Predictors of Sports Gambling in Legal and Illegal States

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The sports gambling landscape in the United States (US) has changed rapidly since May of 2018. In fact, since then 75% of states proposed a bill or passed legislation to legalize sports betting. With more states in the fold and more potential customers in the market, investors and technology firms are betting hard on the return of a potentially multi-billion-dollar industry. However, for general sports fans, there remain a number of barriers to participation. These include, but are not limited to, a lack of understanding or access, technological hurdles, or perceived stigma of the activity (Gainsbury et al., 2020; Hing et al., 2017; Lopez-Gonzalez et al., 2019). The activity is also not legal everywhere, but it is becoming increasingly more mainstream. This mixture of unique barriers and incentives has the sports gambling industry in a distinct position of growth that provides both a challenge and an opportunity for providers and regulators looking to understand who makes the jump from sports fan to sports bettor.

As a result of this opportunity, the purpose of the study was two-fold: (1) to explore differences between legal and illegal gambling jurisdictions as it relates to the demographic and psychographic factors that predict those who gamble and those who do not, and (2) to understand the self-reported behavioral differences between those who bet and those who do not. The current study followed self-concept theory, as the decision to gamble, especially within an illegal context, is multidimensional (Marsh, 1990). Self-concept theory is broad; it encompasses sub-theories more well-known in the sport management literature including identity (Lock & Heere, 2017), social identity (Kerwin et al., 2017), and self-image (Wang et al., 2020). These dimensions of self-concept also ultimately guide our behavior, as we tend to behave in ways that reinforce our perceptions of self or define our identity (Gration et al., 2011).

A national panel of 1,500 sports fans was surveyed. Half of the participants had recent experience gambling on college football, professional football, or both. The other half had no previous sport gambling experience. The sample was also stratified by state. In total, 387 (26%) were from legal states and 1,125 (74%) from illegal states. This parallels the roughly 25% of the US population that has access to legalized sports betting. Following two separate logistic regressions and MANOVAs on the different samples, statistically significant predictors were uncovered for both jurisdictions. Similar predictors for both subsamples included: Age (neg), Gender (male), Narcissism (pos), and Social Identity (pos). For the illegal state subsample only, Relationship Identity (neg) and Social Worthiness (neg) were statistically significant predictors. For the second purpose, those who gamble on sports in both contexts consume more spectator and mediated sport content. Whether it is attendance, bar patronage, or television viewership, those who bet are more engrossed in sport consumption than those who do not. Taken together, the current study’s results contribute to what we know about the demographics, psychographics, and behavior of one of the fastest-growing segments of the sport industry.