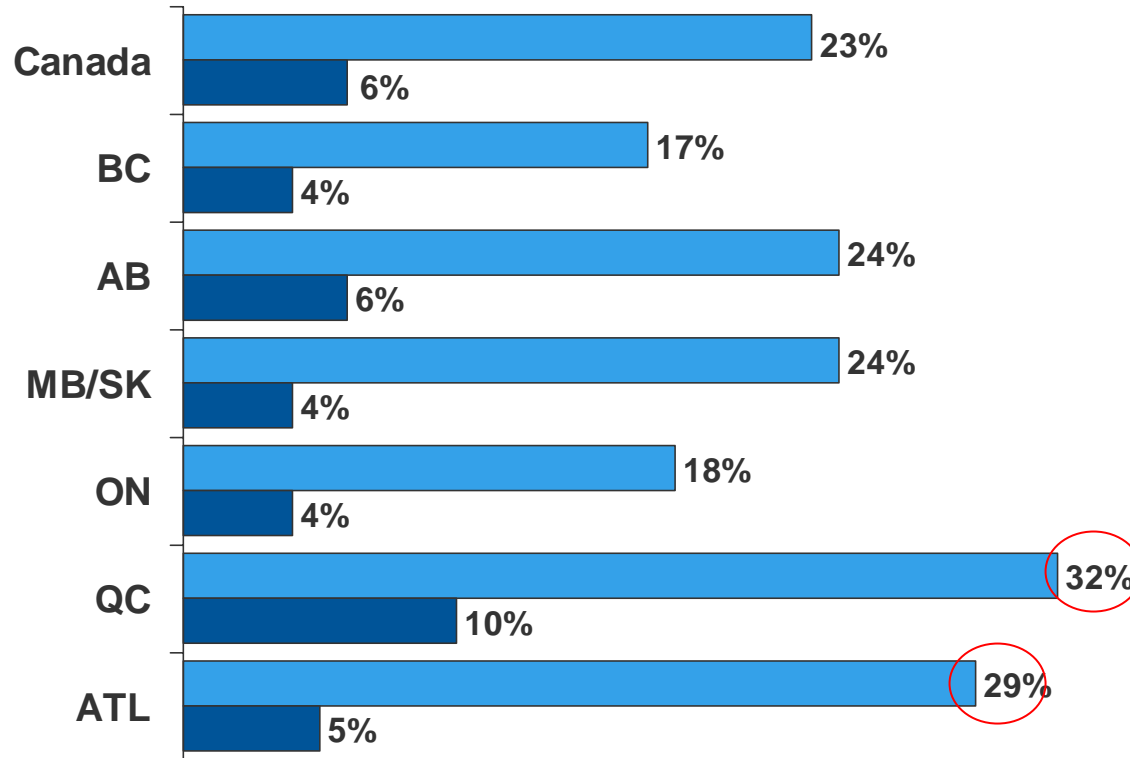


Government Approval Ratings

Performance of the Government

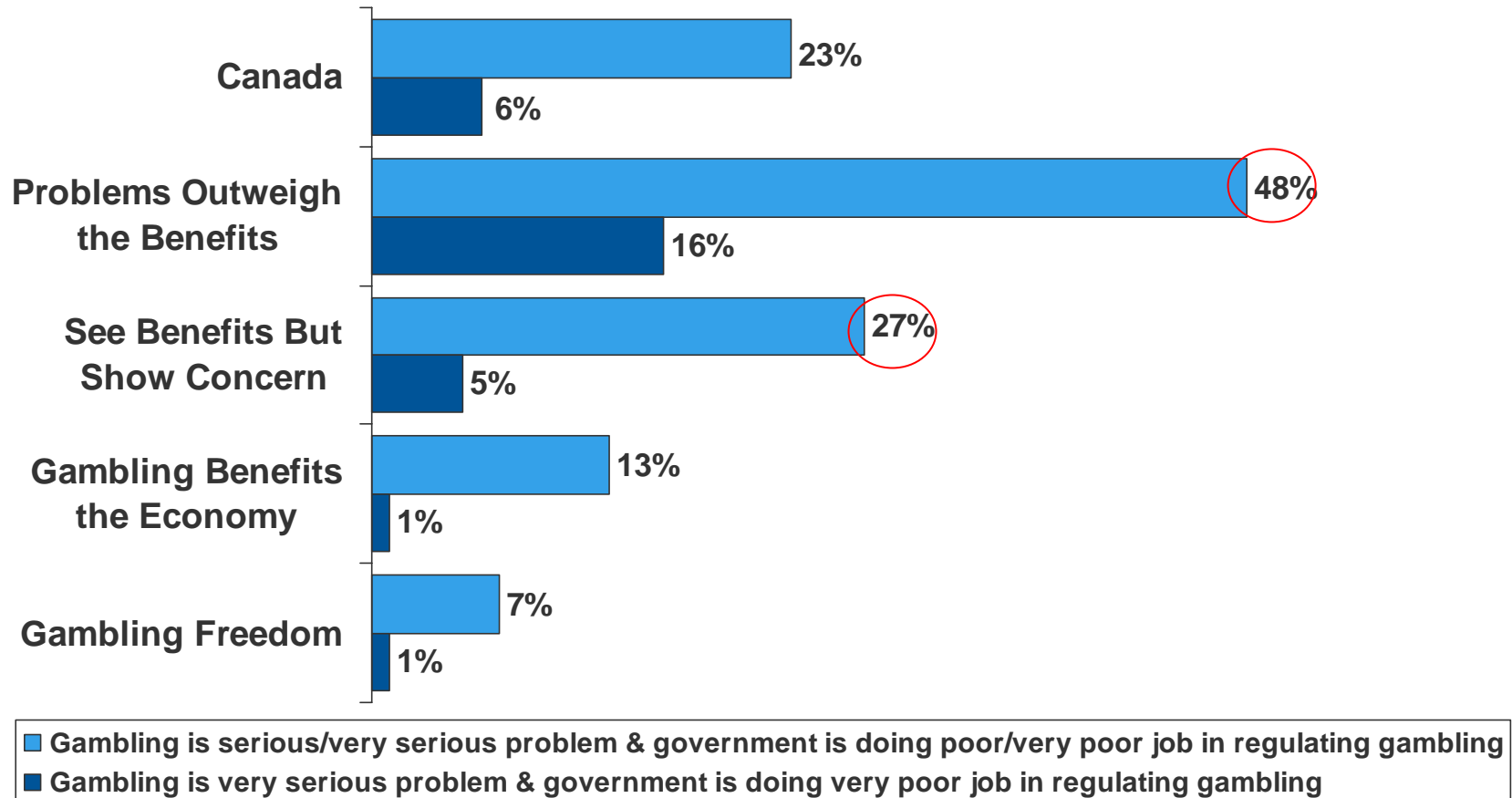
	Canada	BC	AB	SK/MB	ON	QUE	ATL
Promoting Economic Growth	25%	31% ↑	49% ↑	41% ↑	18%	20%	29%
Regulating Gambling	23%	25%	25%	20% ↓	26%	19% ↓	21% ↓
Sound Educational System	21%	12% ↓	25%	26%	23%	20%	19%
Delivering Health Services	17%	9% ↓	16%	24%	19%	16%	17%
Keeping Taxes Down	15%	13%	30% ↑	17%	12%	14%	17%
Controlling Spending	13%	14%	18%	19%	10%	10%	18%
Keeping Taxes From Going Up	13%	13%	28% ↑	13%	10%	12%	13%

Gambling “Public Pressure Barometer”



■ Gambling is serious/very serious problem & government is doing poor/very poor job in regulating gambling
■ Gambling is very serious problem & government is doing very poor job in regulating gambling

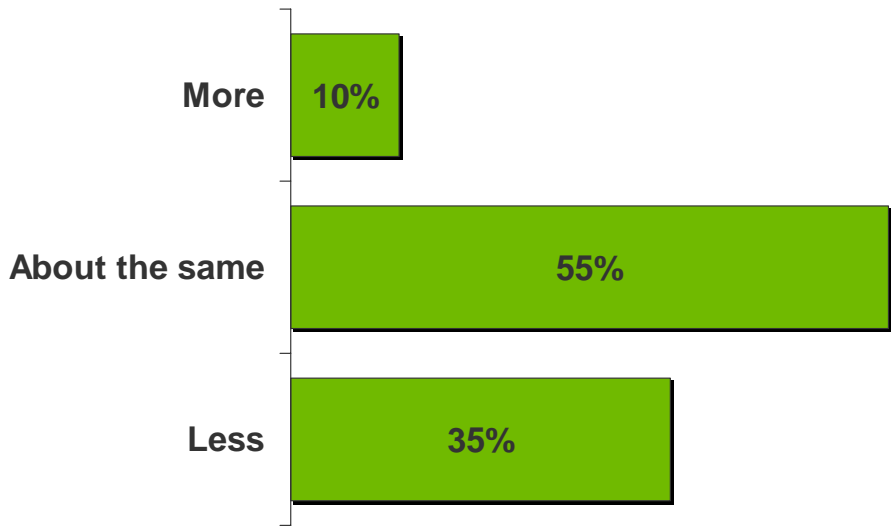
Gambling “Public Pressure” Barometer



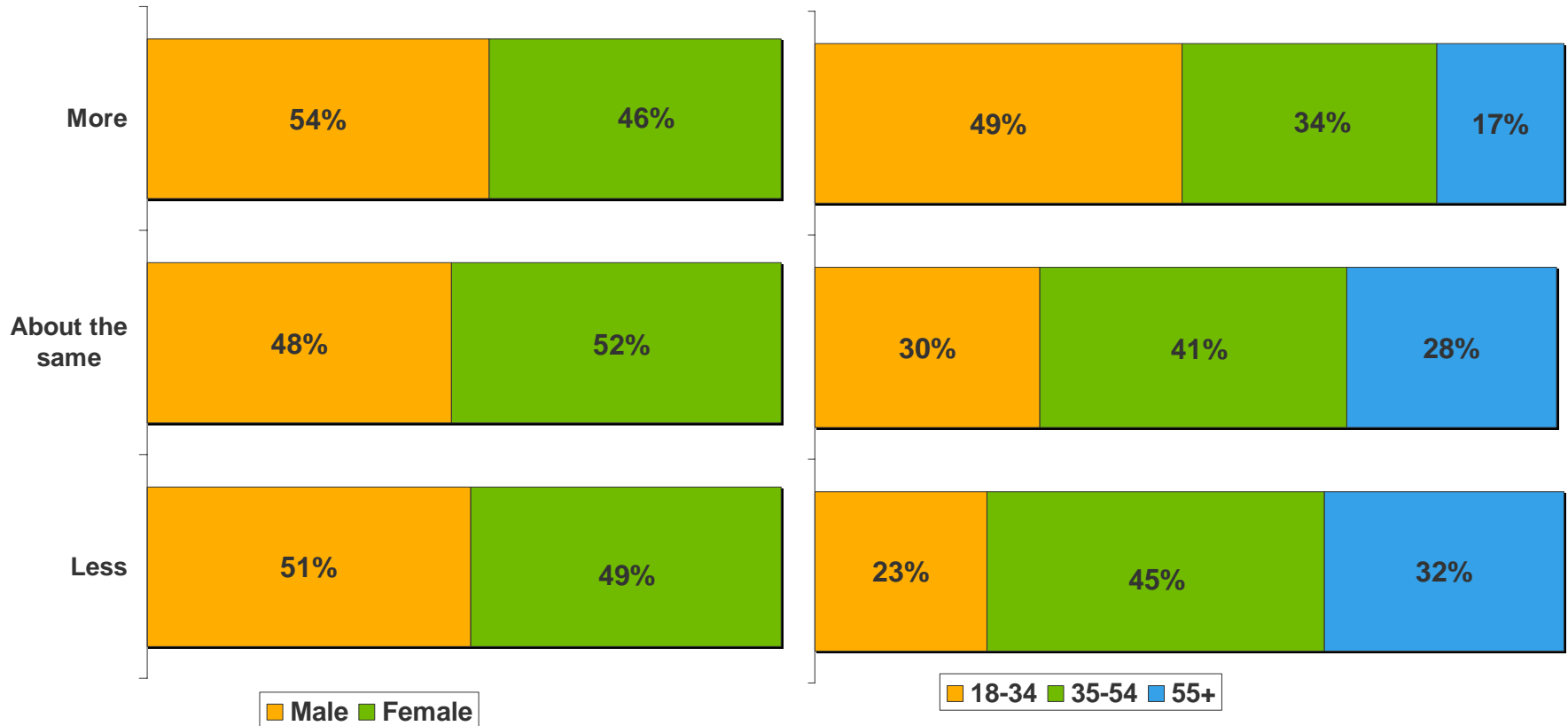


Gambling Behaviour

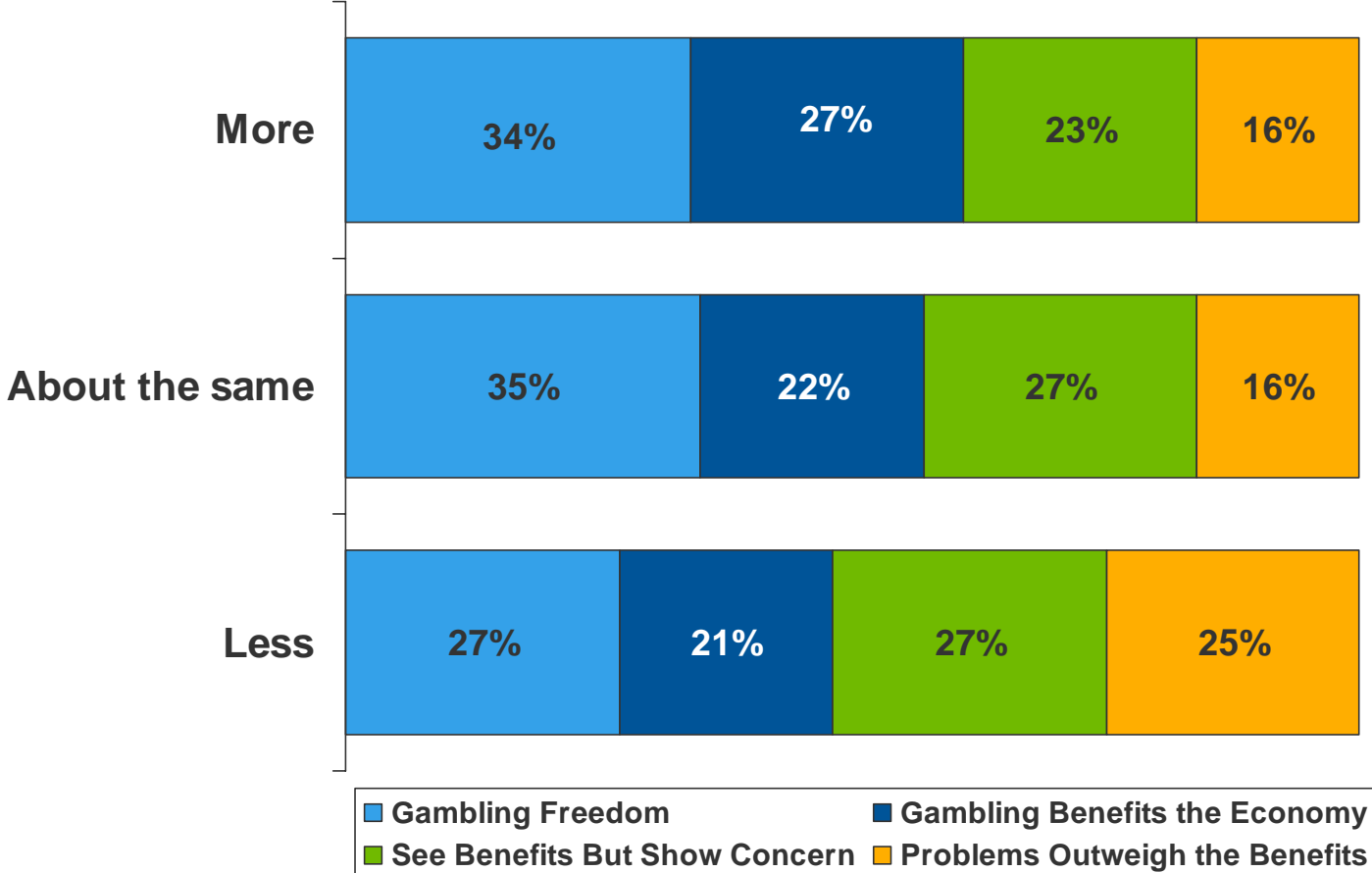
Changes to Gambling Behaviour in the Past 3 Years



Changes to Gambling Behaviour in the Past 3 Years: Age & Gender



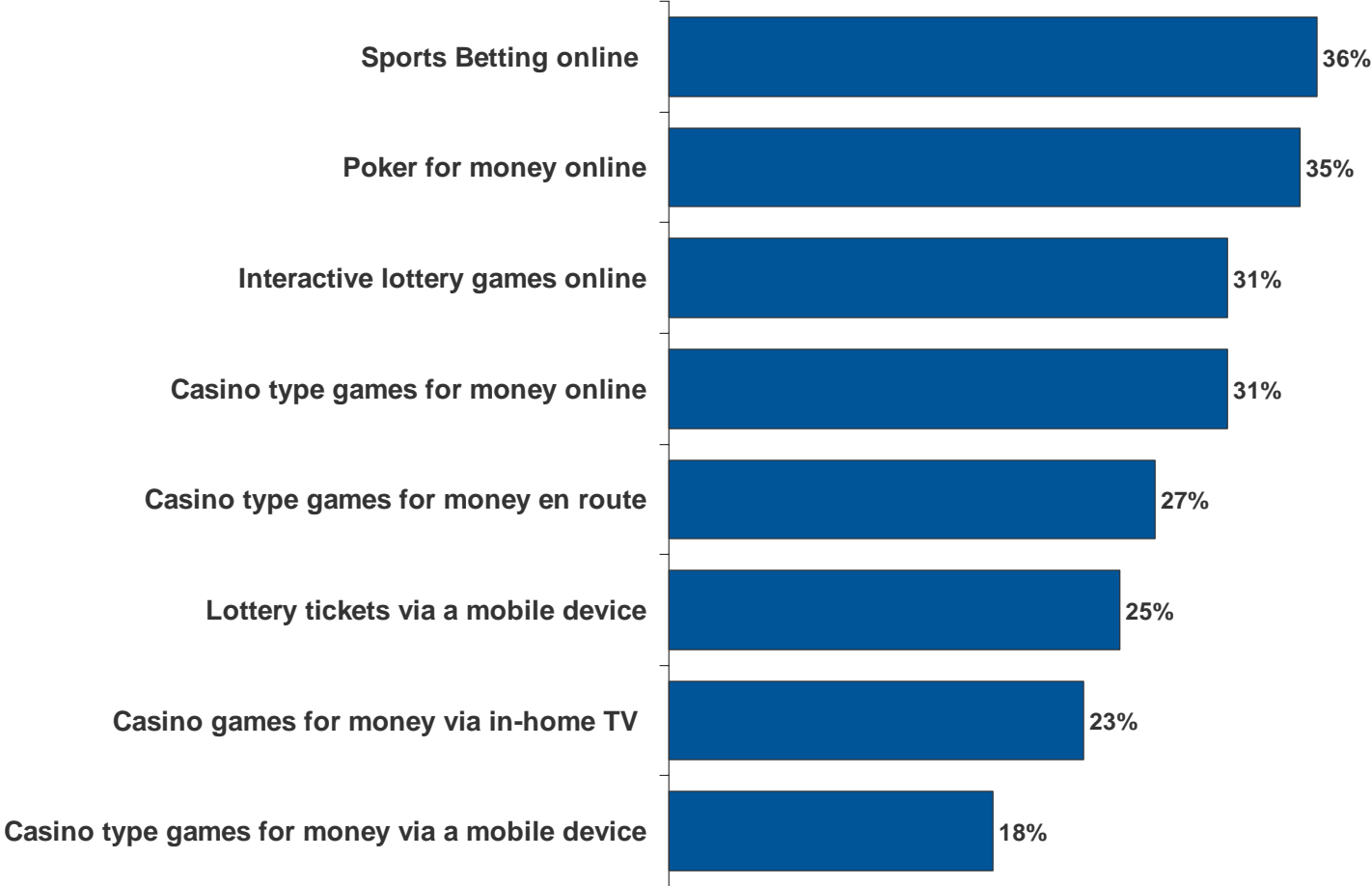
Changes to Gambling Behaviour in the Past 3 Years: Attitude Segments



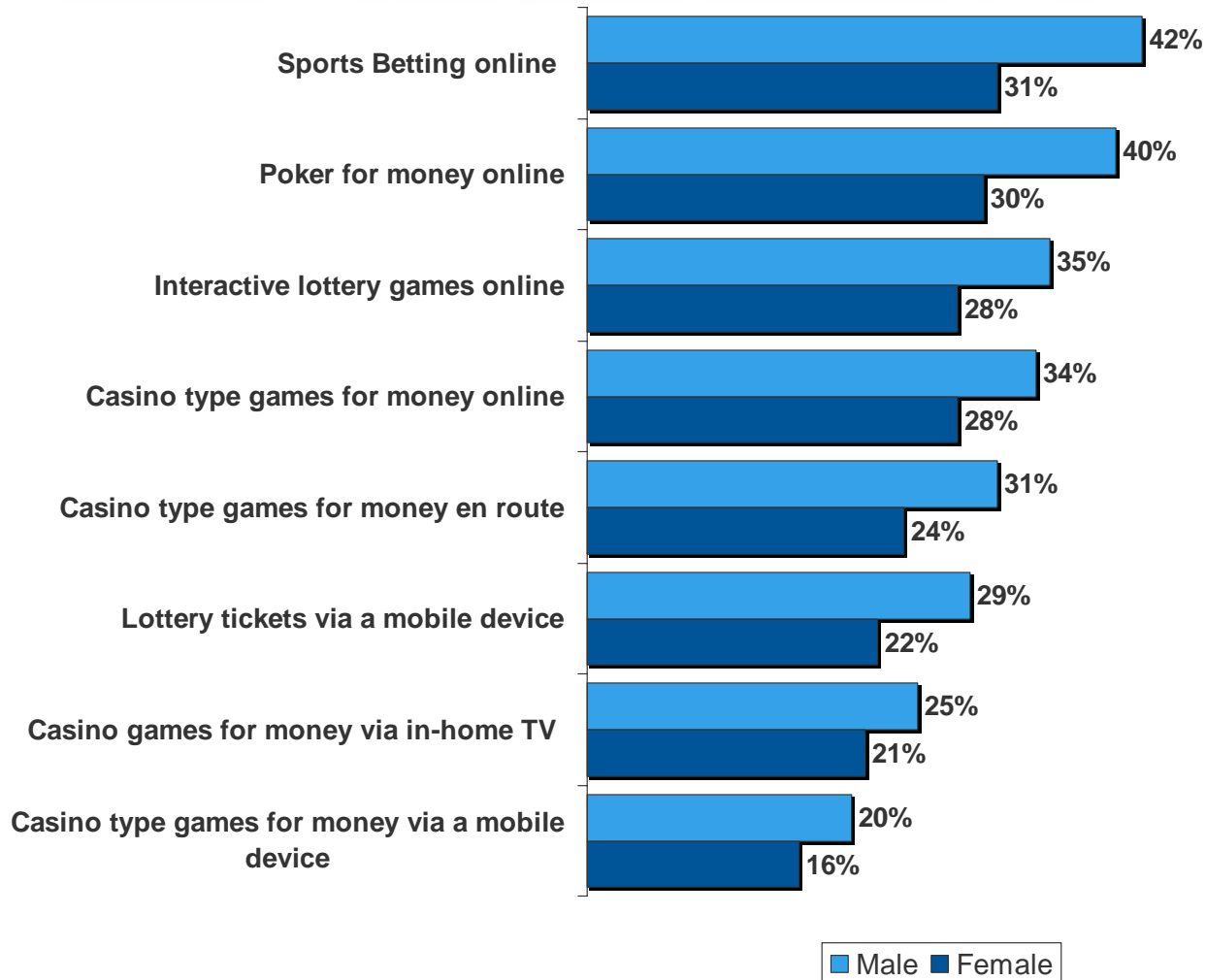


Acceptability of New Forms of Gambling

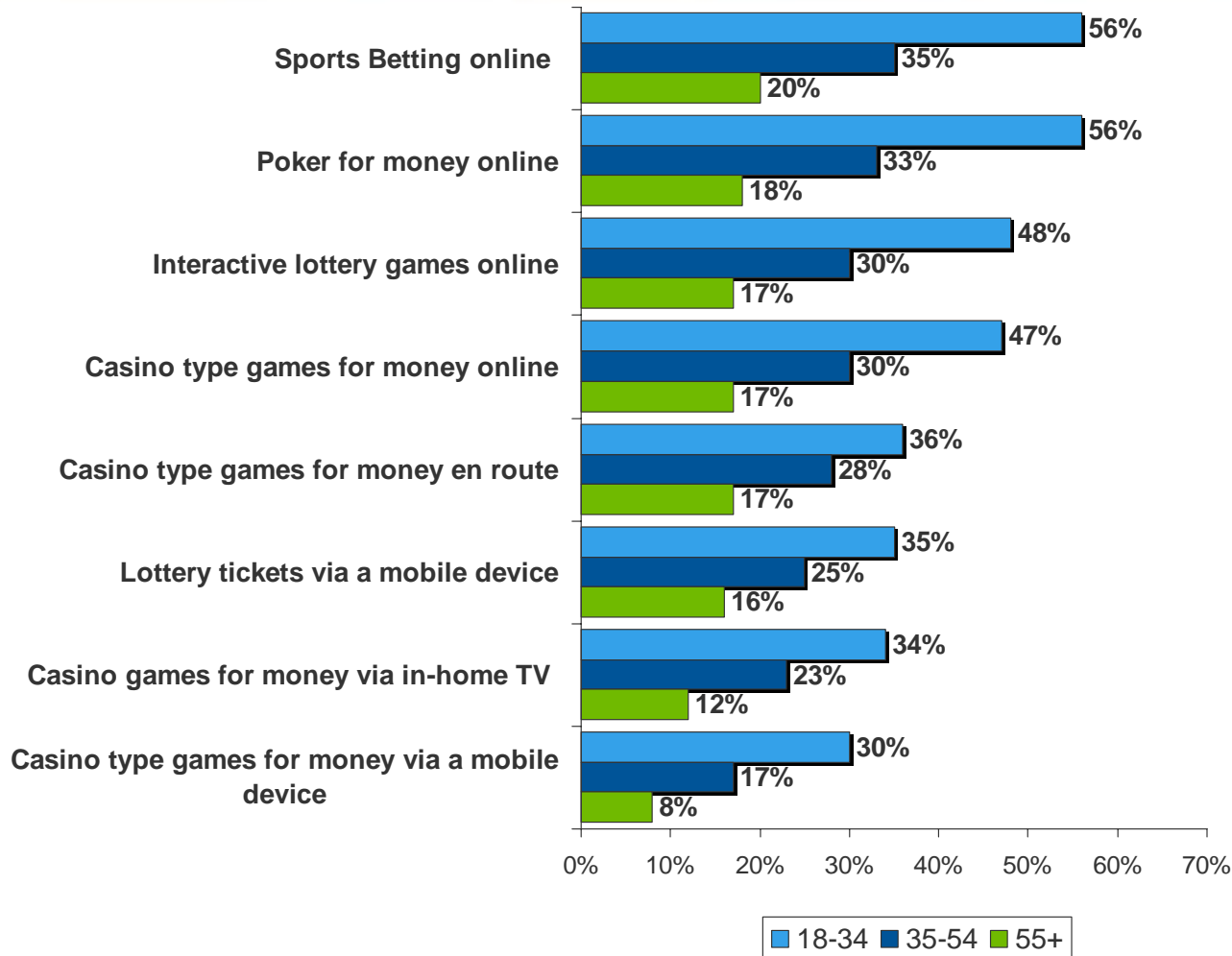
Acceptability of New Gambling Concepts



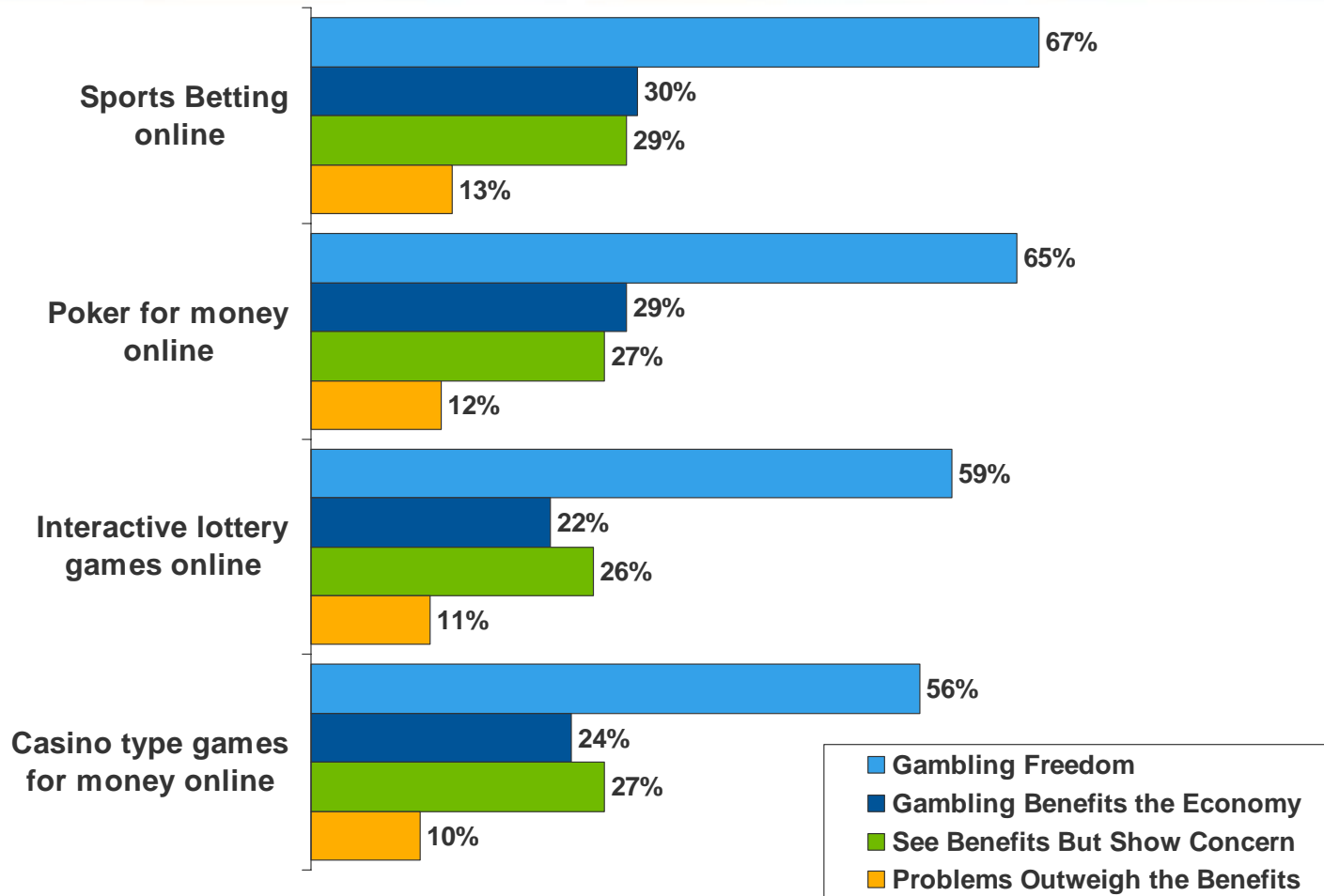
Acceptability of New Gambling Concepts: Gender



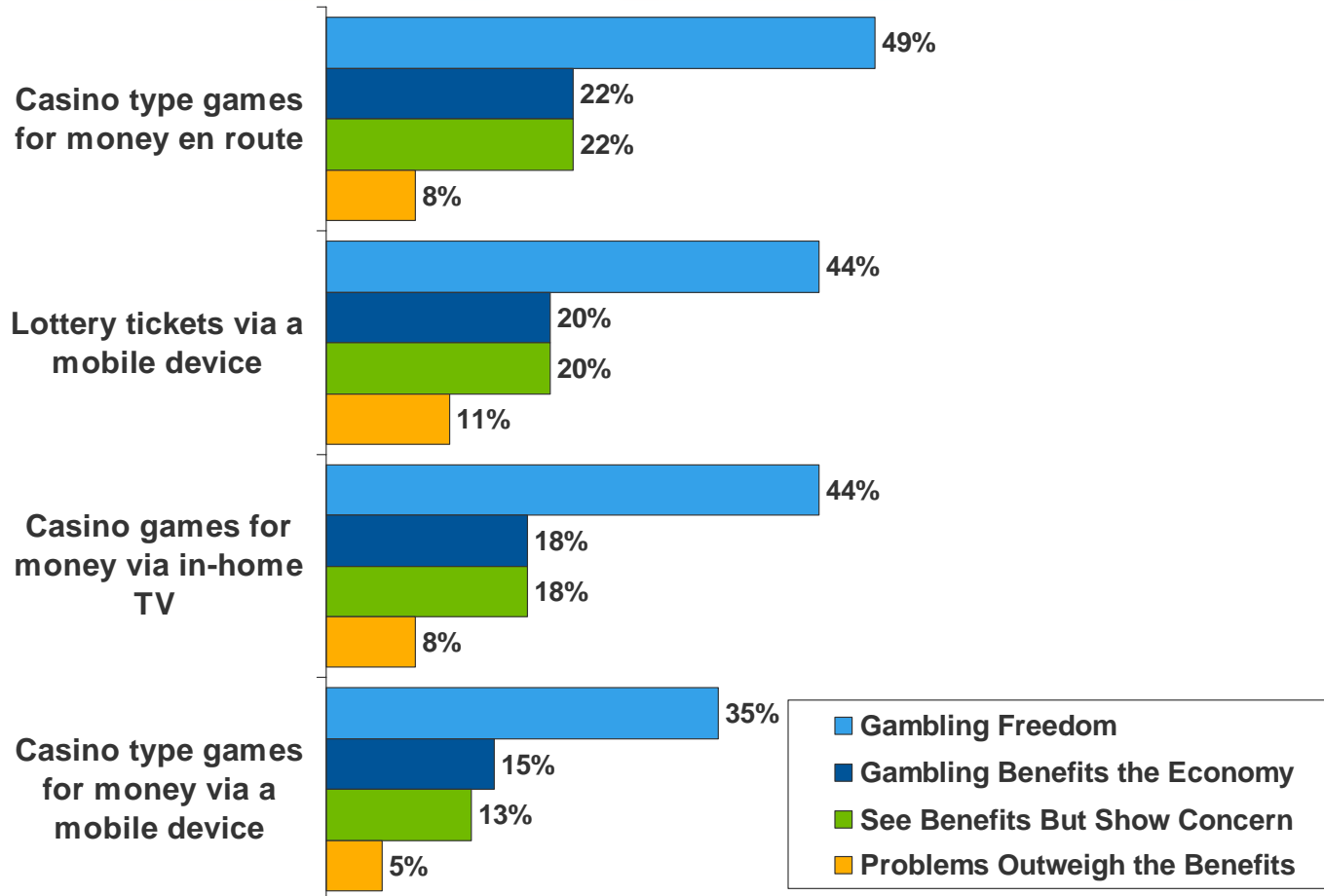
Acceptability of New Gambling Concepts: Age



Acceptability of New Gambling Concepts: Online Wagering Concepts



Acceptability of New Gambling Concepts: Mobile/EnRoute/In-Home





In Summary

As an Industry – Where do we go from here?

- **Benefits and Concerns about Gambling – Attitude Segmentation**

- The majority of Canadians see the economic benefits of provincial controlled gambling and feel that it is the individuals choice whether to participate or not. Most also recognize the problems associated with gambling. Even those Canadians who see the problems of gambling as outweighing any benefits, spend time dabbling in lottery and casino play. When given the choice of higher taxes versus more gambling revenue – most choose the latter.

- **Gambling Addiction – Putting it in Context**

- Canadians see gambling addiction as a problem to be addressed. The heightened gambling addiction awareness campaigns have helped heighten the awareness of gambling problems. Different provinces see other social issues as much more pressing (i.e. crime rates and drug addiction in BC and Alberta, alcohol abuse in Manitoba and Saskatchewan, all other issues in Ontario, speeding in Quebec, and unemployment and alcohol abuse in the Maritimes.
- Canadians who see problems overshadowing any benefits or those who are somewhat concerned about the problems are more likely view all social issues, particularly gambling addiction, as problems.

As an Industry – Where do we go from here?

- **Government and Gambling**

- The gambling public pressure barometer is highest in the East and lowest in BC and Ontario
 - a reflection of a more cautious approach in British Columbia and Ontario to the placement of electronic gambling machines into age controlled and regulated environments.
- Those with negative views on the economic benefits of gambling register higher on the public pressure barometer. The Gambling Freedom segment, with a view that regulating should be left to the individual not the government, exerts the least amount of public pressure.

- **Are Canadians Gambling More, Less or the Same Amount as 3 years Ago.**

- One third of Canadians say they are gambling less than they did 3 years ago. Older Canadians are more likely to be gambling less while younger Canadians are more likely to be gambling more. Unfortunately for lottery jurisdictions in Canada, this younger group favours the technology driven gambling options of the future.

As an Industry – Where do we go from here?

- **The Next Wave of Gambling**

- Despite views that gambling addiction is becoming more of a concern, acceptance of more convenient technology driven gambling delivery systems is also on the rise. Younger males, those who feel it is up to the individual to control his own gambling, and those who recognize the benefits of gambling are far more likely to approve of these new delivery systems.
- Any public policy addressing gambling expansion, whether it is for online gambling, for lottery ticket purchase through mobile devices or for allowing single game sports betting, needs to balance the views of those favouring economic benefits versus those with concerns about the problems of gambling.
- The segments presented are a foundation for understanding how current gambling policy has shaped Canadians attitudes towards gambling and can be used to guide future changes that are needed to address some of the shortcomings of today's legal gambling options.



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