

Casinos drawing mostly local crowds

By CLARA VAUGHN, Capital News Service | Posted: Monday, February 18, 2013 5:00 am

Joanne Genevish, 60, of Rockville, made her first trip to Maryland Live! casino in Hanover recently.

She's not likely to be back.

A packed parking garage and long lines of traffic were off-putting, and only "easier access" might make her give the casino a second chance, Genevish said.

Other visitors said changes, from allowing smoking inside to increasing membership perks, would draw them more often. But a number of patrons who spoke outside Maryland Live! had one thing in common — they live near the casino.

The typical visitor to nondestination casinos such as Maryland Live! lives within about a 30-minute drive, said Jeff Hooke, a Bethesda-based gambling analyst.

Otherwise, the crowds of gamblers don't differ significantly from the general population in the surrounding area in Anne Arundel County.

"The generic population of who comes into a casino is not that different from the overall population," Hooke said.

Since the approval of a referendum item last fall allowing a casino to be built at National Harbor in Prince George's County, politicians and residents have questioned whether the state's casino market already is saturated.

Maryland has three casinos — Maryland Live! at Arundel Mills mall is the largest — with two more on the way, in addition to the plans for National Harbor.

Locals outside the immediate sphere of the existing casinos would likely comprise the bulk of a National Harbor casino's patrons.

"It's not going to be like Las Vegas or Atlantic City, which are destination locations," Hooke said. "People are not going to fly to National Harbor to go to a casino."

But a casino accessible from the nation's capital would boast several advantages.

The urban setting should bode well for the casino, said Bill Eadington, director of the Institute for the Study of Gambling and Commercial Gaming at the University of Nevada, Reno.

Gambling is "an activity that's more consistent with urban than rural lifestyles," Eadington said.

Urbanites live closer together, providing a large base of gamblers, and don't face the demands of growing crops — something that makes farmers seasonal casino customers, he said.

Given its proximity to population centers, a National Harbor casino could draw on about 3 million untapped potential gamblers from Maryland, Washington, D.C., and Virginia — people who would not make the trek to Delaware or West Virginia to gamble, but might reconsider with a closer casino, Hooke said.

The same referendum allowing a sixth casino in Maryland also permits all the state's existing casinos to add table games — a change that could attract a new demographic.

“Table games would appeal to upper-income people,” Hooke said. “The bets are a lot bigger.”

But Eugene Christiansen, CEO of the casino-advising company Christiansen Capital Advisors LLC, said offering table games won't necessarily draw an upscale crowd.

“Who plays table games depends on who the table games are marketed to,” Christiansen said. “That the casino offers table games does not necessarily mean that it's going to be able to market to an unusually upscale demographic.”

A National Harbor casino would also boast a slightly younger crowd than most nondestination casinos thanks to its proximity to Washington, Hooke said.

“A facility easily in reach of other tourist amenities in Washington, D.C., is likely to get a significant tourist component,” he said. “That might be upward of 20 percent of visitation.”

Little overlap

The patrons at the new casino wouldn't overlap much with lottery players and horse racing aficionados, Christiansen said.

“Buying a lottery ticket and sitting down to play roulette are fundamentally different activities,” he said.

The lottery draws more minority group members and low-income individuals than casinos, while the horse-racing industry is struggling to attract an audience at all, Eadington said.

“The whole phenomenon of racetrack casinos has really been a sham,” he said. “It's done virtually nothing to increase the demand for horse races.”

Stable crowd

So, while railbirds are in sharp decline, Maryland casinos seem to have a stable crowd of gamblers, so long as getting there is convenient for a large enough group of locals.

Maryland Live! regulars attest to this.

Shawn Layne, 44, of Washington, makes the 25-minute drive to Hanover about twice a week to play the slot machines at the casino.

“It’s close by,” Layne said.