

A Profile of Montana Gamblers

The Survey

Information concerning Montana gamblers was obtained through a telephone survey conducted by the Bureau of Business and Economic Research at The University of Montana-Missoula. During February and March 1998, a random cross section of Montana adults was selected and queried about their gambling. Two separate screens were administered to identify problem gamblers. The survey yielded 1,227 completions.

The survey procedures were designed to ensure that the respondents represented a statistically accurate cross section of Montana adults. For example, hearing-impaired respondents received their questionnaire in the mail, and translators were obtained for those who did not speak English. Interviewers were trained in techniques to maximize the responses to sensitive questions. The overall response rate was 83 percent. This high response rate increases the statistical reliability of the findings.

An additional sample of 108 American Indians living on the Flathead Reservation was also surveyed. The Flathead Reservation sample was chosen to increase the number of American Indians studied in the most cost-effective manner. There were also 81 respondents (out of 1,227) to the statewide survey who identified themselves as American Indians. These American Indian respondents were distributed throughout the state, both on reservations and other communities.

The Results

Roughly 78 percent of Montana adults reported gambling in the past year. This figure encompasses all gambling, including charitable gaming, VGMs, Powerball, and wagering on sporting events. Among American Indians on the Flathead Reservation, the corresponding figure was approximately 85 percent.

The overall gambling participation rate in Montana appears to be stable. A 1992 study—titled “Gambling Involvement and Problem Gambling in Montana” and conducted by Rachel Volberg of Massachusetts-based Gemini Research—reported a gambling participation rate of 74 percent (Vollberg 1992). Considering the error margins for both percentages, this increase is not statistically significant.

Characteristics of past year gamblers and non- or infrequent gamblers are summarized in Table 1. Montana is unusual in that gamblers are evenly split between males and females. About 51.5 percent of those who reported gambling in the last year are male, which is statistically indistinguishable from the 48.5 percent of gamblers who are female.

Gender has been strongly linked to participation in different types of gambling. In the 1970s, women were significantly less likely than men to gamble at casinos and through lotteries, but more likely than men to participate in types of charitable gambling, such as bingo and

Figure 1
Past Year Gambling Participation Montana

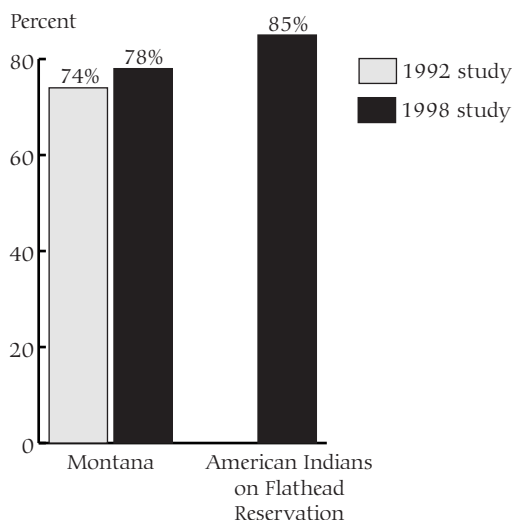
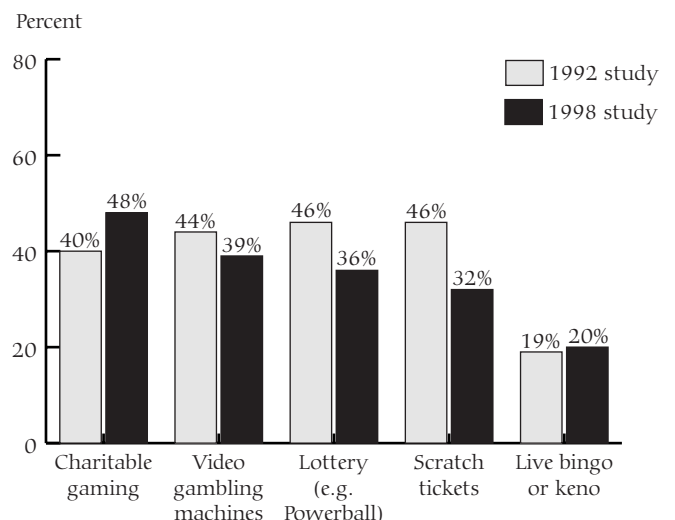


Figure 2
Past Year Participation by Game Montana Gamblers



Note: 1992 data for American Indians cannot be calculated.
Source: Gemini Research Ltd.

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raffles (Kallick et al 1979). In the 1990s, while men are still more likely to wager on games of skill and horse racing, women are just as likely as men to gamble at casinos and through lotteries (Volberg & Banks 1994). Recent research suggests that there are few differences between men and women in gambling frequency and wagering levels. However, the scope of womens' gambling—the number of different types of gambling in which

women participate—is significantly narrower than the scope of mens' gambling (Hraba & Lee 1996).

Montanans receiving income from Social Security have a lower gambling participation rate than those not receiving Social Security income. Montanans receiving public assistance have the same gambling participation rate as those not receiving public assistance.

**Table 1
Characteristics of Montana Gamblers
[Percent of Past Year Gamblers]**

	Past year 1992 (N=756)	Non or infrequent 1992 (N=264)	Past year 1998 (N=951)	Non or infrequent 1998 (N=276)	American Indian past year gamblers on Flathead Reservation* 1998 (N=91)
<u>Gender</u>					
Male	50.0	49.0	51.5	41.3	44.0
Female	50.0	51.0	48.5	58.7	56.0
<u>Age</u>					
18-29	17.8	9.7	24.2	8.3	NA
30-39	26.6	16.2	21.3	13.0	NA
40-49	21.5	18.5	23.2	17.7	NA
50-64	19.4	18.1	19.2	23.1	NA
65+	14.7	37.5	12.0	37.9	NA
<u>Ethnicity</u>					
White	95.8	96.5	90.7	92.4	0.0
American Indian	2.9	2.7	7.5	4.0	100.0
Other	1.3	0.8	1.8	3.6	0.0
<u>Marital Status</u>					
Married	65.7	60.2	57.9	58.3	57.1
Widowed	5.8	16.6	5.1	22.5	5.5
Divorced/separated	12.0	10.8	15.3	9.1	20.9
Never married	16.4	12.4	21.8	10.1	2.2
<u>Education</u>					
Less than high school	6.1	12.0	7.4	15.0	9.9
High school+	63.6	60.6	64.9	57.7	69.2
BA +	30.4	27.4	27.7	27.4	20.9
<u>Work Status</u>					
Employed	65.5	44.8	69.8	48.0	65.1
Unemployed	2.3	5.0	1.9	0.7	3.3
Not in labor force (retired, etc.)	32.2	49.8	28.3	51.3	31.6
<u>Transfer payment income</u>					
Received Social Security	NA	NA	20.2	46.0	NA
No Social Security	NA	NA	79.8	54.0	NA
Received Public Assistance	NA	NA	5.4	5.1	NA
No Public Assistance	NA	NA	94.6	94.9	NA
<u>Household Income</u>					
< \$15,000	19.8	34.0	20.9	30.2	34.1
\$15,000-\$35,000	44.3	41.0	30.5	33.0	17.7
\$35,001-\$50,000	19.9	14.0	19.0	21.1	14.3
\$50,001 and up	16.0	10.8	29.6	15.6	33.3
Median income**	NA	NA	\$34,000	\$28,000	

*Too few non or infrequent gamblers to reliably analyze.

**Medians estimated using categorical data.

NA: data not available.

Source: Gemini Research Ltd.

Compared to the 1992 study, Montana's 1998 past year gamblers were more likely to be:

- younger;
- American Indian;
- single (never married, divorced, or separated); and
- employed with a relatively higher household income (see Table 1 for median incomes).

Similar to other states, Montana's past year gamblers were more likely than infrequent or non-gamblers to be:

- younger;
- American Indian;
- never married;
- higher paid and more educated.

Participation by Game

Video gambling and lottery products such as Powerball and scratch tickets are the three most popular forms of commercial gambling. About 39 percent of Montana adults said they played VGMs in the last year, while the corresponding figures for Powerball and scratch tickets were 36 percent and 32 percent, respectively.

Between 1992 and 1998, participation rates declined for each of the three most popular games, following the trend reported in other areas. Video gambling dropped from 44 percent to 39 percent; Powerball decreased from 46 percent to 36 percent; and scratch tickets declined from 46 to 32 percent. The decreasing game participation rates have been attributed to the maturation of the gambling products: the novelty of a new game leads to high participation soon after its introduction, which then usually declines.

More Montanans are playing a variety of games, according to the 1992 and 1998 studies. This reconciles the apparent contradiction between the stabilizing overall participation rate and the declining rates for the three most popular games. Also, the diversification blurs the personality distinctions between the players of the various games.

Nonresident Gamblers

Surveys of nonresidents visiting Montana have repeatedly found that few (12 to 15 percent) reported gambling, and those who did gamble spent relatively small amounts (ITRR). These benchmark surveys, on which all nonresident expenditure estimates are based, were conducted in winter 1993, summer 1996, and winter 1998. In addition, a separate, forthcoming study of snowmobilers found none reporting that they gambled while in Montana (BBER).

Nonresident gambling expenditures totaled about \$10 million in 1997. This figure was derived using the findings of the surveys and information systems maintained by the UM Institute for Travel and Recreation Research, which also prepares most other tourism-related expendi-

tures for Montana. The nonresident figure has a relatively large error margin because it is based on few observations.

This \$10 million in nonresident expenditures represents about 4.2 percent of the total statewide gambling expenditures and about 0.7 percent of total expenditures in Montana by nonresidents. If nonresidents report gross gambling expenditures (without subtracting payouts), their percentage of gambling expenditures would be smaller.

Nonresident gambling is concentrated in a few areas and is important for certain establishments. The relatively high dependence of certain communities on Gambling Machine Tax revenue (such as Eureka in 1990 and Superior in 1997) suggest that cross-border patronage and freeway access may add to local demand.

Participation Rates vs. Overall Trends

Further information is needed to identify why video gambling appears to be growing (as indicated by tax payments), yet participation rates have declined. Specifically, longitudinal research is needed to identify the relationships between gambling participation, expenditures, and gambling problems. Factors that may affect these relationships include:

- Rising incomes, which may increase per person gambling expenditures.
- Montana's growing population—the adult population has increased by 9.2 percent since 1992—may include a disproportionate share of gamblers.
- Increased prevalence of problem and pathological gamblers, who are both regular gamblers and large spenders.

References

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