



National Gambling Board
South Africa

a member of **the dti** group

THE SOCIAL IMPACT OF GAMBLING IN SOUTH AFRICA

A quantitative perspective
2013



SOCIAL IMPACT OF GAMBLING IN SOUTH AFRICA

A quantitative perspective

Study commissioned by the
National Gambling Board

2013

ACKNOWLEDGEMENTS

The following people and institutions are acknowledged for their inputs during the various phases of the research project:

- Members of the Research & Ethics Committee (NGB) for their feedback and guidance in terms of the finalisation of the report;
- Executive and top management of the board for their guidance and leadership in terms of the scope and objectives of the research project;
- IPSOS/Markinor who was responsible for fieldwork, collection and processing of data (IPSOS Khayabus, wave 2 of 2012); and
- Ms Anneke Greyling (Sentinel Research and Strategy Consulting) who assisted in the finalisation of the questionnaire, analysis, compilation of this report and presentation of findings to the board, as well as the professional way and dedication in which this project was executed.

EXCLUSION OF CLAIMS

Despite all efforts to ensure accuracy in the assembly of information and data or the compilation thereof, the National Gambling Board is unable to warrant the accuracy of the information, data and compilations as contained in this report. Readers are deemed to have waived and renounced all rights to any claim against the abovementioned institutions and their officers for any loss or damage of any nature whatsoever arising from the use or reliance upon such information, data or compilations.

FOREWORD

**Chairperson of the
National Gambling Board
Prof Linda de Vries**



Conducting regular research to determine the socio-economic impact of gambling in South Africa is one of the mandatory functions of the National Gambling Board (NGB). Of importance is to determine the most important social impacts of gambling and the overall impact on the quality of people's lives. It is a general concern and perception that the most significant negative impacts of gambling are those associated with problem gambling. Since 2011, the board therefore embarked on regular research to track the prevalence of gambling, as well as problem gambling.

The board deemed it necessary to consider a comprehensive, follow-up quantitative study (as part of the broader socio-economic of gambling research project) to determine the social impact of gambling in terms of the profile of the gambling community, the frequency of participation in gambling and different gambling modes (legal and illegal), perceptions about gambling, as well as the monitoring of problem gambling. Several questions were added to the regular core (tracking) questionnaire to make provision for the broader research objectives of the research project. Previously, the NGB conducted socio-economic impact of gambling studies in 2000, 2002, 2005 and 2009.

Fieldwork was outsourced to IPSOS/Markinor by means of participation in their Khayabus, Wave 2 of 2012. Sentinel Research and Strategy Consulting was responsible for the analysis and presentation of data, as well as the compilation of reports. Based on the findings of these quantitative surveys, the Board published two Research Bulletins on its website to keep its stakeholders informed about the prevalence of gambling and problem gambling.

The board would like to express its sincerest appreciation to Ms Anneke Greyling, Managing Director of Sentinel Research and Strategy Consulting, for the professional way in which this project was managed, and findings presented to the board.

Prof Linda de Vries
Chairperson: National Gambling Board

CONTENTS

	Page
1. INTRODUCTION	1
2. MAIN AIM AND RESEARCH OBJECTIVES	1
3. QUANTITATIVE RESEARCH METHODOLOGY	2
3.1 Sample design	2
3.2 Research instrument	3
3.3 Fieldwork	3
3.4 Validity of results	3
3.5 Comparability of results	4
4. GAMBLING INCIDENCE BY DEMOGRAPHIC VARIABLES	4
4.1 Introduction	4
4.2 Tracking of gambling incidence over time	5
4.3 Incidence of gambling across different gambler segments	5
4.4 Incidence of gambling across different gambling modes	6
4.5 Incidence of gambling across various demographic variables	7
4.5.1 Gambling incidence by gender	7
4.5.2 Gambling incidence by age group	10
4.5.3 Gambling incidence by population group	12
4.5.4 Gambling incidence by highest level of education achieved	14
4.5.5 Gambling incidence by monthly household income	17
4.5.6 Gambling incidence by working status	20
4.5.7 Gambling incidence by community type	22
4.5.8 Gambling incidence by province	25
5. MOST PREFERRED GAMBLING MODES	26
5.1 Most preferred gambling mode by gender	26
5.2 Most preferred gambling mode by age group	27
5.3 Most preferred gambling mode by household income group	28
5.4 Most preferred gambling mode by working status	29
6. SNAP SHOT PROFILE OF GAMBLERS PARTICIPATING IN DIFFERENT GAMBLING MODES	29
6.1 National lottery	30
6.2 Betting on horse racing and sport	32
6.3 Scratch cards	33
6.4 Lucky draws	34
6.5 Gambling at licensed casinos	34
6.6 Bingo	37
6.7 Illegal gambling activities	38

	Page
7. FREQUENCY OF PARTICIPATION BEHAVIOUR ACROSS DIFFERENT MODES OF GAMBLING	41
7.1 Frequency of playing the national lottery	41
7.2 Frequency of buying scratch cards	42
7.3 Frequency of gambling at licensed casinos	42
7.4 Frequency of legal betting on horse racing and sport	43
8. REASONS FOR GAMBLING	44
9. REASONS FOR ABSTAINING FROM GAMBLING	46
9.1 Reasons for abstaining from gambling by population group	46
9.2 Reasons for abstaining from gambling highest level of education	47
10. PERCEPTIONS ABOUT GAMBLING	47
10.1 Perceptions on whether gambling contributes to society	48
10.2 Perceptions on the regulatory environment	48
10.3 Perceptions on the impact of gambling on households	49
11. GAMBLING LOCATION: WHERE DO GAMBLERS MOST OFTEN GO TO PARTICIPATE IN GAMBLING ACTIVITIES?	50
12. UNDER-AGE GAMBLING IN SOUTH AFRICA	51
13. SCOPE OF PROBLEM GAMBLING IN SOUTH AFRICA	51
13.1 Measuring the level of problem gambling in South Africa	51
13.2 Incidence of problem gambling	53
13.3 South Africa within the global context	55
14. CONCLUSION	55
15. RECOMMENDATIONS	56
BIBLIOGRAPHY	58

LIST OF TABLES

	Page
Table 1	9
Table 2	11
Table 3	13
Table 4	16
Table 5	19
Table 6	21
Table 7	23
Table 8	25
Table 9	27
Table 10	27
Table 11	28
Table 12	29
Table 13	44
Table 14	45
Table 15	46
Table 16	47
Table 17	48
Table 18	48
Table 19	49
Table 20	50

LIST OF FIGURES

	Page	
Figure 1	Tracking of gambling incidence over time	5
Figure 2	Incidence of gambling across different gambler segments	5
Figure 3	Incidence of gambling across different gambling modes	6
Figure 4	Gambling incidence by gender	8
Figure 5	Gambling incidence by age group	10
Figure 6	Gambling incidence by race	12
Figure 7	Gambling incidence by highest education level achieved	14
Figure 8	Gambling incidence by household income	17
Figure 9	Gambling incidence by working status	20
Figure 10	Gambling incidence by community size	22
Figure 11	Gambling incidence by province	24
Figure 12	Incidence of playing the National Lottery	31
Figure 13	Profile of National Lottery players	31
Figure 14	Incidence of betting on horse racing and sport (legal)	32
Figure 15	Profile of gamblers betting on horse racing and sport (legal)	33
Figure 16	Incidence of buying scratch cards	33
Figure 17	Profile of gamblers buying scratch cards	34
Figure 18	Incidence of gambling at licensed casinos	35
Figure 19	Profile of gamblers at licensed casinos	35
Figure 20	Incidence of playing slot machines at licensed casinos	36
Figure 21	Profile of gamblers playing slot machines at licensed casinos	36
Figure 22	Incidence of playing bingo at licensed outlets	37
Figure 23	Profile of gamblers playing bingo at licensed outlets	37
Figure 24	Incidence of participation in illegal gambling activities	38
Figure 25	Profile of gamblers participating in illegal gambling activities	39
Figure 26	Incidence of playing the illegal game Fafi/iChina	39
Figure 27	Profile of gamblers playing Fafi/iChina	40
Figure 28	Frequency of purchasing National Lottery tickets	41
Figure 29	Frequency of buying scratch cards	42
Figure 30	Frequency of gambling at casinos	43
Figure 31	Frequency of betting on horse racing and sport (legal)	43
Figure 32	Scope of problem gambling in South Africa (on total population 18 years and older)	53
Figure 33	Scope of problem gambling within the gambling population only	54

EXECUTIVE SUMMARY

In the fourth quarter of 2012, the National Gambling Board (NGB) commissioned a follow-up survey, *Socio-economic impact of gambling in South Africa*. This report reflects the findings of the quantitative survey conducted in October/November 2012. The objectives of this research are to measure gambling incidence, understand the profile of gamblers, monitor the prevalence of the various gambling modes, as well as gauge public opinion on a number of issues related to the gambling environment and the impact of gambling activities on society.

The findings of this report are based on a population survey. A series of questions was included on the Ipsos Khayabus, a nationally representative survey of 15 years and older adults in South Africa. This random probability sample survey provides a sample that is a mirror reflection of the South African population. The sample size of 3 500 was filtered to exclude 15-17 year old persons and the final sample was 3 446 of which 540 (18 years and older) were defined as gamblers. The margin of error for this survey is between 0.6% and 1%. Results are therefore a true reflection of the relationship between the South African society and gambling.

The key findings of this report are:

- I. Gambling incidence has declined over the last 3 years from 21.1% in April 2011, 24.1% in November 2011, 19.7% in April 2012 to 14.3% in November 2012. The decline between April 2011 and November 2012 is statistically significant;
- II. Playing the national lottery remained the most dominant mode of gambling. In April 2011, 87% of gamblers indicated that they played the national lottery. This has declined as the overall gambling incidence decreased and in November 2012, 77% of gamblers participated in the national lottery;
- III. The profile of persons buying a national lottery ticket is a near mirror image of the broader population making it a national activity;
- IV. The prevalence of at risk gambling over the last three years remained under 3% of the total population of persons 18 years and older. It has, however, consistently increased over the period. In April 2011 0.6% of the total population aged 18 and older could be segmented as gamblers who are at risk. It increased to 1.5% in November 2011, 2.7% in April 2012 and 2.9% in November 2012. Although of a very low base (0.6% in April 2011), the increase is a concern;
- V. The profile of gamblers varies depending on the gambling mode with more affluent persons participating in gambling at casinos and the poorer communities focussing on the national lottery, scratch cards and illegal gambling modes such as Fafi/iChina;

- VI. With the exception of the national lottery, the profile of the gambling population is skewed towards persons:
 - a. Holding down a job and earning a middle income monthly income;
 - b. Men are much more likely to participate in gambling than women; and
 - c. Gambling is an activity more likely to be found amongst persons in the age group 25-54.
- VII. It must be noted, however, that gambling is an activity that touches every segment of society. The fact that the profile of participants in the national lottery is a mirror image of the broader South African population further emphasises the fact that while people in middle to higher incomes groups are disproportionate more likely to gamble, the activity is also present amongst low income communities and does effect poorer communities.

The incidence of illegal gambling is a concern with more than one in every 4 gamblers indicating that they do participate in illegal gambling activities. This concern is compounded by the fact that the prevalence of illegal gambling is highest amongst the poorer, less educated communities.

A steady increase in the number of gamblers who were segmented as at risk gamblers is another concerning finding and requires immediate attention from government and its supporting bodies.

At an overall level, however, gambling prevalence figures have remained fairly low if compared to the prevalence levels in countries such as the United Kingdom and Australia where nearly 70% of the population gamble.

Key recommendations are as follows:

- I. Any information or educational campaigns developed and directed by the NGB and its partners should appeal to a broad cross-section of the population due to the fact that South Africans from all walks of life participate in the most dominant gambling mode, namely the National Lottery;
- II. Special attention should be given to those gamblers who are potentially at a greater risk to become at risk or problem gamblers and these are individuals with formal education qualification and who earn middle to higher salaries. These gamblers tend to focus their gambling activities at casino. This is not to say that other gambling audiences are not at risk and should be ignored;
- III. Participation levels in illegal gambling activities have shown a steady increase and campaigns focussing on poorer communities, who are shown to have a greater predisposition to illegal gambling, could address this risk; and
- IV. Steadily increasing levels of sport betting requires some greater attention in information and educational campaigns.

SOCIAL IMPACT OF GAMBLING

A quantitative perspective

1. INTRODUCTION

With the exception of the national lottery, the National Gambling Board (NGB)¹ is responsible for the oversight of regulation in the gambling industry in South Africa. The NGB also has a role to preserve the integrity of South Africa as a responsible global citizen. The NGB's strategic intent is to sustain and grow its regulatory capacity to position South Africa as a pre-eminent jurisdiction with an exemplary and effectively regulated gambling industry.²

The NGB conducts research aimed at gathering data to inform policy development and input into the public debate around issues related to gambling. Towards the third quarter of 2012, the NGB commissioned research to conduct a nationally representative public opinion survey covering a range of gambling related activities, behaviour and perceptions, inclusive of the gambling modes regulated by the National Lotteries Board. Prior to this, the NGB has been conducting continuous tracking surveys in 2002, 2005, 2009, 2011 and 2012.³ The findings reported in this report are in part a follow-up study, however due to changes in questionnaire construction and sample design, comparative analysis is limited.

2. MAIN AIM AND RESEARCH OBJECTIVES

Overall, the aim of the quantitative research was to gain a greater understanding amongst the general public on a series of gambling related issues. In more detail, the research objectives were as follows:

- I. To track / monitor incidence and prevalence of gambling overall;
- II. To track / monitor incidence and prevalence of different modes of gambling;
- III. To determine the profile of gamblers overall, as well as per different modes of gambling;
- IV. To understand perceptions about gambling as it impacts on society/households/regulation;
- V. To determine the extent of problem gambling;
- VI. To understand the reasons for gambling and not gambling; and
- VII. To understand gambling activities (i.e. when/how it is taking place).

¹ Established in terms National Gambling Act, Act no7 of 2004.

² See the official website of the National Gambling Board of South Africa, <http://www.ngb.gov.za/> for a detailed overview of the mandate and activities of the organisation.

³ The NGB in collaboration with the research agency Sentinel Research and Strategy consulting, crafted a series of questions that were included on the 6-monthly population surveys conducted by Ipsos, a leading market research company in South Africa. These questions were carried on the Ipsos Khayabus in April and November 2011 and also in April and November 2012.

3. QUANTITATIVE RESEARCH METHODOLOGY

A questionnaire was developed in 2009 and Ipsos contracted to include the questionnaire on their bi-annual omnibus survey. In addition to the standard set of tracking questions, additional questions were included to gauge the socio-economic impact of gambling on South Africans. The economic impact of gambling in South Africa is reported in a separate report.

The Ipsos Omnibus survey is a robust nationally representative survey well-known to capture public sentiment. Key methodological aspects relevant to the survey will be discussed in the subsequent sections.

3.1 Sample design

The Ipsos Omnibus survey is a standardised survey developed by Ipsos (previously known as Markinor) to provide a tool to measure public opinion. The sample design remains stable over time allowing clients to track incidence, behaviour and perception over a period of time.

Ipsos implements a multi-stage sample methodology to achieve a random probability sample. During stage one, the primary sampling unit, an enumerator area (EA) is selected. The 2011 Census was used as the sample frame. Only non-institutional, non-recreational and non-industrial EAs were considered from the sample frame. A sample of 583 EAs was drawn. The EAs were stratified in respect of geography type (urban formal, urban informal, rural formal and tribal), province and implicitly by race.

The number of EAs drawn by province was determined proportionally based on the estimated number of households within each stratum. The allocated number of EAs in a province were drawn systematically with probability proportional to size (pps) using the number of households as its measure of size (MOS). Each household within the province had an equal selection probability. Six households were selected per EA. Prior to drawing the sample EAs, the EAs in each province were arranged according to geography type, main place code, sub place code and EA-number. The purpose of this arrangement was to ensure the best possible coverage of South Africa.

Individual households were sampled. Using a Geographical Information System (GIS) a random starting point was selected within an EA. Once the starting point has been located, the interviewers were required to work systematically by selecting every ninth household in farm and tribal areas. In urban areas interviewers skipped every five dwellings and select the sixth dwelling using the walk procedure of turning

left. Where there were more than one household per dwelling, the households were listed and a Kish grid was applied to select the household.

This was followed by the random selection of the respondent. Eligible members of the household were listed on a Kish grid. The Kish grid contained strict instructions guiding the selection of the qualifying respondent. Once the respondent was selected, the interviewer interviewed the person. If the respondent was not available, the interviewer was instructed to return to the selected household three times to achieve a completed interview with the selected individual. Substitution only occurred after three unsuccessful attempts to contact the selected respondent.

The result is a random probability sample reflective of the characteristics of the South African population.

3.2 Research instrument

A structured questionnaire was developed and used during all four waves conducted in 2011 and 2012, however, slight changes were made to the description of gambling modes prior to the last wave during 2012. All questions were closed-ended and the appropriate scales were used. The questionnaire was available in English, isiZulu, isiXhosa, Afrikaans, Setswana, Sesotho sa Leboa and Sesotho and respondents could select the language they preferred.⁴

3.3 Fieldwork

The interviews were conducted face-to-face and in-home by trained Ipsos interviewers. Each group of interviewers completed their sample points under the guidance of an in-field supervisor. Fieldwork commenced on 9 October 2012 and was completed on 31 November 2012.

3.4 Validity of results

Any sample survey is subject to error. As such results yielded provide estimates and not exact values. The sampling error for this survey at a total sample level is between 0.6 and 1% and was calculated using the standard formula. Results reported in this report therefore ranges according to a statistically calculated interval. Rigorous quality checks assured that interviewer and reporting errors were limited and addressed. At least 20% randomly selected completed questionnaires were back-checked to ensure that sample selection procedure and interviewing procedures

⁴ See the South African Yearbook: 2012/12 (p. 4) for a detailed overview of the official languages of the Republic of South Africa.

were followed. A series of logic checks were run during the data capturing and cleaning phase and any inconsistencies were highlighted and addressed.

3.5 Comparability of results

The NGB conducted similar studies in 2002, 2005 and 2009. The sample design and interviewing method of the 2009 study and this survey (2012), however, is significantly different. While both surveys produced valid and reliable results, it cannot be compared due to differences in sample design.

The NGB has been doing some limited tracking research and where appropriate, these trends will be reflected. As mentioned previously, the NGB has been tracking incidence and participation in different gambling modes over time. A standard set of questions was included in the Ipsos Omnibus survey in April 2011, November 2011, April 2012 and now in November 2012. The questions cover the following topics:

- I. Gambling incidence;
- II. Participation in different gambling modes;
- III. Frequency of participation in gambling activities; and
- IV. A measure of the level of problem gambling by means of the standardised Canadian Problem Gambling Index (CPGI).

4. GAMBLING INCIDENCE BY DEMOGRAPHIC VARIABLES

4.1 Introduction

Measuring incidence over time was a key deliverable of this survey. Incidence is the occurrence, rate, or frequency with which something takes place or is present. All respondents were asked to review a comprehensive list of gambling modes and requested to indicate which of those listed they participated in during the previous 12 months. This list is inclusive of legal and illegal modes of gambling. Respondents could list multiple modes of gambling or they could select an explicit “did not gamble” category. Respondents, who indicated that they have participated in one or more of the listed activities, were defined as gamblers for the purpose of the study.

While this question was posed to the full sample (15 years and older), the results below reflect the views of respondents 18 years and older. Data for the 15-17 year old respondents will be analysed and reported in section 2.12 *Focus on underage gambling*.

4.2 Tracking of gambling incidence over time

Gambling incidence in South Africa has remained fairly stable over the last four waves with a decline towards the end of 2012. In November 2012, only 14.3% of South Africans aged 18 years and older indicated that they have gambled in the last twelve months.

Figure 1: Tracking of gambling incidence over time

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)

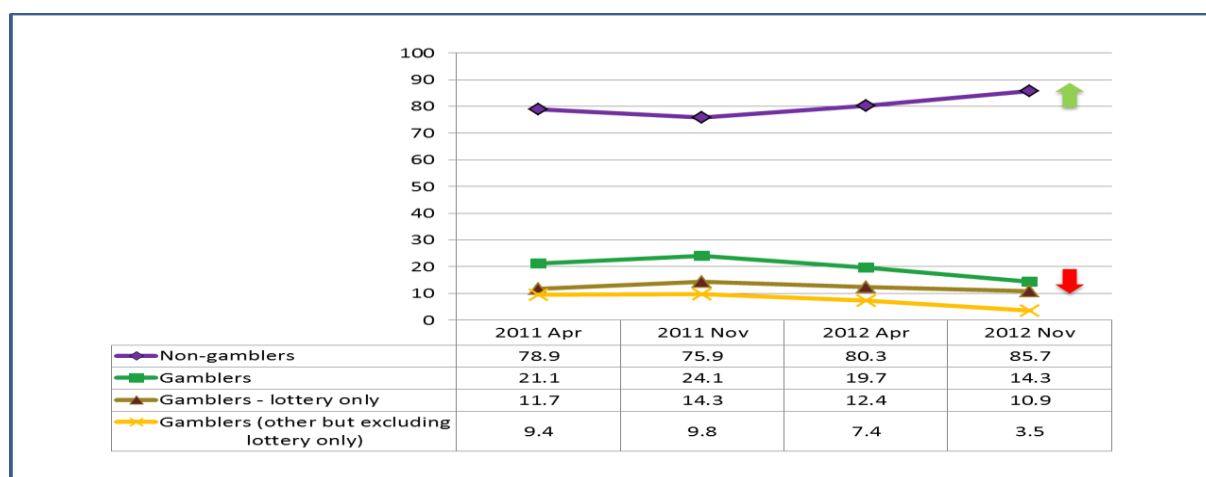


4.3 Incidence of gambling across different gambler segments

In order to gain a better understanding of the gambling population in South Africa, a distinction was made between gamblers who participate in the national lottery only and those who participate in one or a combination of other gambling activities irrespective of whether they participated in legal and/or illegal gambling activities. This distinction was made due to the fact that participation in the national lottery is such a dominant factor.

Figure 2: Incidence of gambling across different gambler segments

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)



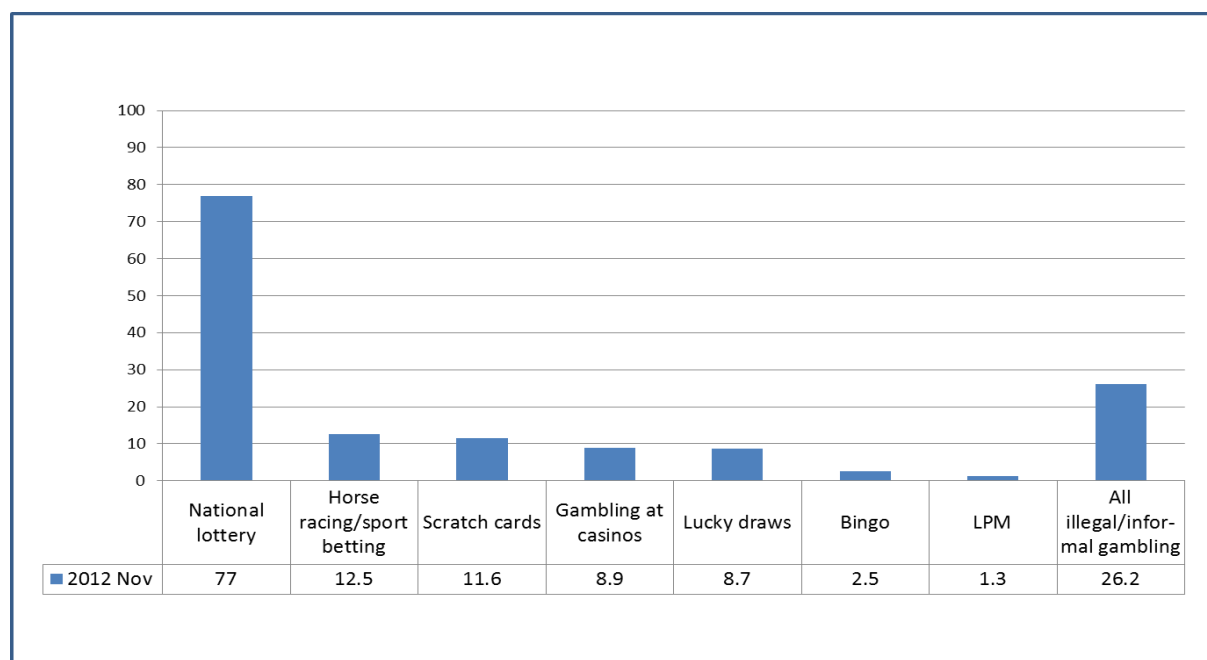
The downward trend in levels of participation (inclusive of legal and illegal gambling modes) is present across all gambler segments. It is noticeable, however, that the trajectory of the trend is less pronounced for the segment that only played the national lottery. This could be due to the fact that the cost of participation in other regulated modes of gambling (other than buying a national lottery ticket) is more costly in the sense that gamblers potentially needed to travel to gambling-specific venues such as casinos, race tracks, LPM venues and bingo halls.

4.4 Incidence of gambling across different gambling modes

The interview was started off by offering respondents an extensive list of gambling modes. They were requested to indicate whether they, in the preceding 12 months before the interview, have participated in one and more of any of the gambling modes listed on the list. The results are based on multi-mentioned responses. Participation in the national lottery is the most dominate mode of regulated gambling followed by betting on horse racing and/or sporting events. Most gamblers participate in a combination of gambling modes, however, buying a national lottery ticket is by far the most preferred mode of gambling, as indicated below.

Figure 3: Incidence of gambling across different gambling modes

(Source: Ipsos Khayabus survey – November 2012)

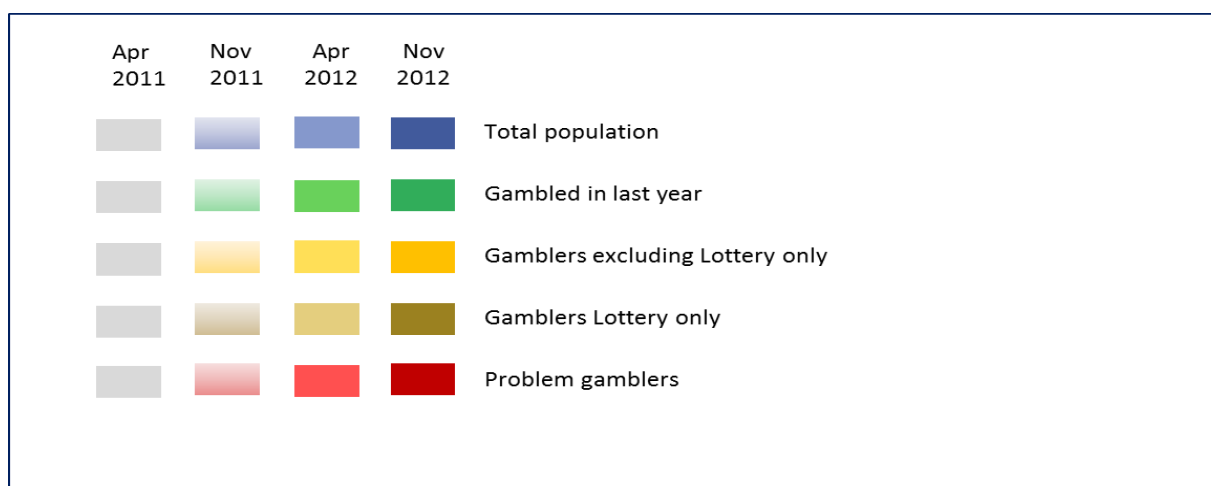


In understanding the incidence of illegal gambling, it should be noted that this includes all forms of online gambling, Fafi, betting at illegal outlets on horse racing and sport, card and dice games, as well as gambling on mobile phones.

4.5 Incidence of gambling across various demographic variables

Gambling incidence, in other words, how often gambling activities occurred amongst various segments of society does vary across various demographic variables and gambling modes, and will be discussed in more detail below (please note that a single respondent could have mentioned one or a combination of gambling modes).

Important note: Please note the legend relevant to all the incidence graphics – the different colours refer to the different waves of surveying.

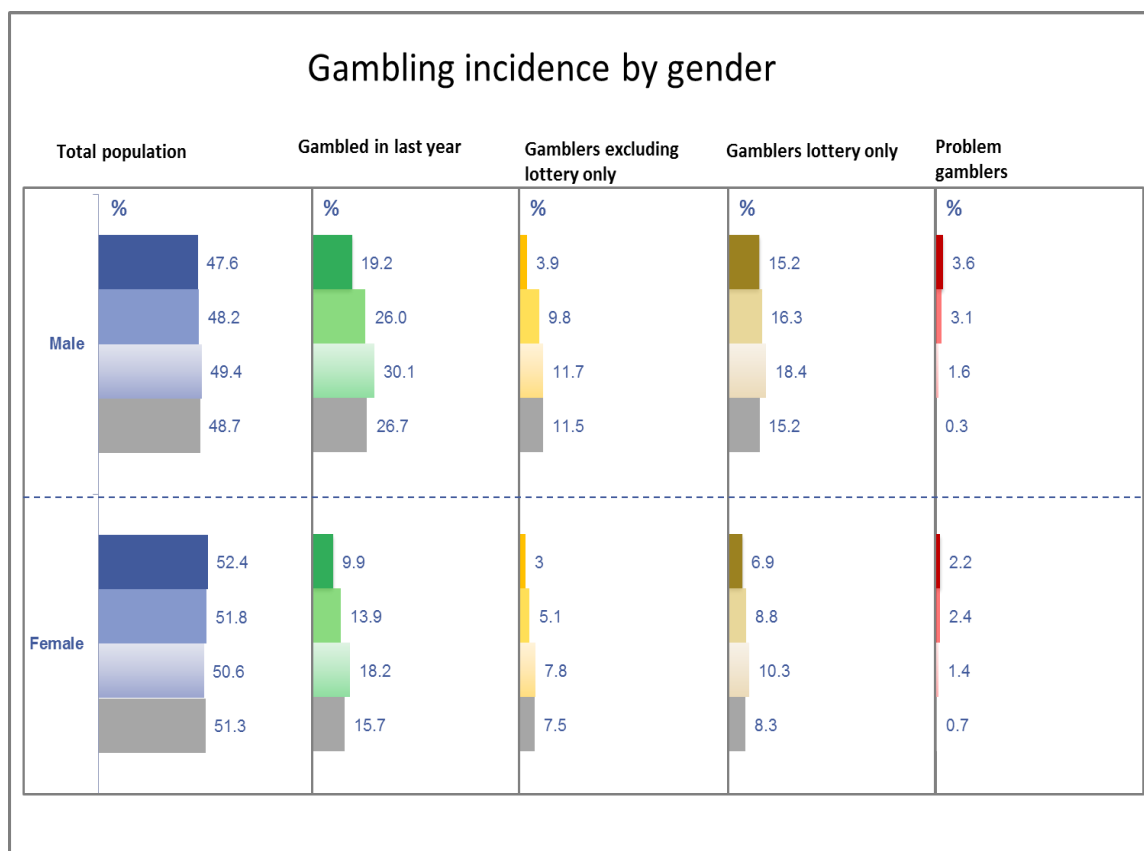


4.5.1 Gambling incidence by gender

As a departure point it is important to note that the normal gender distribution in the 18 years and older South African population is 47.2% males and 52.4% females; however, the gender distribution within the gambling population has a slight skew towards males with 63.7% of gamblers being males and 36.3% being females. See Table 1. In the graphic below, however, it is clear that males are disproportionately more inclined to gamble than women.

Figure 4: Gambling incidence by gender

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)



The table below provides the incidence of males and females taking part in the different legal gambling modes. It also provides a profile of the different gambling modes in terms of gender, e.g. of gamblers buying national lottery tickets, 67% are male and 33% are female; opposed hereto, gamblers who play bingo at a licensed outlet are more female than male (63.8% vs. 36.2%).

Table 1: Incidence by gender

(Source: Ipsos Khayabus survey – November 2012)

Gambling mode	TOTAL	GENDER	
		Male	Female
% distribution in tot pop 18 years older		47.6	52.4
(n/w) base of gamblers	540	350	190
Pop (wt.) (000's) gamblers	4685	2983	1702
% within gambling population		63.7	36.3
Lucky draws	406	185	221
	8.7	6.2	13
		45.5	54.5
Scratch cards	545	298	247
	11.6	10	14.5
		54.7	45.3
Gambling at illegal outlets/online	1229	667	562
	26.2	22.4	33
		54.3	45.7
National Lottery	3607	2417	1189
	77	81	69.9
		67	33
Bingo at licensed outlet	116	42	74
	2.5	1.4	4.4
		36.2	63.8
Gambling at licensed casino	416	238	178
	8.9	8	10.4
		57.3	42.7
LPM at licensed outlets	62	29	34
	1.3	1	2
		45.9	54.1
Licensed horse racing & sport betting	586	376	210
	12.5	12.6	12.3
		64.2	35.8

On face value and according to the table above, females are generally more inclined than males to take part in the different gambling modes. There are, however, two exceptions, i.e.:

- I. The national lottery (the incidence of buying national lotto tickets is higher amongst males at 81% than females at 69.9%), and
- II. Licensed horse racing & sport betting (the incidence of this mode of gambling is similar amongst both genders, i.e. between 12% and 13%).

Compared to the gender distribution of the gambling population (i.e. 63.7% male and 36.3% female), the gender distribution of the following modes of gambling skew heavily to females: Lucky draws, bingo at licensed outlets and LPM at licensed outlets. However, it is clear from the findings that participation in the national lottery is a dominant gambling activity. The participation of more men than women (in the national lottery) results in overall incidence skewed towards males.

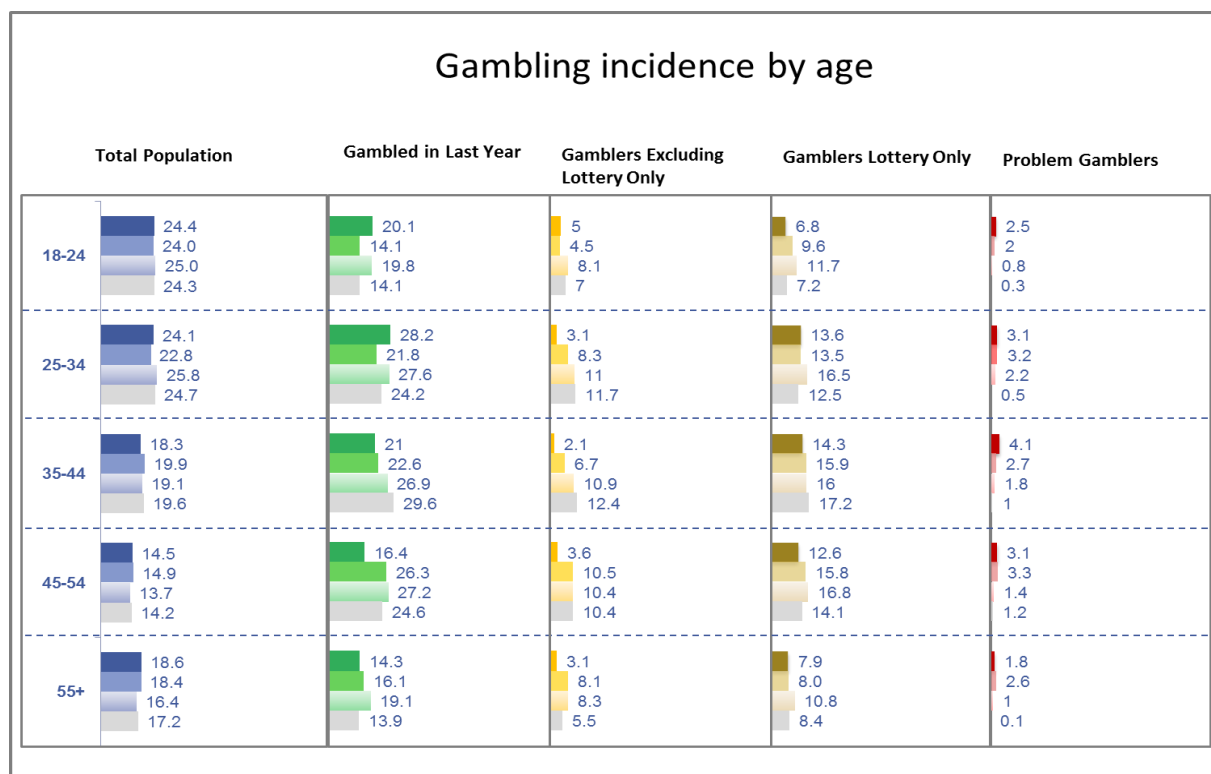
4.5.2 Gambling incidence by age group

The table below indicates the incidence (column %) of different age groups taking part in the different modes of gambling. In addition, the age profile (row %) of gamblers taking part in the different modes of gambling is provided.

When comparing the age distribution present in society to that of the gambling population, the population distribution follows a natural curve, whereas the gambling population has a slight skew towards the age groups 25-34 and 35-44 indicating a higher concentration of gamblers in these two age groups than what is evident in society.

Figure 5: Gambling incidence by age group

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)



Comparing the “gambled in the last year” (green bars) to the “total population” (blue bars), it is clear that individuals in the age groups 25-34, and 35-44 are more predisposed to gambling than population average.

Table 2: Incidence by age group

(Source: Ipsos Khayabus survey – November 2012)

	TOTAL	AGE				
		18-24 years	25-34 years	35-44 years	45-54 years	55 years plus
% distribution in tot pop 18 years older		24.4	24.1	18.3	14.5	18.6
(n/w) base of gamblers	540	76	167	125	104	68
Pop (wt.) (000's) gamblers	4685	940	1321	985	768	671
% within gambling population		20.1	28.2	21	16.4	14.3
Lucky draws	406	75	120	132	11	67
	8.7	8	9.1	13.4	1.5	10
		18.5	29.6	32.6	2.8	16.6
Scratch cards	545	116	136	161	100	32
	11.6	12.3	10.3	16.4	13	4.8
		21.3	24.9	29.6	18.4	5.9
Gambling at illegal outlets/online	1229	358	219	245	208	199
	26.2	38.1	16.6	24.8	27.1	29.7
		29.1	17.8	19.9	16.9	16.2
National Lottery	3607	588	1077	863	597	483
	77	62.6	81.5	87.6	77.7	71.9
		16.3	29.9	23.9	16.5	13.4
Bingo at licensed outlet	116	0	38	43	25	10
	2.5	0	2.9	4.4	3.2	1.5
		0	33	37.2	21.3	8.4
Gambling at licensed casino	416	78	76	113	46	103
	8.9	8.3	5.8	11.4	6	15.4
		18.7	18.3	27.1	11	24.9
LPM at licensed outlets	62	8	6	16	21	11
	1.3	0.9	0.4	1.7	2.7	1.7
		12.9	9.5	26.3	33.3	18
Licensed horse racing & sport betting	586	114	120	130	148	73
	12.5	12.2	9.1	13.2	19.3	10.8
		19.5	20.5	22.2	25.3	12.4

The above table refutes the argument often posed that legal gambling is an activity to which elderly persons are predisposed to. With the exception of gambling at licensed casinos (of which the incidence is highest amongst the 55+ year age group), the incidence of gambling is mostly higher amongst persons within the 35-44 year age group than amongst persons in the 55+ year age group. Generally the 35-44 year

age group displays the highest incidence of gambling across the different modes of gambling.

The above table further supports the notion that gambling is not significantly higher in the younger age groups, except for participation in illegal gambling modes.

Although the incidence of buying national lottery tickets is high amongst all age groups, it is significantly higher than the average amongst 35-44 year olds and significantly lower amongst 18-24 year olds.

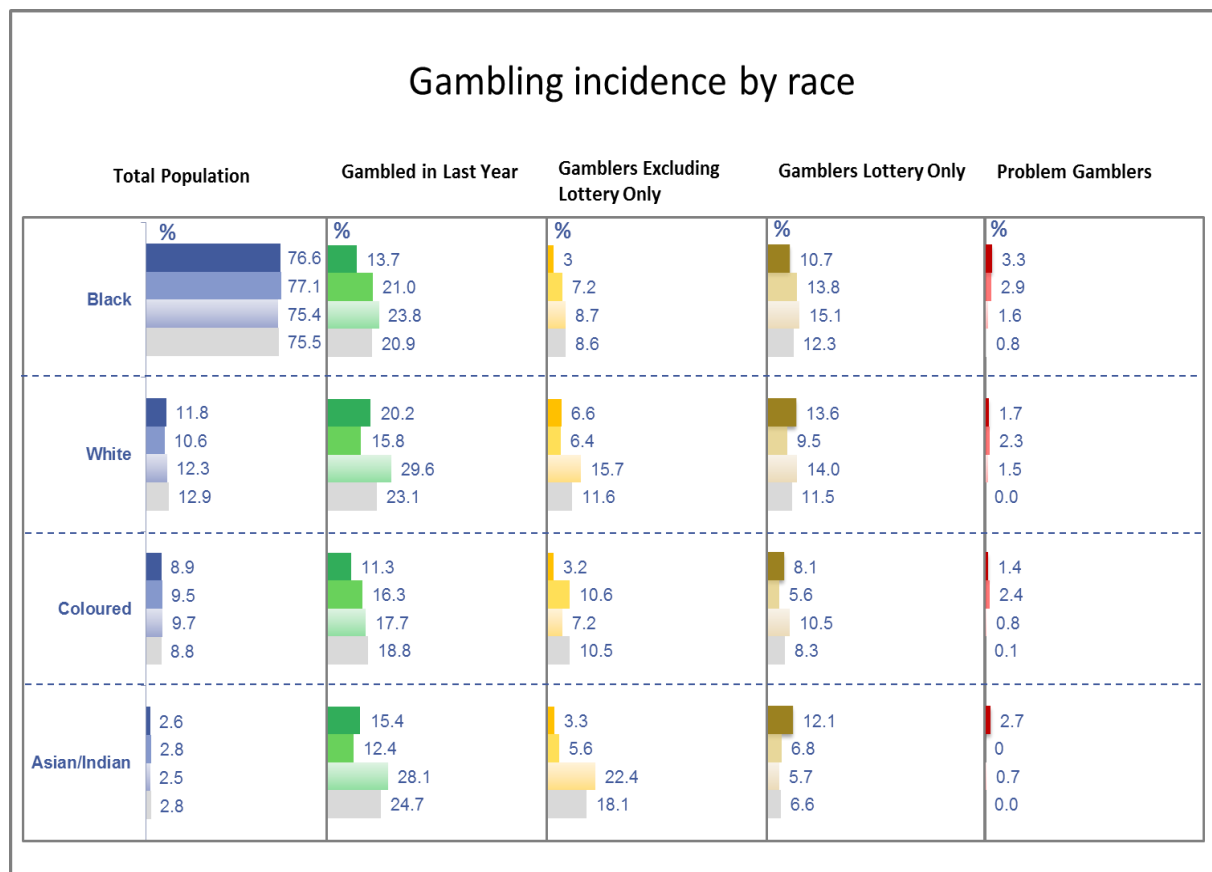
It is also interesting to note the much higher than average incidence of 45-54 year old persons taking part in licensed betting on horse racing and sport.

4.5.3 Gambling incidence by population group

Whites, Coloureds and Asians are more predisposed to gamble than Blacks. Only 13.7% of Blacks indicated that they have gambled in the last year compared to 20.2% of Whites.

Figure 6: Gambling incidence by race

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)



The table below highlights the incidence of gambling across the different modes of gambling by population group. The table furthermore provides a profile of gamblers taking part in a specific gambling activity.

The race distribution of gamblers seemingly follows the overall trend of the racial distribution within the South African population. However, closer scrutiny revealed that the gambling population is slightly skewed towards Whites (but please note: the biggest proportion of gamblers by far is still Black (73.5%)).

Table 3: Incidence by population group

(Source: Ipsos Khayabus survey – November 2012)

	TOTAL	RACE			
		White	Black	Asian	Coloured
% distribution in tot pop 18 years older		11.8	76.6	2.6	8.9
(n/w) base of gamblers	540	52	415	25	48
Pop (wt.) (000's) gamblers	4685	781	3442	134	328
% within gambling population		16.7	73.5	2.9	7
Lucky draws	406	103	271	14	18
	8.7	13.1	7.9	10.3	5.5
		25.3	66.9	3.4	4.5
Scratch cards	545	74	402	27	42
	11.6	9.5	11.7	20.1	12.8
		13.5	73.8	4.9	7.7
Gambling at illegal outlets/online	1229	178	925	61	65
	26.2	22.7	26.9	46	19.7
		14.4	75.3	5	5.3
National Lottery	3607	553	2712	105	236
	77	70.8	78.8	78.3	72.1
		15.3	75.2	2.9	6.6
Bingo at licensed outlet	116	47	58	0	11
	2.5	6	1.7	0	3.3
		40.5	50.1	0	9.4
Gambling at licensed casino	416	168	166	38	44
	8.9	21.5	4.8	28.7	13.5
		40.3	39.8	9.2	10.7
LPM at licensed outlets	62	11	45	6	0
	1.3	1.4	1.3	4.4	0
		18	72.5	9.5	0
Licensed horse racing & sport betting	586	87	447	23	28
	12.5	11.2	13	17	8.6
		14.9	76.3	3.9	4.8

Compared to Black gamblers, White gamblers tend to be much more predisposed towards gambling at licensed casinos; White gamblers are, however, slightly less inclined towards gambling at illegal outlets.

Although at low levels, the incidence of taking part in lucky draws and playing bingo at licensed outlets is much higher amongst White persons than persons from the other race groups.

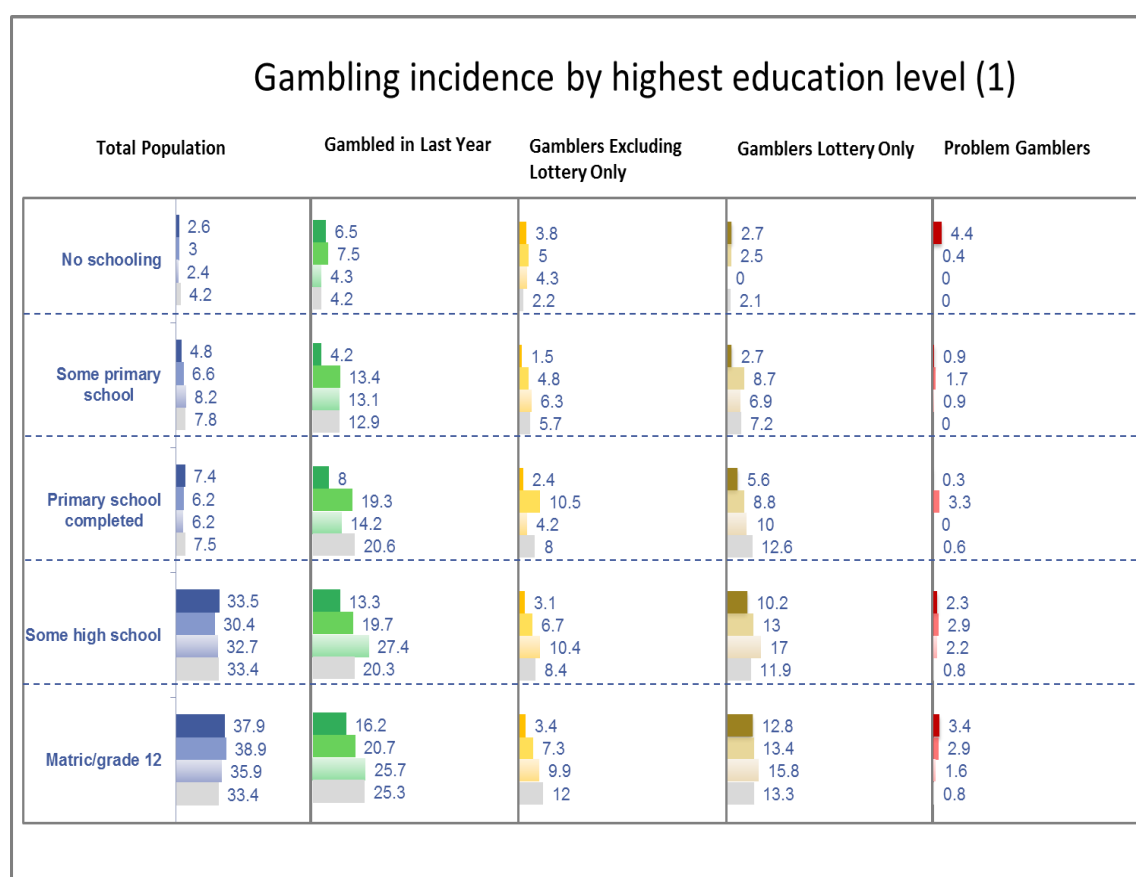
The seemingly high incidence figures for the Asian segment are rather a consequence of the relative small sample size of Asian respondents, and over sampling in the survey than reality. Kindly review the Asian incidence rates with caution.

4.5.4 Gambling incidence by highest level of education achieved

Overall, the profile of the gambling public in South Africa is skewed towards the more educated. Persons with at least a matric and higher qualification are more predisposed to gambling (legal and illegal) than those with lower levels of education (no schooling to Grade 7).

Figure 7: Gambling incidence by highest education level achieved

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)



Gambling incidence by highest education level (2)

	Total Population	Gambled in Last Year	Gamblers Excluding Lottery Only	Gamblers Lottery Only	Problem Gamblers
Technikon diploma/ degree completed	5.2	20.5	7.6	13	8.5
	5.4	25.4	7.3	18.1	4.9
	5.4	28.3	13.9	14.4	1.2
	5.1	23.3	9.8	13.5	0.0
University degree completed	3.7	18.5	4	14.5	2.4
	3.9	13.7	3.2	10.5	2.8
	3.1	21.4	9.1	12.3	1.2
	3.3	29.0	16.6	12.4	0.2
Artisans certificate	2.8	19.6	2.8	16.8	2.5
	4.0	28.8	16.0	12.7	6.1
	3.7	26.1	15.7	10.5	0.0
	3.0	22.2	8.2	14.0	0.0
Professional/ Technical/ Secreterial	1.3	29.6	12.8	16.8	2.2
	1.3	23.7	14.6	9.1	2.6
	1.4	28.5	11.0	17.6	0.0
	0.8	23.3	21.4	1.9	2.5

The proportion of persons with different levels of education taking part in the various modes of gambling is provided in the table below.

Table 4: Incidence by highest level of education achieved

(Source: Ipsos Khayabus survey – November 2012)

	EDUCATION							
	TOTAL	No schooling	Some primary school	Grade 7/Std6	Some high school	Matric Grade 12	Technikon dip/degree	University degree completed
% distribution in tot pop 18 years older		2.6	4.8	7.4	33.5	37.9	5.2	3.7
(n/w) base of gamblers	540	3	12	21	169	241	35	23
Pop (wt.) (000's) gamblers	4685	56	65	193	1457	2002	347	224
% in gambling population		1.2	1.4	4.1	31.1	42.7	7.4	4.8
Lucky draws	406	0	15	4	74	247	8	44
	8.7	0	22.2	2.2	5.1	12.3	2.3	19.5
		0	3.6	1	18.3	60.8	2	10.8
Scratch cards	545	0	17	39	161	276	3	12
	11.6	0	26.6	20	11	13.8	0.8	5.4
		0	3.2	7.1	29.5	50.6	0.5	2.2
Gambling at illegal outlets/online	1229	38	39	12	401	559	73	31
	26.2	67.9	60	6.4	27.5	27.9	21.2	13.7
		3.1	3.2	1	32.7	45.5	6	2.5
National Lottery	3607	23	43	135	1132	1613	221	178
	77	41.1	65.2	69.8	77.7	80.6	63.9	79.4
		0.6	1.2	3.7	31.4	44.7	6.1	4.9
Bingo at licensed outlet	116	0	0	0	10	58	30	12
	2.5	0	0	0	0.7	2.9	8.7	5.4
		0	0	0	8.4	50.3	26	10.4
Gambling at licensed casino	416	0	0	0	50	239	18	60
	8.9	0	0	0	3.4	11.9	5.3	26.6
		0	0	0	12	57.5	4.4	14.4
LPM at licensed outlets	62	0	0	0	5	40	3	12
	1.3	0	0	0	0.3	2	0.8	5.2
		0	0	0	8.1	64.1	4.3	18.8
Licensed horse racing & sport betting	586	33	0	35	80	304	99	21
	12.5	58.9	0	18.1	5.5	15.2	28.7	9.5
		5.6	0	6	13.6	51.9	17	3.6

Those gamblers with lower levels of education (i.e. no schooling to Grade 7) mostly participate in the national lottery. In addition some also gamble at illegal outlets and take part in licensed betting on horse racing and sport. Although they also participate in scratch cards and lucky draws, it is at much lower levels.

Those with a Grade 12 (Matric) certificate and higher qualification are generally more likely to gamble and participate in all regulated and illegal gambling modes, especially in buying national lottery tickets.

Although at low levels, gambling at licensed casinos, bingo halls and limited payout machine outlets are the exclusive domain of persons with some high school or higher qualification. Contrary to this, it seems that participation in the national lottery, betting on horse racing and sport, as well as illegal gambling modes are characterised by gamblers across all levels of education.

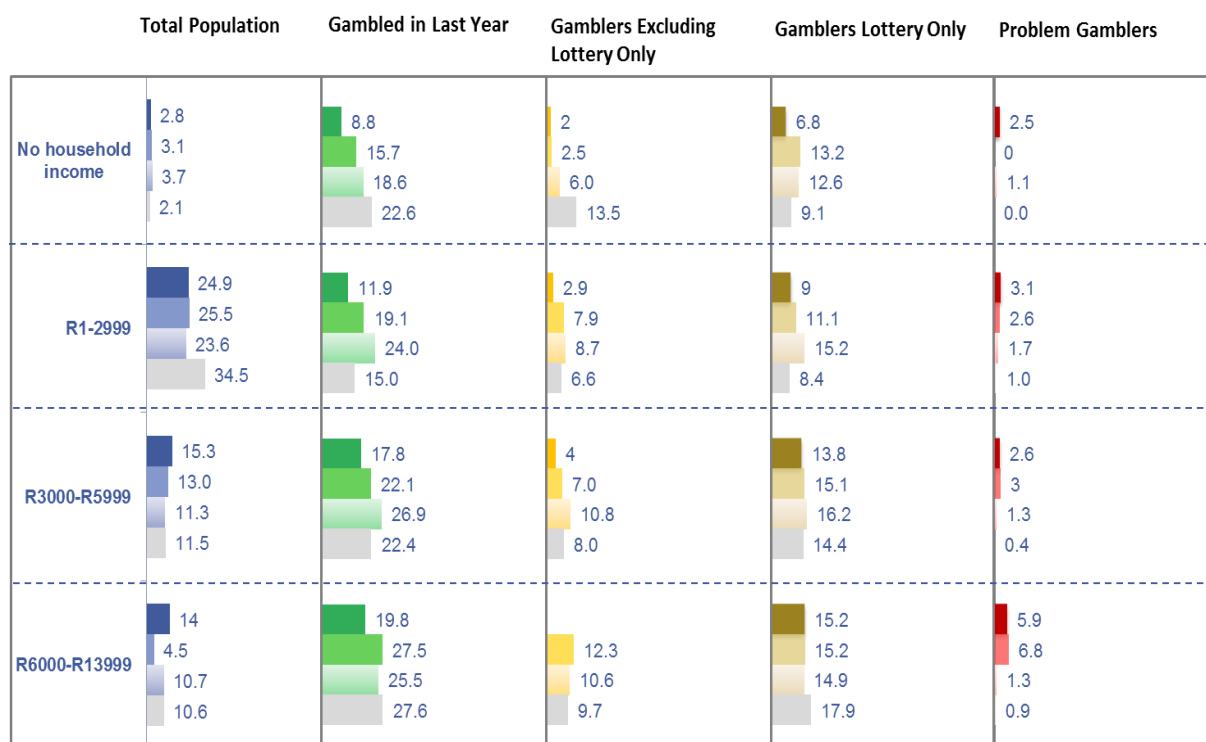
4.5.5 Gambling incidence by monthly household income

Household with middle to higher income is much more likely to participate in gambling activities (legal and illegal). While gambling incidence is present in the low income brackets, the figures are disproportionately higher for the middle to higher income bands.

Figure 8: Gambling incidence by household income

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)

Gambling incidence by household income (1)



Gambling incidence by household income (2)



Figures with respect to the incidence of different legal gambling activities analysed by monthly household income group are given in Table 5. It is important to note that a high percentage of respondents did not share or reveal their monthly household income. Further analysis of this segment, revealed that they are mostly persons with a higher than matric education and that they are mostly employed. It can therefore be concluded that this group mostly earned middle to high monthly income.

When comparing the distribution of household income within the total population, 18 years and older, to that of the gambling population, it is clear that while persons with a low or no income participate in gambling activities, participation in gambling activities is skewed towards the middle to higher income groups with these groups disproportionately more inclined to gamble.

Table 5: Incidence by monthly household income

(Source: Ipsos Khayabus survey – November 2012)

	HOUSEHOLD INCOME							
	TOTAL	No HH income	R1-R2999	R3000-R5999	R6000-R13999	R14000-R29999	R30000+	DK/Ref
% distribution in tot pop 18 years		2.8	24.9	15.3	14	4.6	2.8	35.4
(n/w) base of gamblers	540	9	98	102	109	28	23	171
Pop (wt.) (000's) gamblers	4685	81	969	892	908	228	221	1385
% in gambling population		1.7	20.7	19	19.4	4.9	4.7	29.6
Lucky draws	406	0	69	107	80	47	28	74
	8.7	0	7.1	12	8.8	20.6	12.9	5.4
		0	16.9	26.5	19.8	11.6	7	18.3
Scratch cards	545	25	110	73	133	49	21	135
	11.6	30.3	11.4	8.2	14.6	21.6	9.3	9.7
		4.5	20.2	13.4	24.3	9	3.8	24.8
Gambling at illegal outlets/online	1229	12	299	222	219	77	26	373
	26.2	15.2	30.9	24.9	24.1	33.9	11.7	26.9
		1	24.4	18.1	17.8	6.3	2.1	30.4
National Lottery	3607	63	738	696	730	194	128	1058
	77	77.3	76.1	78	80.3	85.4	57.9	76.4
		1.7	20.5	19.3	20.2	5.4	3.6	29.3
Bingo at licensed outlet	116	3	5	35	24	10	11	28
	2.5	3.4	0.5	3.9	2.7	4.5	4.9	2
		2.4	4.5	30.2	21	8.8	9.4	23.7
Gambling at licensed casino	416	3	8	70	141	29	60	106
	8.9	3.4	0.8	7.8	15.5	12.6	27	7.7
		0.7	1.8	16.8	33.9	6.9	14.4	25.5
LPM at licensed outlets	62	3	8	17	6	11	6	12
	1.3	3.4	0.8	1.9	0.6	4.9	2.7	0.9
		4.5	12.3	27.3	9.3	18	9.5	19.2
Licensed horse racing & sport betting	586	3	108	118	109	6	53	189
	12.5	3.4	11.2	13.2	12	2.5	24	13.6
		0.5	18.5	20.1	18.6	1	9.1	32.3

Gambling incidence, with the exception of gambling at licensed casinos and betting on horse racing and sport, is disproportionately higher amongst the so-called middle to higher income category of R14 000 to R29 000.

The incidence of playing the national lottery remains consistently high across nearly all income categories. Although based on a small sample, it however seems as if the incidence of buying lotto tickets is significantly lower amongst persons in the R30 000+ household income group.

Besides buying lotto tickets, persons from the R1-R5 999 household income bracket tend to take part in gambling at illegal outlets/online followed by licensed horse racing & sport betting; those in the R1-R2 999 household income bracket also buy scratch

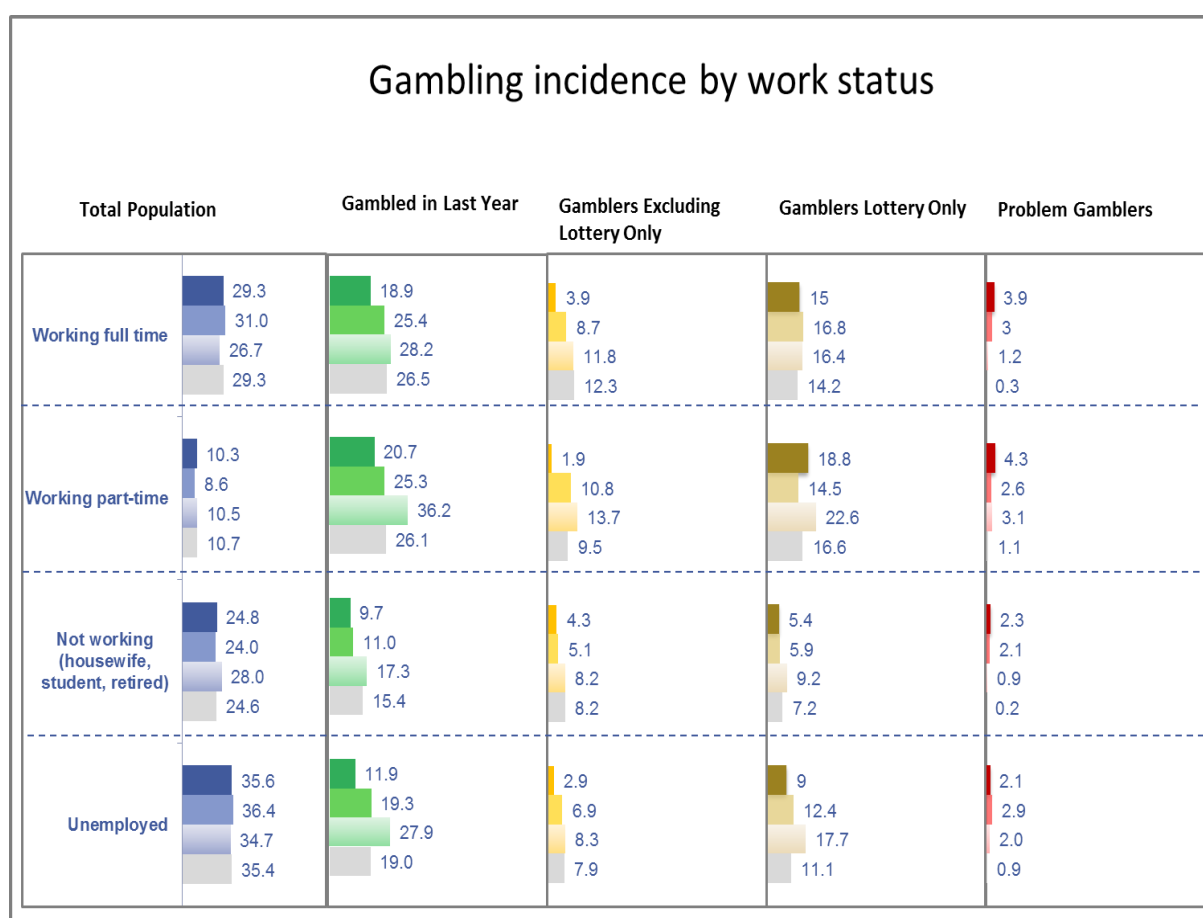
cards (compared to buying lotto tickets, the incidence of these gambling activities is however at much lower levels).

4.5.6 Gambling incidence by working status

Individuals with a job, irrespective of whether part-time or full-time, are more inclined to gamble (legal and illegal gambling modes) than those who are unemployed. While 35.6% of the population in the survey were unemployed, only 11.9% of unemployed persons gambled.

Figure 9: Gambling incidence by work status

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)



Gambling incidence across different work status groups is provided in table 6. Gambling is an activity disproportionately skewed towards persons with a job, irrespective of whether full-time or part-time. Within the total population 18 years and older, 39.6% of persons hold either a part-time or full-time position, while 53.5% of the gambling population is either part-time or full-time employed. Whereas 35.6% of the total population is unemployed, 29.6% of gamblers are unemployed.

Table 6: Incidence by working status

(Source: Ipsos Khayabus survey – November 2012)

	WORKING STATUS				
	TOTAL	Full-time	Part-time	House duties, student, retired	Unemployed
% distribution in tot pop 18 years older		29.3	10.3	24.8	35.6
(n/w) base gamblers	540	221	86	69	164
Pop (wt.) (000's) gamblers	4685	1811	695	790	1388
% within gambling population		38.7	14.8	16.9	29.6
Lucky draws	406	166	91	93	56
	8.7	9.1	13.1	11.8	4
		40.8	22.4	22.9	13.8
Scratch cards	545	227	58	102	159
	11.6	12.5	8.4	12.9	11.4
		41.6	10.7	18.6	29.1
Gambling at illegal outlets/online	1229	436	210	267	316
	26.2	24.1	30.2	33.8	22.8
		35.5	17.1	21.7	25.7
National Lottery	3607	1438	631	471	1067
	77	79.4	90.8	59.6	76.8
		39.9	17.5	13.1	29.6
Bingo at licensed outlet	116	76	15	10	16
	2.5	4.2	2.2	1.2	1.1
		65	12.9	8.4	13.6
Gambling at licensed casino	416	197	91	78	50
	8.9	10.9	13.1	9.9	3.6
		47.3	21.9	18.7	12.1
LPM at licensed outlets	62	18	7	11	26
	1.3	1	1	1.4	1.9
		29	10.8	18	42.2
Licensed horse racing & sport betting	586	277	61	70	177
	12.5	15.3	8.7	8.9	12.8
		47.3	10.4	12	30.3

Part-time workers display a significantly higher incidence of buying national lottery tickets when compared to full-time workers, unemployed persons and those with house duties/students/retired.

Although at low levels, playing bingo at licensed outlets and taking part in licensed horse racing and sport betting are more evident amongst full-time workers than any other group.

Gambling at illegal outlets/online is more prevalent amongst those with house duties/students/retired, as well as part-time workers than full-time workers or unemployed persons.

4.5.7 Gambling incidence by community type

Gambling incidence (legal and illegal gambling modes) is skewed disproportionately towards the urban (non-metro) population.

Figure 10: Gambling incidence by community size

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)

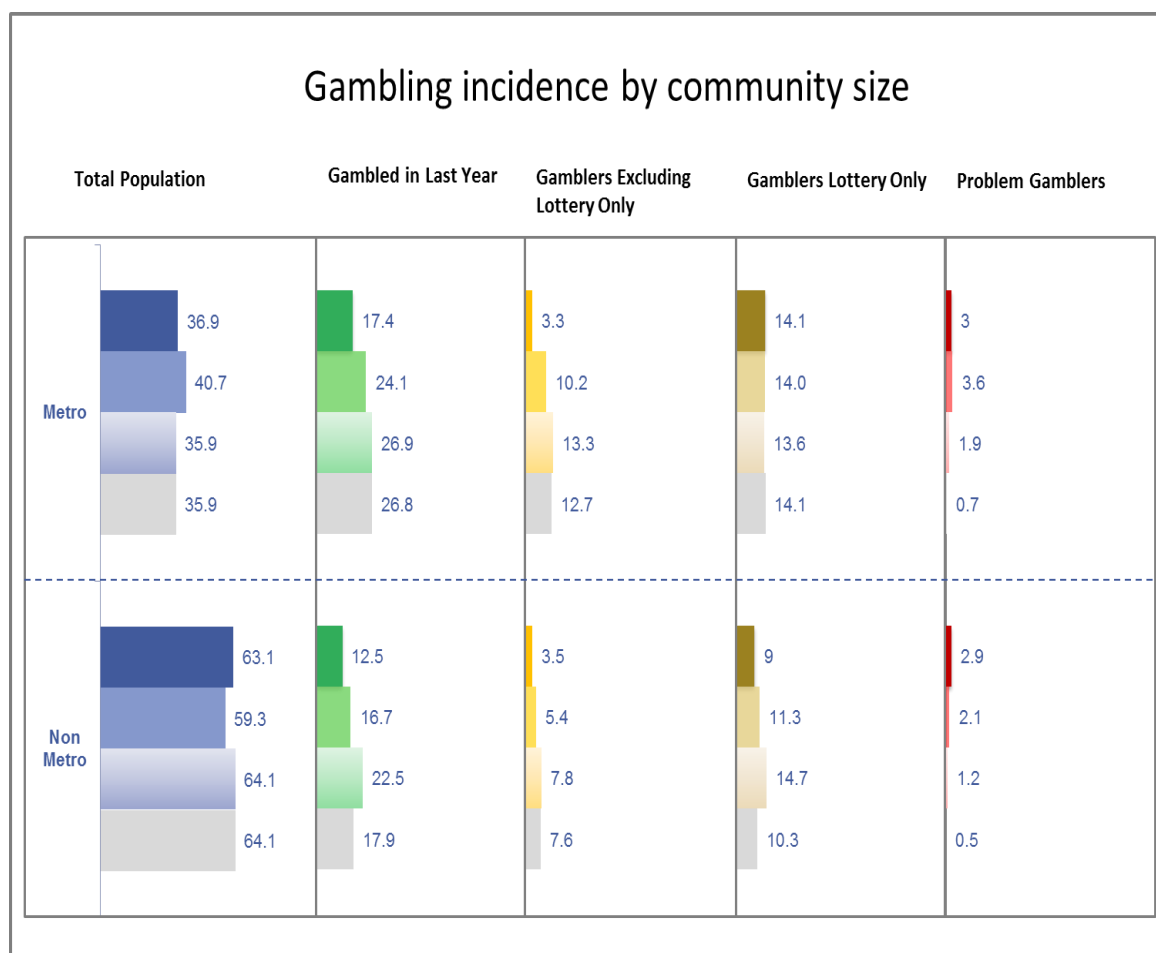


Table 7 below compares the incidence of taking part in the different modes of gambling between persons living in metropolitan and rural areas.

Whereas the total population 18 years and older is skewed heavily towards persons living in rural areas, the gambling population consists of a smaller proportion of persons living in rural areas (55.1% vs. 63.1%).

Table 7: Incidence by community type

(Source: Ipsos Khayabus survey – November 2012)

	COMMUNITY SIZE		
	TOTAL	Metro	Rural
% distribution in tot pop 18 years older		36.9	63.1
base (n/w) gamblers	540	345	195
Pop (wt.) (000's) gamblers	4685	2104	2581
% in gambling population		44.9	55.1
Lucky draws	406	184	222
	8.7	8.7	8.6
		45.2	54.8
Scratch cards	545	278	267
	11.6	13.2	10.3
		51	49
Gambling at illegal outlets/online	1229	528	700
	26.2	25.1	27.1
		43	57
National Lottery	3607	1708	1898
	77	81.2	73.6
		47.4	52.6
Bingo at licensed outlet	116	86	30
	2.5	4.1	1.2
		74.1	25.9
Gambling at licensed casino	416	288	128
	8.9	13.7	5
		69.2	30.8
LPM at licensed outlets	62	52	10
	1.3	2.5	0.4
		83.7	16.3
Licensed horse racing & sport betting	586	283	302
	12.5	13.5	11.7
		48.4	51.6

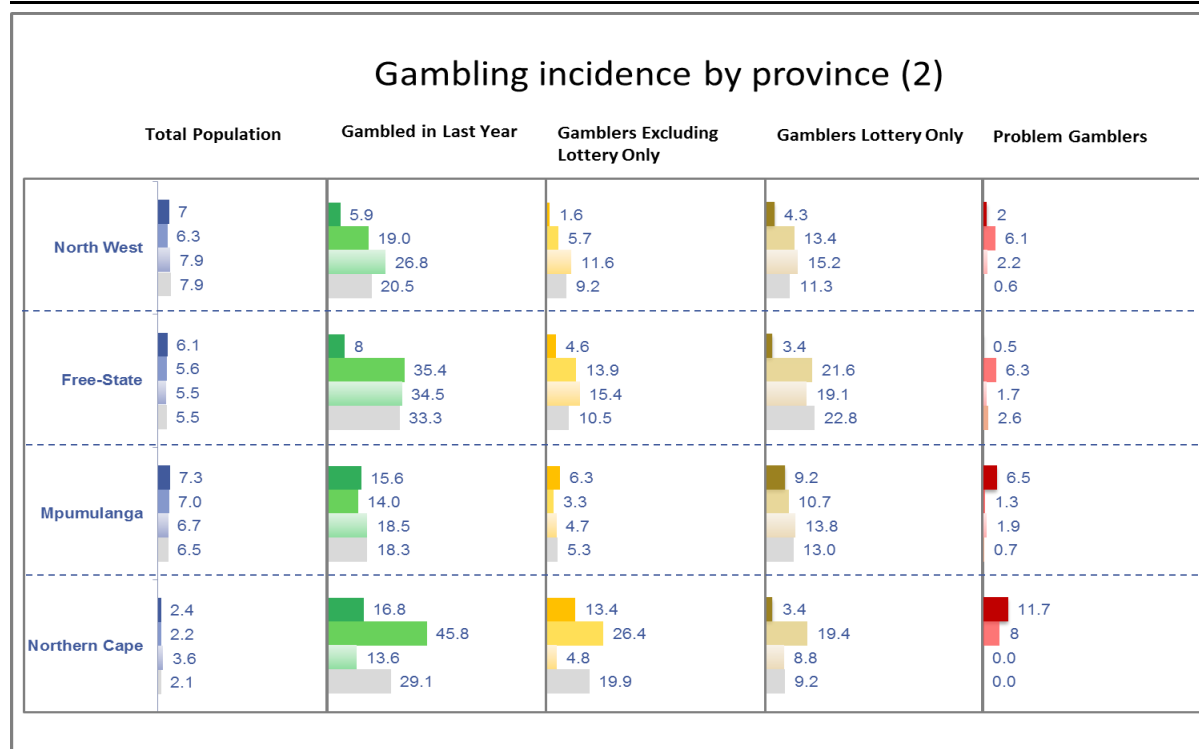
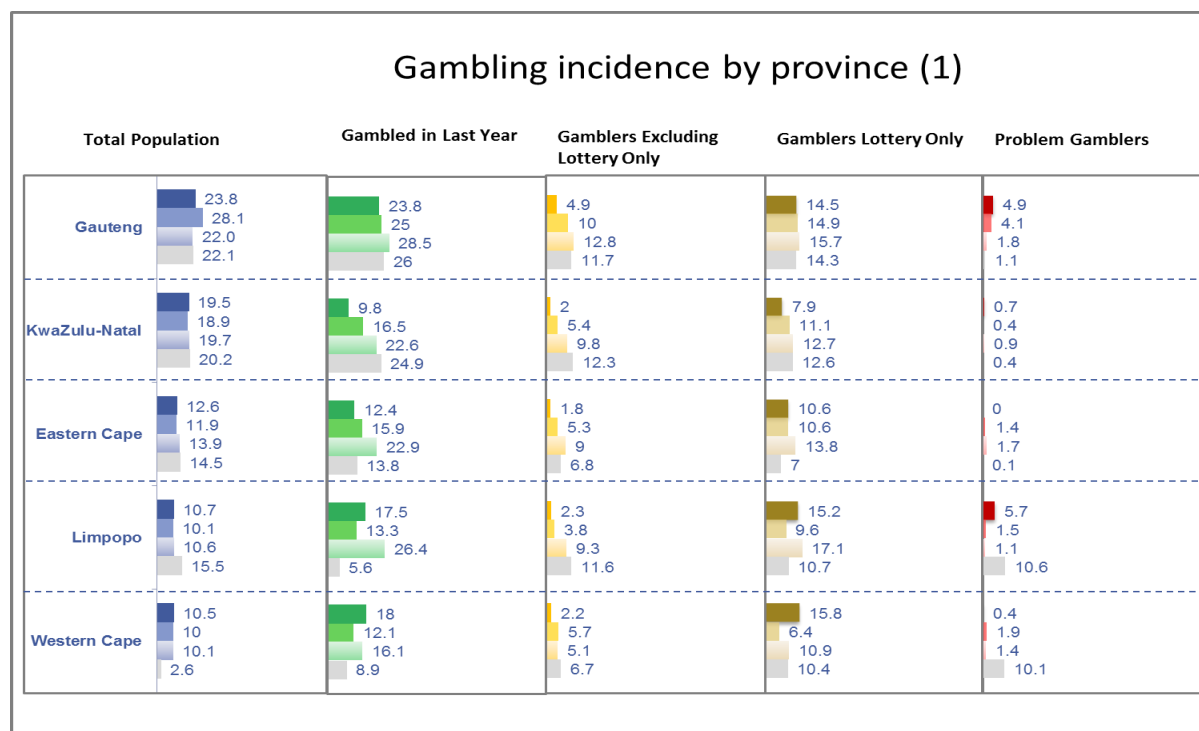
Across the different legal gambling modes the incidence of gambling is generally higher in the metropolitan areas when compared to rural areas. This is especially true when it comes to buying lotto tickets as well as gambling at licensed casinos. The main reason for this is the higher number of gambling outlets in metropolitan areas and easier access to these venues and/or modes.

4.5.8 Gambling incidence by province

The incidence of gambling across provinces is stable, however, with the Western Cape disproportionately higher than the average for the province.

Figure 11: Gambling incidence by province

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)



The incidence of the population 18 years and older taking part in the different legal modes of gambling is provided per province in the table below.

When comparing the distribution of the population 18 years and older across the nine provinces with the distribution of the gambling population across the nine provinces, it is evident that the gambling universe has skewed towards Gauteng, the Western Cape and Limpopo (i.e. these 3 provinces host proportionally more gamblers than members of the adult population).

Approximately a third of gamblers reside in Gauteng opposed to just below a quarter of the adult population who reside in this province.

Table 8: Incidence by province

(Source: Ipsos Khayabus survey – November 2012)

	TOTAL	PROVINCE								
		KZN	GAUTENG	EASTERN CAPE	WESTERN CAPE	LIMPOPO	NORTH WEST	FREE STATE	MPUMALANGA	N-CAPE
% distribution in tot pop 18 years older		19.5	23.8	12.6	10.5	10.7	7	6.1	7.3	2.4
base (n/w) gamblers	540	79	217	54	69	50	12	15	33	11
Pop (wt.) (000's) gamblers	4685	627	1518	510	616	613	135	159	373	134
% in gambling population		13.4	32.4	10.9	13.1	13.1	2.9	3.4	8	2.9
Lucky draws	406	15	158	46	110	28	0	9	35	4
	8.7	2.4	10.4	9	17.9	4.5	0	5.8	9.5	3.1
		3.8	39	11.3	27.1	6.8	0	2.3	8.7	1
Scratch cards	545	58	172	83	41	71	0	53	24	42
	11.6	9.3	11.3	16.4	6.7	11.6	0	33.4	6.4	31.6
		10.7	31.5	15.3	7.6	13.1	0	9.7	4.4	7.8
Gambling at illegal outlets/online	1229	81	502	24	83	142	30	54	237	77
	26.2	13	33	4.6	13.5	23.1	22	33.7	63.4	57.5
		6.6	40.8	1.9	6.8	11.5	2.4	4.4	19.3	6.3
National Lottery	3607	502	1168	452	539	531	98	68	221	27
	77	80.1	76.9	88.6	87.5	86.7	72.2	43	59.2	20.4
		13.9	32.4	12.5	14.9	14.7	2.7	1.9	6.1	0.8
Bingo at licensed outlet	116	10	63	19	14	0	0	0	11	0
	2.5	1.6	4.1	3.8	2.2	0	0	0	2.9	0
		8.4	53.9	16.6	11.7	0	0	0	9.4	0
Gambling at licensed casino	416	76	169	33	93	12	0	14	11	8
	8.9	12.1	11.1	6.4	15.1	1.9	0	8.9	2.9	6.3
		18.3	40.6	7.9	22.3	2.9	0	3.4	2.6	2
LPM at licensed outlets	62	13	39	0	0	0	0	0	6	4
	1.3	2.1	2.6	0	0	0	0	0	1.6	3.1
		21	62.8	0	0	0	0	0	9.5	6.8
Licensed horse racing & sport betting	586	91	220	4	36	44	26	4	88	73
	12.5	14.6	14.5	0.8	5.9	7.2	18.9	2.7	23.4	54.2
		15.6	37.5	0.7	6.2	7.5	4.4	0.7	15	12.4

Cautionary note: Only 2% of the total population resides in the Northern Cape and therefore the sample size is very small and the margin of error higher. Variation to the total sample is therefore larger than other provinces.

Overall, Gauteng is the province with a higher than the average gambling incidence rate across most of the gambling modes.

The incidence of taking part in lucky draws and gambling at licensed casinos is highest in the Western Cape. Gambling at illegal outlets/online is very high in Mpumalanga whereas the incidence of licensed horse racing and sport betting is also higher in Mpumalanga than any other province.

5. MOST PREFERRED GAMBLING MODES

The section that follows will focus on the most preferred gambling mode (legal and illegal) and how these modes are represented in society.

Most preferred gambling mode refers to the single gambling activity that respondents have participated in most often during the past year. Since participation in the national lottery is the gambling activity that most gamblers take part in, it makes sense that this gambling activity is also the most preferred gambling mode, irrespective of demography. Data for limited payout machines has been excluded due to the very small base size.

5.1 Most preferred gambling mode by gender

Amongst both male and female gamblers the national lottery is by far the preferred gambling mode and the preference is much stronger amongst male than female gamblers. Although at a much lower level, female gamblers have a stronger preference than male gamblers for gambling at illegal outlets/online. See Table 9 below for full details.

Table 9: Most preferred gambling mode by gender

(Source: Ipsos Khayabus survey – November 2012)

Most preferred gambling mode	Gender		
	Total	Male	Female
	%	%	%
Lucky draws	1.3	1.1	1.6
Scratch cards	4.5	3.4	6.4
Gambling at illegal/online outlets	14.2	12.4	17.9
National Lottery	68.4	73.4	59.5
Bingo at a licensed outlet	0.7	0.1	1.7
Gambling at licensed casino/other outlets	3.6	3	4.8
Horse racing and sport betting at licensed outlet	6.8	6.1	8.1

5.2 Most preferred gambling mode by age group

Table 10 provides an overview of the most preferred gambling mode by age group, i.e. the gambling mode that was participated in most often during the past year.

Table 10: Most preferred gambling mode by age group

(Source: Ipsos Khayabus survey – November 2012)

Most preferred gambling mode	Age group (years)					
	Total	18-24	25-34	35-44	45-54	55+
	%	%	%	%	%	%
Lucky draws	1.3	0.8	2.4	2.1	0	0
Scratch cards	4.5	4.9	4.1	4.8	7.3	1
Gambling at illegal/online outlets	14.2	27.3	7.9	11.1	10.5	17.8
National Lottery	68.4	53.6	74.3	77.1	67.3	65.9
Bingo at a licensed outlet	0.7	0	1.5	0.3	0	1.5
Gambling at licensed casino/other outlets	3.6	2.3	3.6	2.7	3.6	7.2
Horse racing and sport betting at licensed outlet	6.8	9.7	6.3	2	10.6	6.7

The above table underlines the fact that buying national lottery tickets is the most preferred gambling mode amongst all age groups, however, compared to the other age groups, buying national lottery tickets is preferred by significantly fewer 18-24 year olds. This age group is also seen to have a higher than average preference to participate in illegal gambling activities. Although not to the same extent than 18-24 year olds, 55+ year olds also display a stronger than average preference for participation in illegal gambling activities.

5.3 Most preferred gambling mode by household income group

The preferred gambling modes per monthly household income group are given in the table below.

Table 11: Most preferred gambling mode by monthly household income

(Source: Ipsos Khayabus survey – November 2012)

Most preferred gambling mode	Monthly household income (ZAR)							
	Total	None	R1-R2999	R3000-R5999	R6000-R13999	R14000-R29999	R30000+	Don't know/Refused
	%	%	%	%	%	%	%	%
Lucky draws	1.3	0	0.9	2	1.3	0	7.8	0.3
Scratch cards	4.5	22.7	3.1	2.6	8.7	5.7	0	3.4
Gambling at illegal/online outlets	14.2	0	19.4	14.4	12.6	16.3	7.6	13.4
National Lottery	68.4	77.3	67.3	71.1	68.5	68.8	51.1	69.4
Bingo at a licensed outlet	0.7	0	0	1.1	0	0	0	1.6
Gambling at licensed casino/other outlets	3.6	0	0	3.1	2.5	6.7	19.4	4.5
Horse racing and sport betting at licensed outlet	6.8	0	8.5	6	6.3	2.5	14.1	6.6

The preferred gambling mode of households with no income is buying national lottery tickets by far. However, there is a sizeable proportion (which is much bigger than comparative proportions seen amongst the other income groups) that prefers scratch cards.

Although the preferred gambling mode of households with any income is still lotto tickets, other modes of gambling also come into play, e.g. gambling at illegal outlets/online (which is preferred by sizeable proportions of gamblers in the R1-R29 999 household income groups), gambling at licensed casinos/other outlets, as well as horse racing and sport betting at licensed outlets (which is preferred by a sizeable proportion of gamblers in the R30 000+ household income group).

5.4 Most preferred gambling mode by working status

Table 12: Most preferred gambling mode by working status

(Source: Ipsos Khayabus survey – November 2012)

Most preferred gambling mode	Working status				
	Total	Full-time	Part-time	House duties, student, retired	Unemployed
	%	%	%	%	%
Lucky draws	1.3	1.6	2.3	1.9	0
Scratch cards	4.5	5.1	1.5	8.8	2.8
Gambling at illegal/online outlets	14.2	8.7	10.4	25.4	17.3
National Lottery	68.4	70.4	81.9	49.6	69.7
Bingo at a licensed outlet	0.7	1.1	0	1.2	0.2
Gambling at licensed casino/other outlets	3.6	4.4	2.1	5.1	2.5
Horse racing and sport betting at licensed outlet	6.8	8.3	2	7.9	6.8

Amongst full-time and part-time workers, buying national lottery tickets is the preferred gambling mode by far. Full-time workers also display a weak preference for horse racing and sport betting whereas both full-time and part-time workers display some preference for gambling at illegal outlets/online.

Those who stay at home to see to duties within the household seem to have a stronger preference for scratch cards and participation in illegal gambling activities than any of the other work status segments. Unemployed South Africans tend to display a higher than average preference for illegal gambling modes.

6. SNAP SHOT PROFILE OF GAMBLERS PARTICIPATING IN DIFFERENT GAMBLING MODES

In the previous section on incidence, the demographic breakdown as per the different gambling modes (legal and illegal), is discussed in great detail. In this section a snap shot is provided of the profile of each gambling mode. Kindly refer to tables in the incidence section for greater detail.

Where possible greater tracking incidence figures are provided in this section. Due to slight changes in question wording and options provided, not all modes can be tracked successfully, but where trackable data is available this has been included in the graphics. The key finding is that gambling incidence *per se* (overall level), as well as gambling incidence per mode remained stable over the last 4 surveys (April 2011, November 2011, April 2012 and November 2012).

While an extensive list of gambling modes was available in the questionnaire, this list was re-coded into broader categories that reflect the regulatory environment of gambling in South Africa. The recoding took place as follows:

Final category – gambling mode reported	Detail elements combined to create final category
National lottery	All modes of participation – at kiosk, on mobile phone and internet. Playing games using your cell phone.
Gambling at licensed casinos	Dice games, cards games, roulette, slot machines at licensed casinos
Lucky draws	All luck draws
Scratch cards	All scratch cards
Limited payout machines at licensed outlets	All limited payout machines at licensed outlets
Bingo at licensed outlets	All bingo at licensed outlets
Horse racing and sport betting at licensed outlets	All horse racing and sport betting at licensed outlets
Illegal gambling	All gambling games on the internet, Fafi/iChina, dice and cards games at unlicensed outlets, slot machines on the internet, betting on animal racing, roulette on internet or unlicensed outlets.

6.1 National Lottery

For the purposes of this report all formats whereby you can participate in the national lottery were combined (in person at a kiosk or on your mobile phone or internet). The profile of those participating in the national lottery closely reflects the profile of the South African population.

Figure 12: Incidence of playing the national lottery

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)

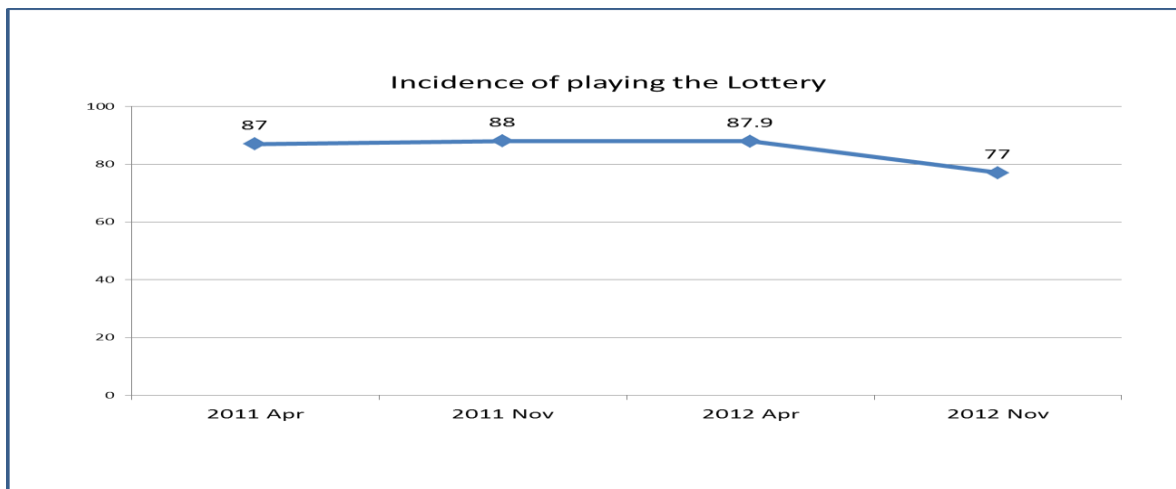
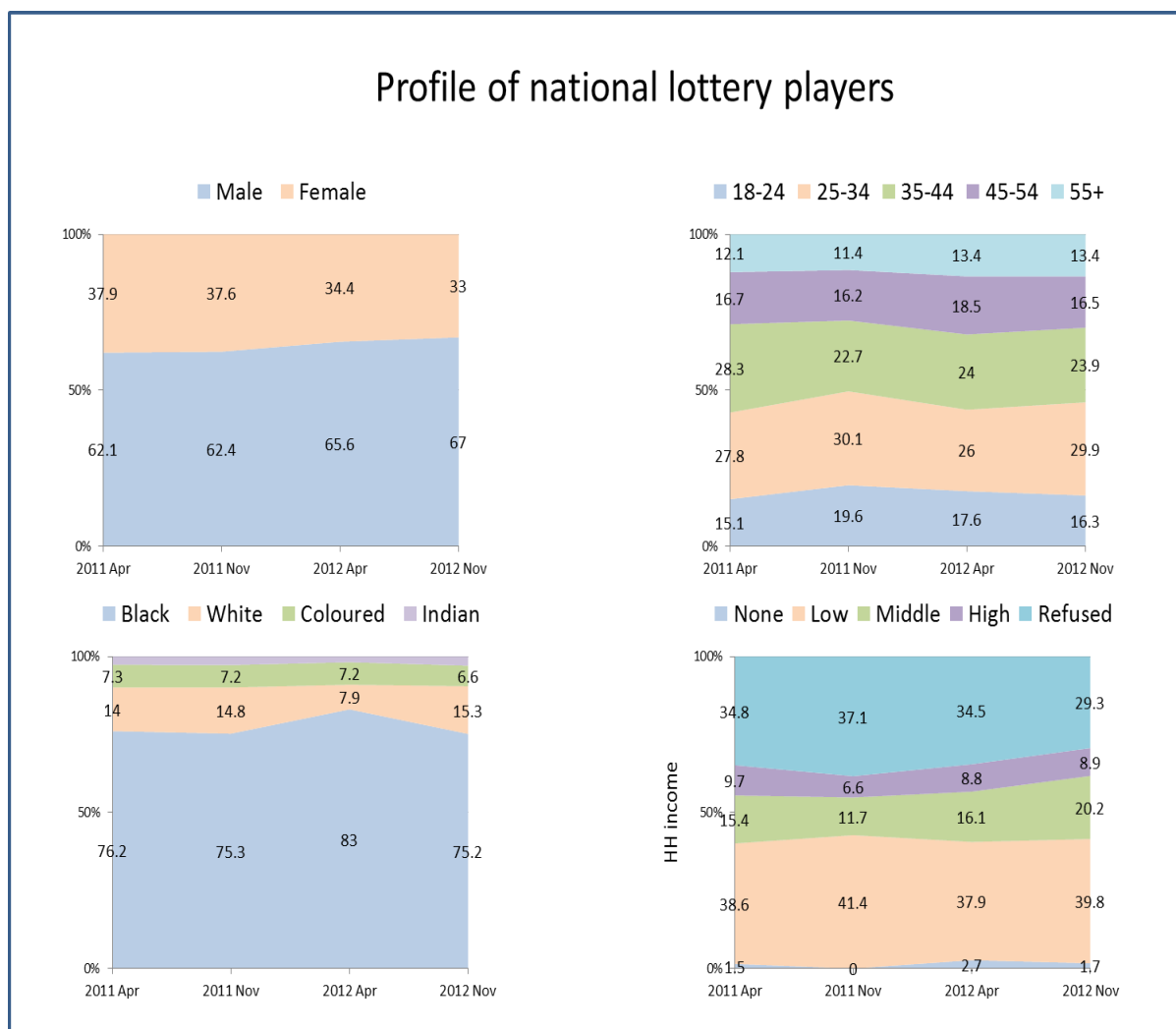


Figure 13: Profile of national lottery players

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)



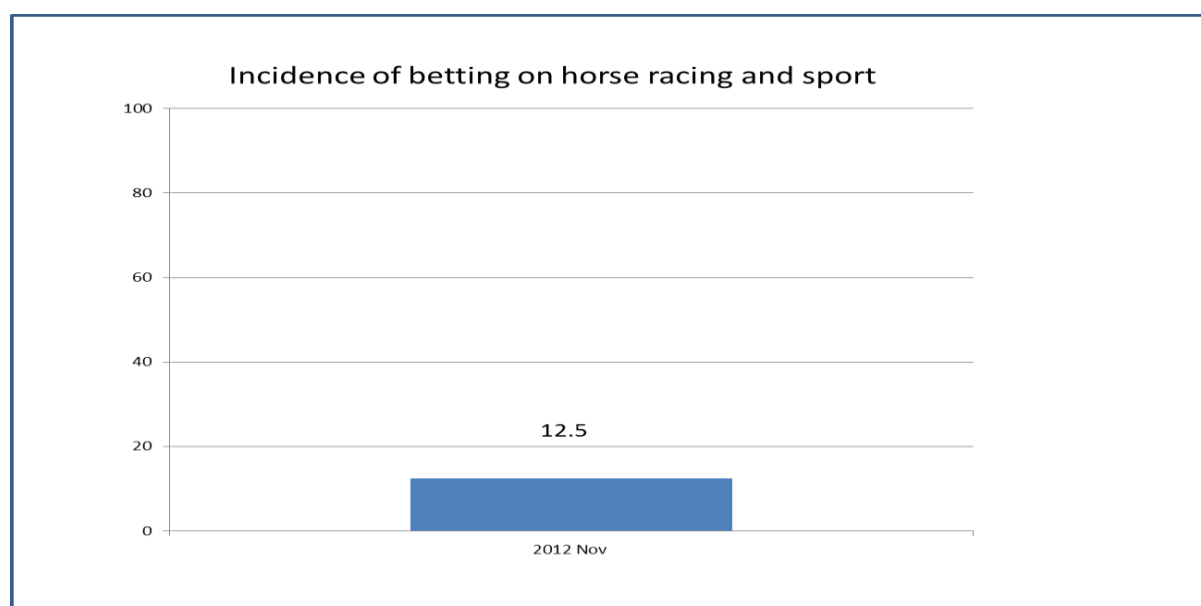
Participation in the national lottery is the gambling mode with the highest level of incidence and is played by a group of people highly representative of the national demographic picture.

6.2 Betting on horse racing and sport

The manner in which legal and illegal gambling on horse racing and sport was measured changed between the April 2012 and November 2012 surveys and therefore no comparisons are available. Legal betting on horse racing and sporting events, however, is the second most prevalent legal gambling mode in South Africa with 12.5% of gamblers participating in this mode.

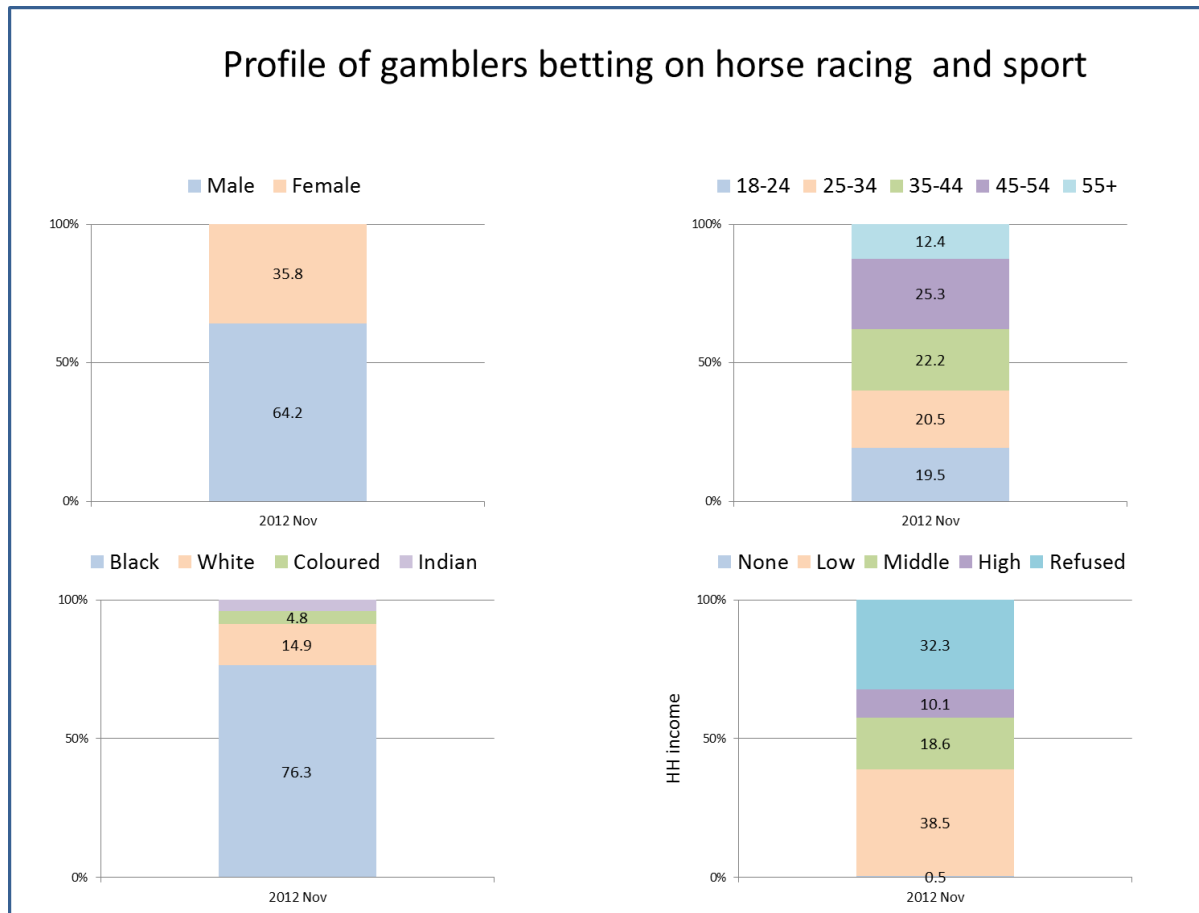
Figure 14: Incidence of betting on horse racing and sport (legal)

(Source: Ipsos Khayabus survey – November 2012)



An analysis of the profile revealed that significantly more males (64.2% of male gamblers) compared to women bet on horse racing and sport. Compared to participation in other modes of gambling, these players are older and there is a near equal split between urban and rural areas. Gauteng, however, is the province with the highest representation.

Figure 15: Profile of gamblers betting on horse racing and sport (legal)
 (Source: Ipsos Khayabus survey – November 2012)

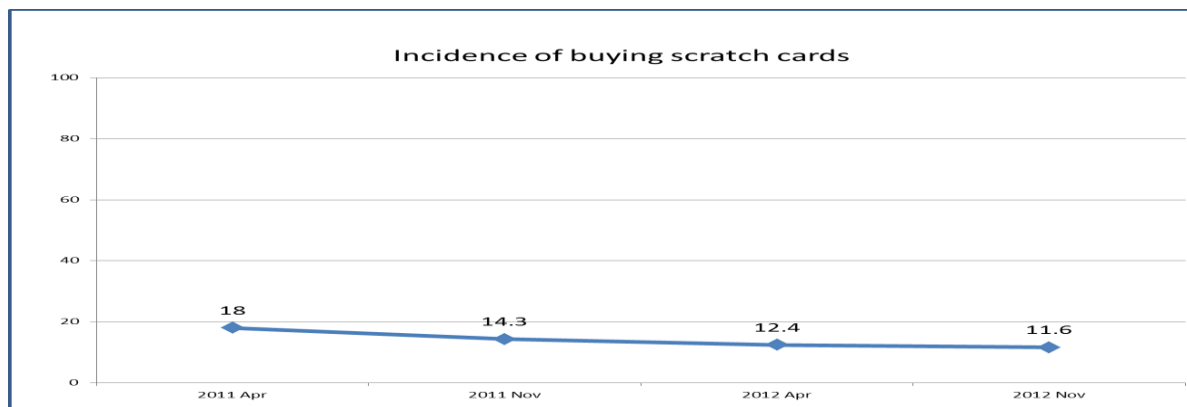


6.3 Scratch cards

Just over one in every ten gamblers (11.6%) indicated that they buy scratch cards. This is the third most prevalent legal gambling mode.

Figure 16: Incidence of buying scratch cards

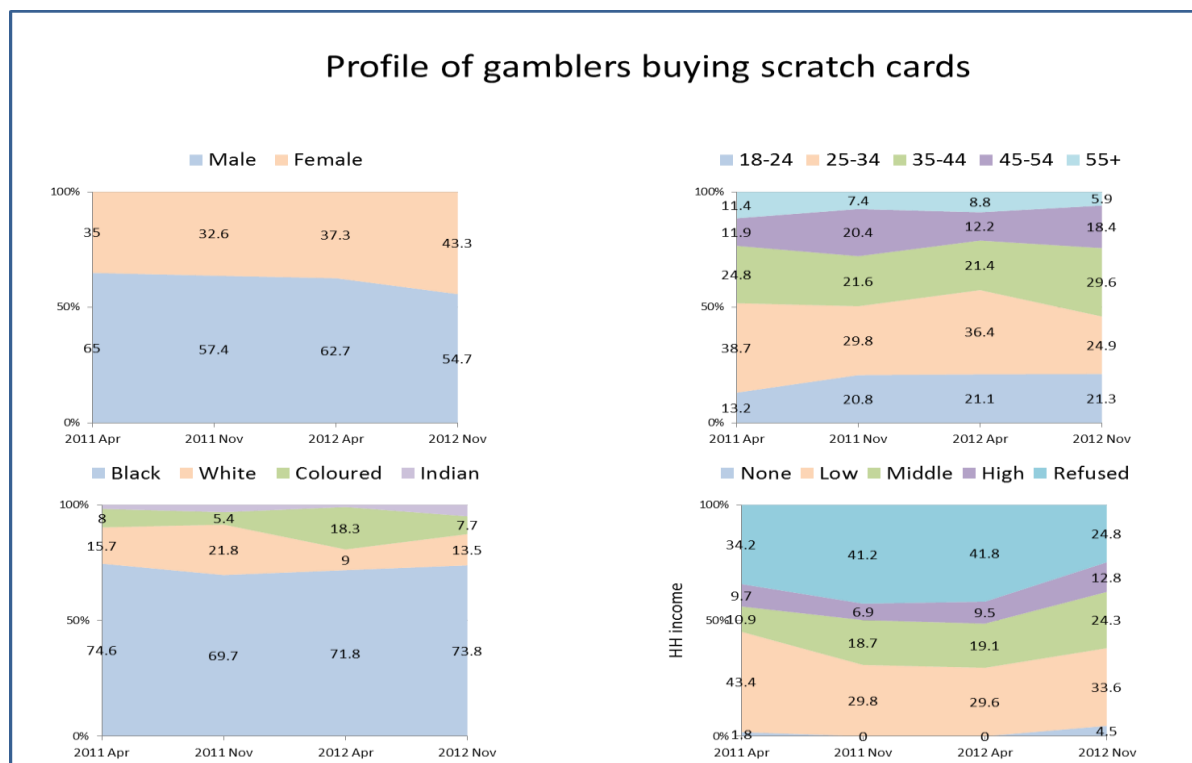
(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)



More men tend to buy scratch cards than females. The age distribution is quite even across all age groups except for a slight over representation in the middle age group. It is a format of gambling that is preferred by the lower income categories.

Figure 17: Profile of gamblers buying scratch cards

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)



6.4 Lucky draws

Participation in lucky draws is the fourth most prevalent legal gambling mode. The profile of player participating in this gambling mode is very similar to those buying national lottery tickets and scratch cards. The gender split is slightly more female, but otherwise the broad trend is the same.

6.5 Gambling at licensed casinos

A number of activities (roulette; slot machines, card games, etc) that take place at casinos were combined/clustered to create a measure of gambling at casinos. Over the four survey periods, the description of some of the activities was changed to bring it in line with regulatory guidelines. It is therefore not possible to track overall gambling at casinos over time. It is however, possible to track the trend of playing slot machines at licensed casinos. This will be included to provide the reader with some tracking material and a longitudinal view of gambling at casinos.

Gamblers at licensed casinos are distinctly different from the average gambler profile. These gamblers are more affluent, older and reside in urban areas. Gamblers at licensed casinos are also educated people with the majority have at least a matric certificate. It is over represented in Gauteng due to the high concentration of casinos in the province.

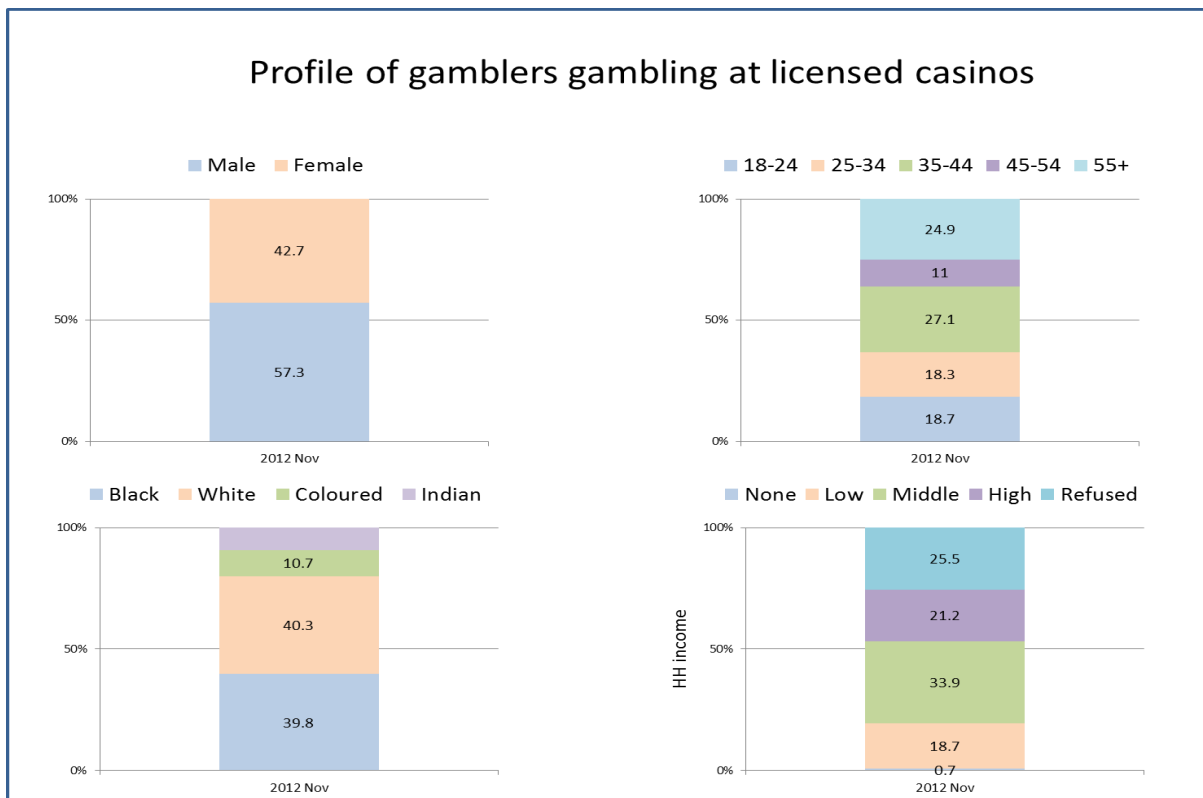
Figure 18: Incidence of gambling at licensed casinos

(Source: Ipsos Khayabus survey – November 2012)



Figure 19: Profile of gamblers at licensed casinos

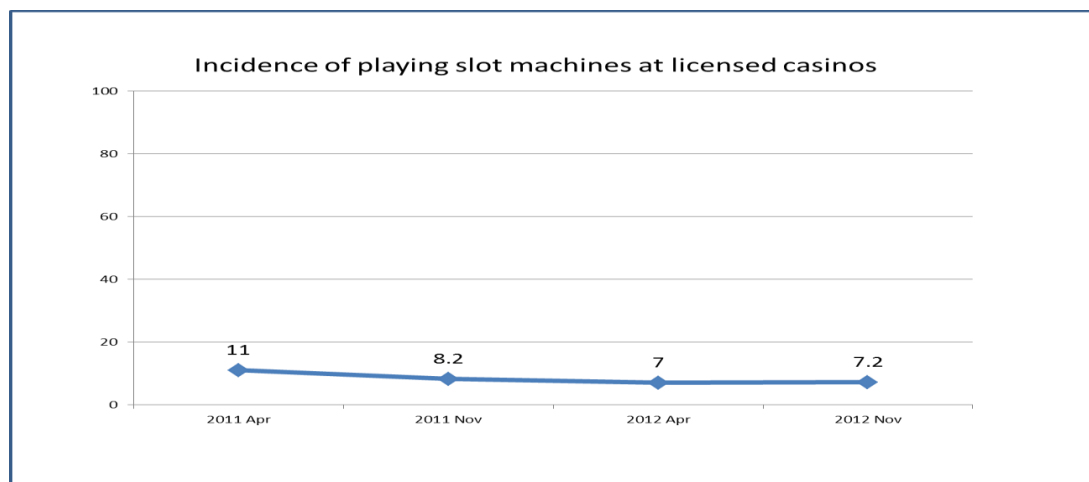
(Source: Ipsos Khayabus survey – November 2012)



Playing slot machines is the most prevalent form of gambling within the legal casino environment. Incidence levels and the profile of these gamblers remained very stable over time.

Figure 20: Incidence of playing slot machines at licensed casinos

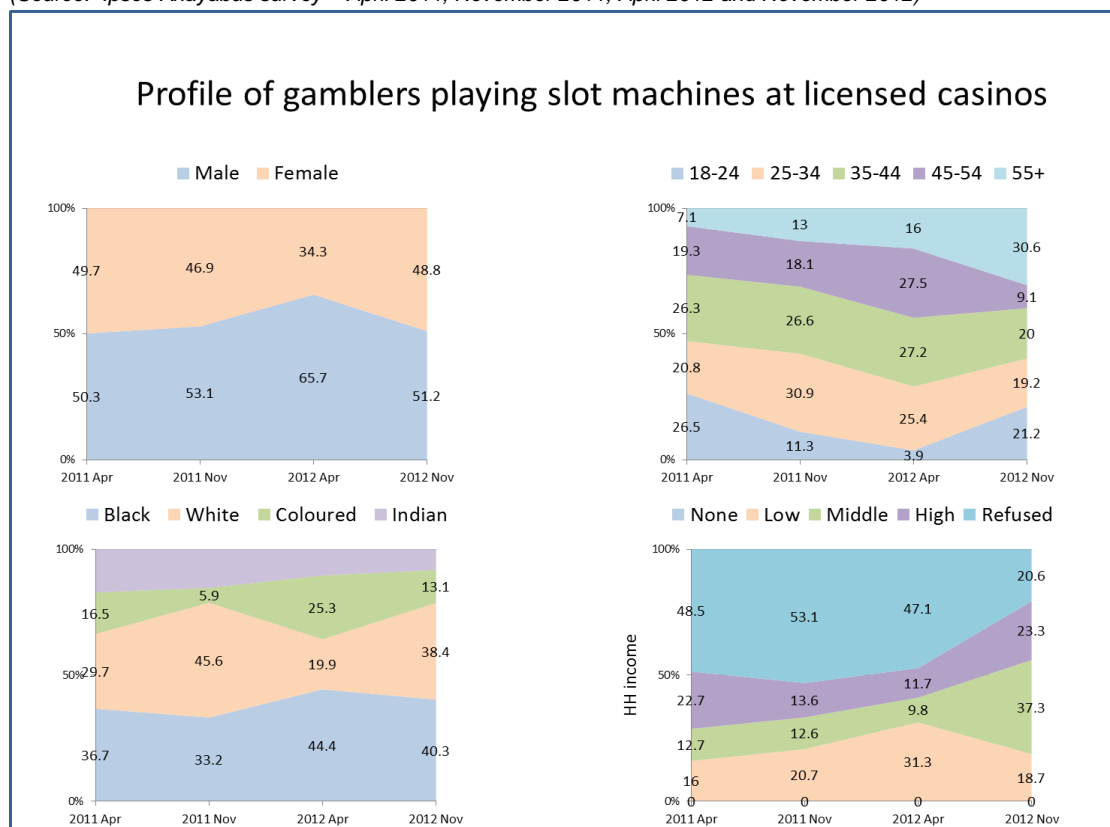
(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)



The downward trend of playing slot machines in licensed casinos follows the downward trend in gambling prevalence at an overall level.

Figure 21: Profile of gamblers playing slot machines at licensed casinos

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)



6.6 Bingo

Bingo played at licensed outlets is a small gambling mode and only constitutes 2.5% of the gambling market.

Figure 22: Incidence of playing bingo at licensed outlets

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)

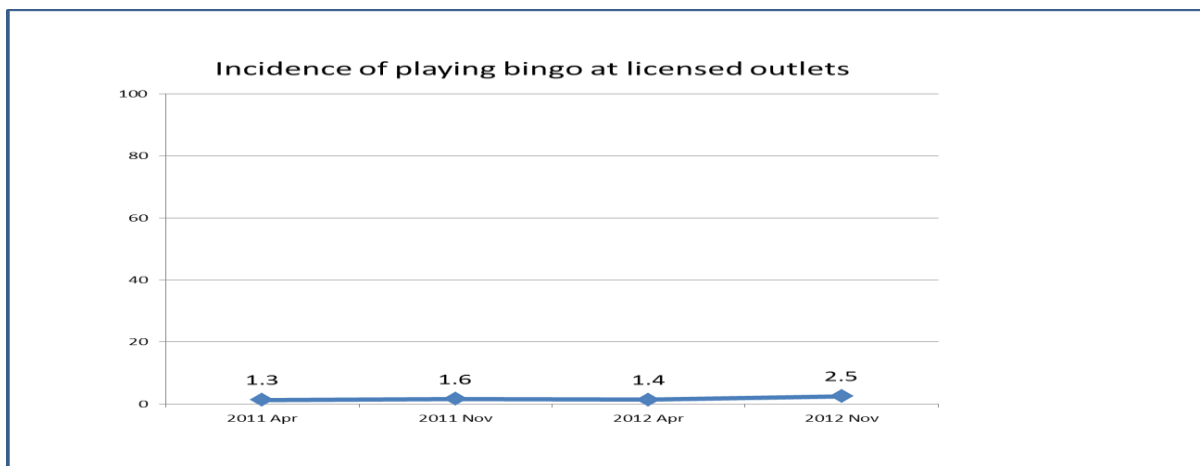
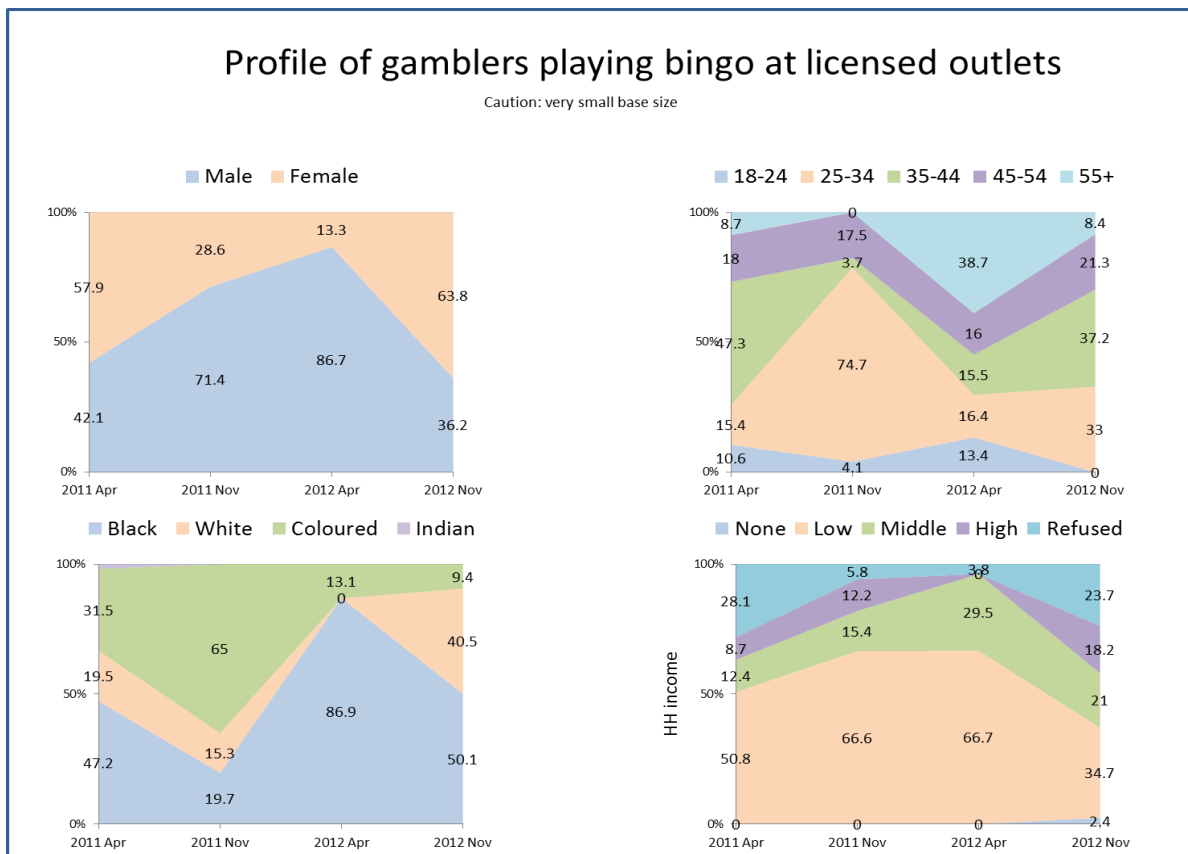


Figure 23: Profile of gamblers playing bingo at licensed outlets

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)



The base sizes for this gambling mode are very small and therefore the trend varies significantly. It is clear, however, that this is a gambling mode played by persons in the lower income categories.

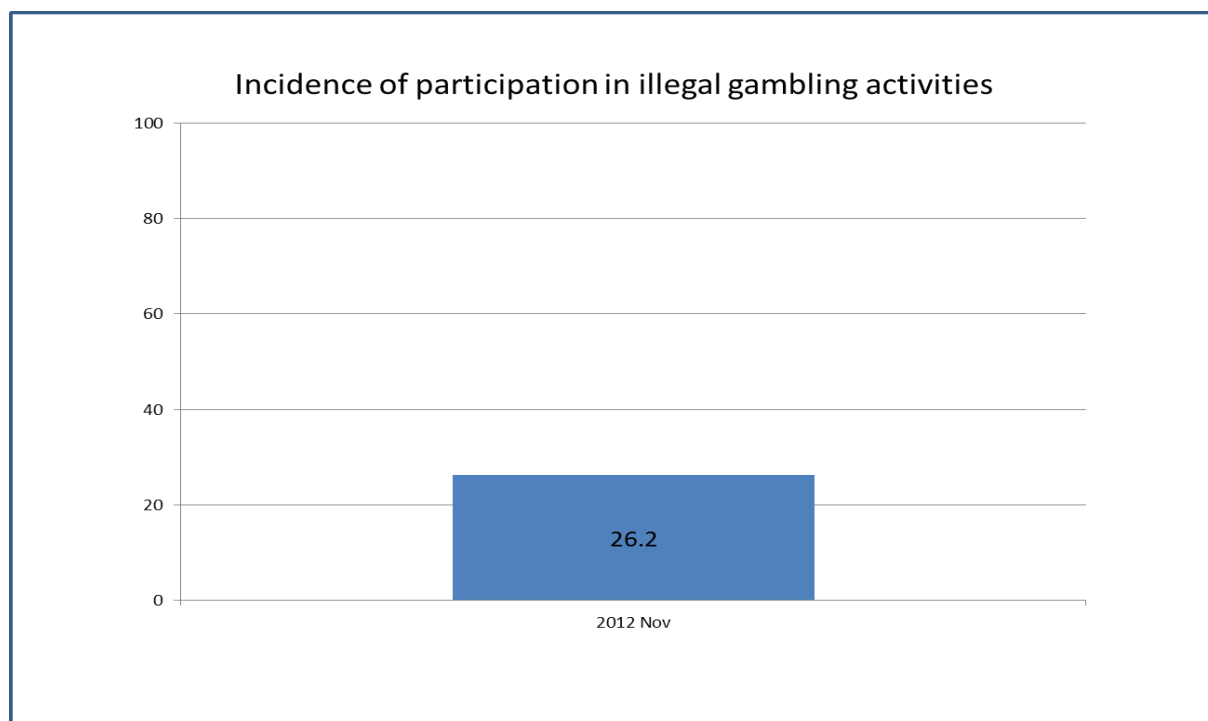
6.7 Illegal gambling activities

A vast array of gambling activities was combined to produce a profile of gamblers playing illegal games. Participation in illegal gambling modes (besides buying national lottery tickets) is the second largest segment of all gambling modes. As mentioned, illegal gambling is a combination of all formats of gambling that is not legalised in South Africa and includes Fafi or iChina, cards and dice games on the internet and betting on dog fighting and other animal competitions, as well as gambling on mobile phones. See the table at the start of this section for a full description. Illegal gambling is practiced by 26.2% of gamblers.

Note: Some of the descriptions have changed from survey to survey and therefore overall activity cannot be tracked. Fafi/iChina, as the most prevalent illegal gambling mode will be tracked and follows in this section.

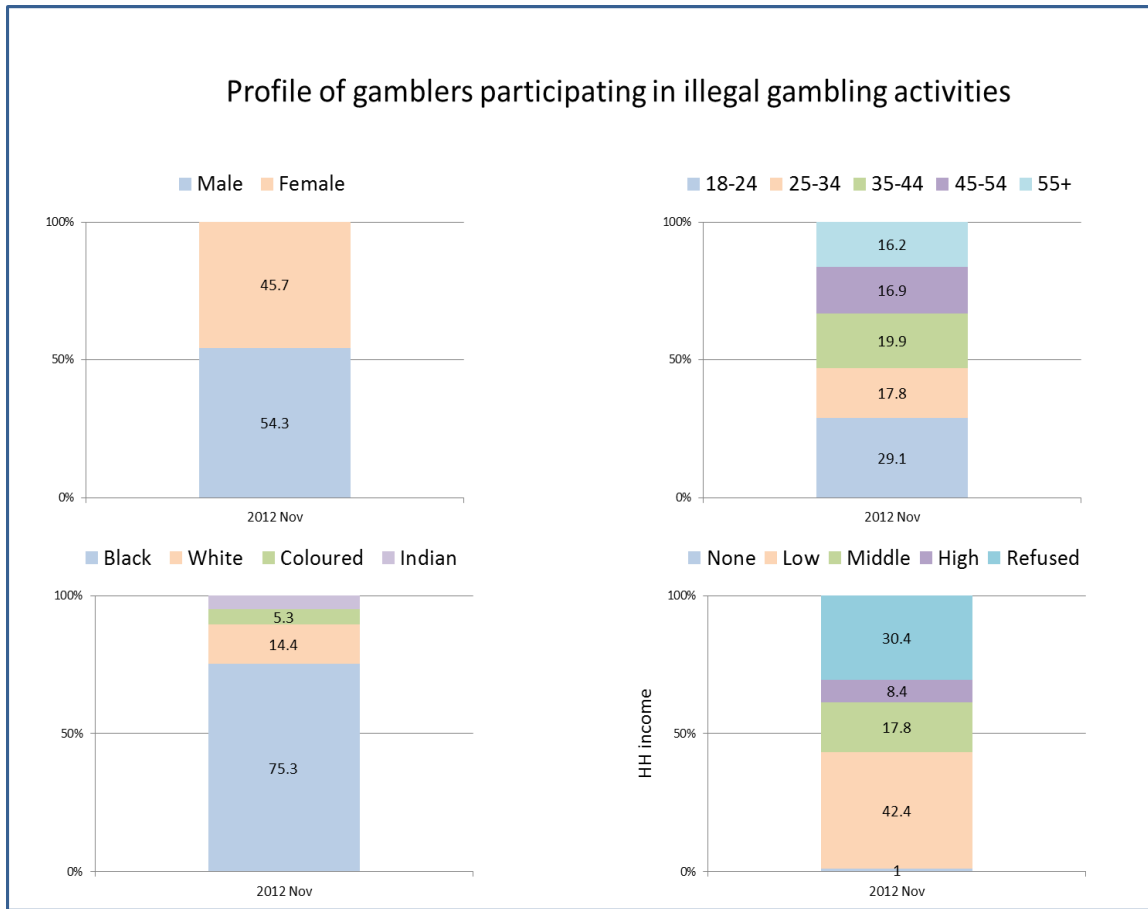
Figure 24: Incidence of participation in illegal gambling activities

(Source: Ipsos Khayabus survey – November 2012)



Illegal gambling is prevalent in the black community more so than any other community. It is also an activity in which persons with low household income levels participate in rather than those with middle to higher income.

Figure 25: Profile of gamblers participating in illegal gambling activities
 (Source: Ipsos Khayabus survey – November 2012)



Fafi or iChina is the most prevalent form of illegal gambling. Incidence levels for Fafi/iChina have remained very stable over the last four surveys. It is an illegal game played predominantly by Black females in the low income categories.

Figure 26: Incidence of playing the illegal game Fafi/iChina
 (Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)

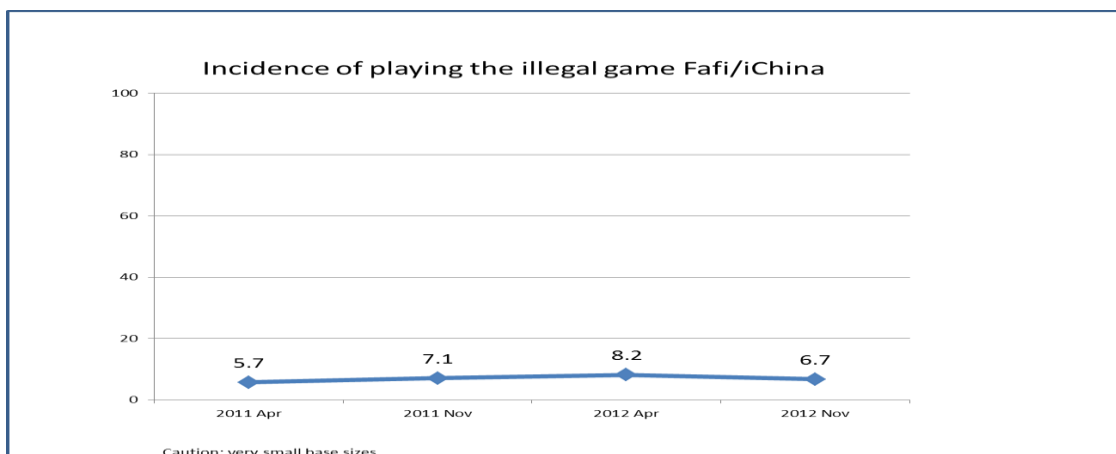
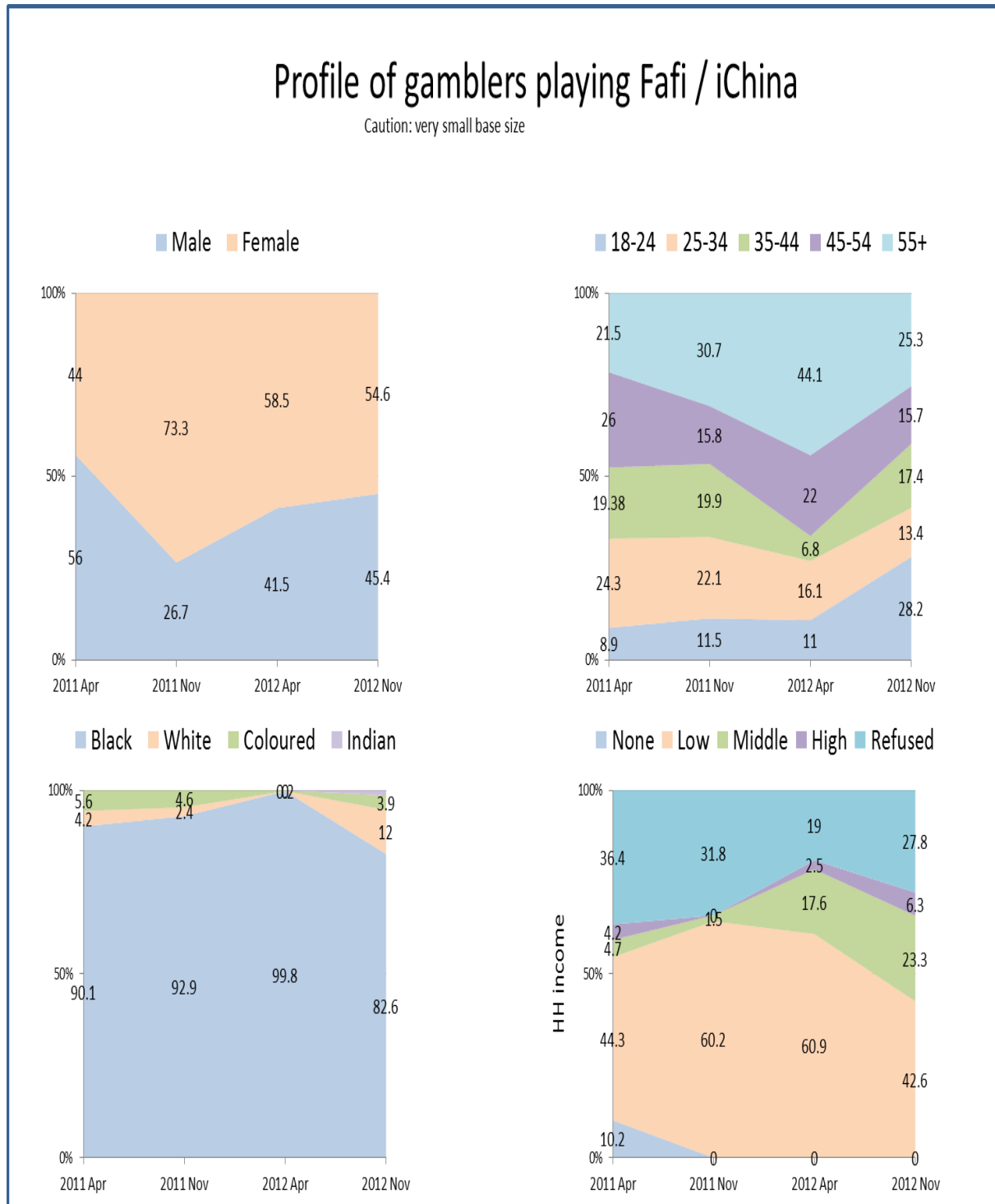


Figure 27: Profile of gamblers playing Fafi/iChina

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)



7. FREQUENCY OF PARTICIPATION BEHAVIOUR ACROSS DIFFERENT MODES OF GAMBLING

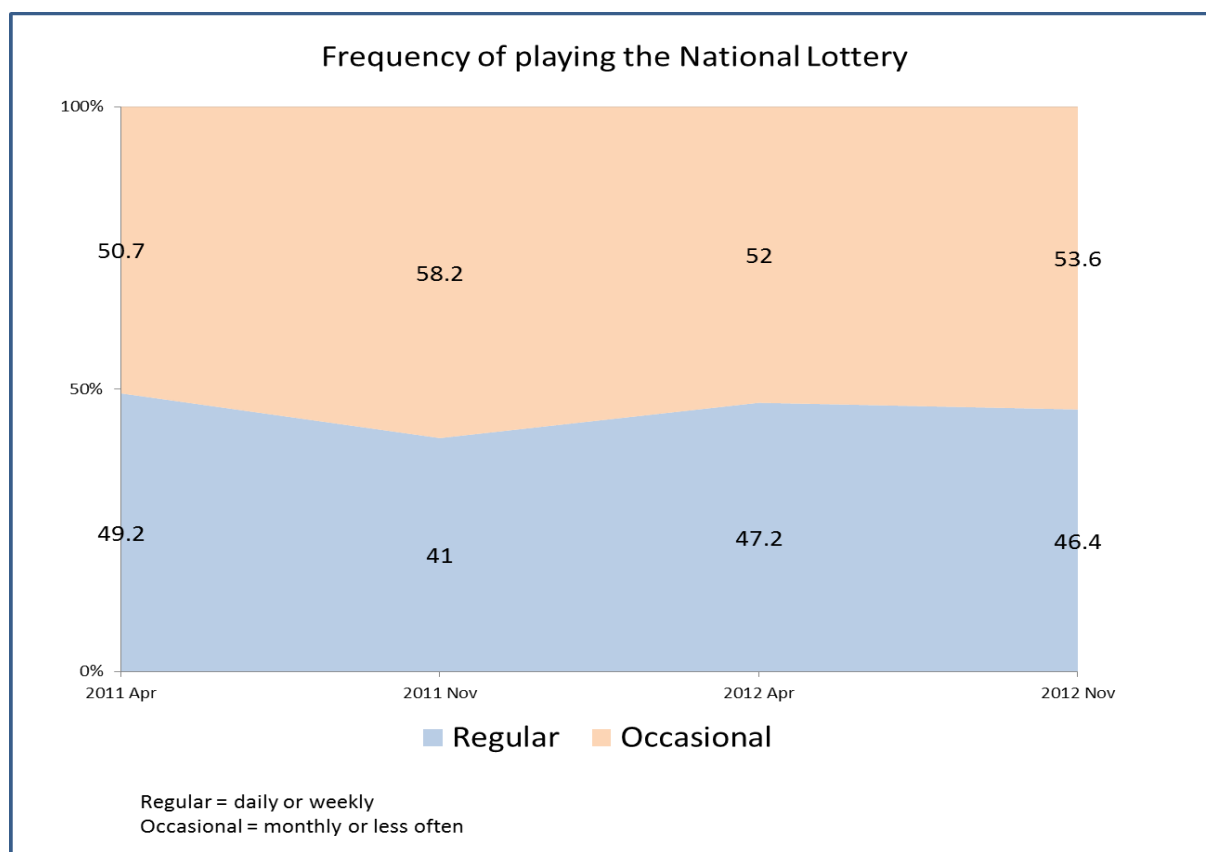
The NGB has been tracking the frequency whereby gamblers participate in various gambling modes. Gamblers could indicate whether they participate in gambling activities on a daily basis or two to three times a week. When confirmed, they were classified as a regular gambler. If a gambler only gambled once a month or less frequent, he/she was regarded as occasional gamblers. Where comparable data existed, gambling frequency was tracked every 6 months.

7.1 Frequency of playing the national lottery

The purchasing frequency of national lottery tickets has remained very stable over time.

Figure 28: Frequency of purchasing national lottery tickets

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)



During the most recent survey, 46.4% of participants in the national lottery regard buying lottery tickets as a regular activity. In other words, they buy a lottery ticket either daily (referring to purchasing behaviour, not the actual draw) or at least once a

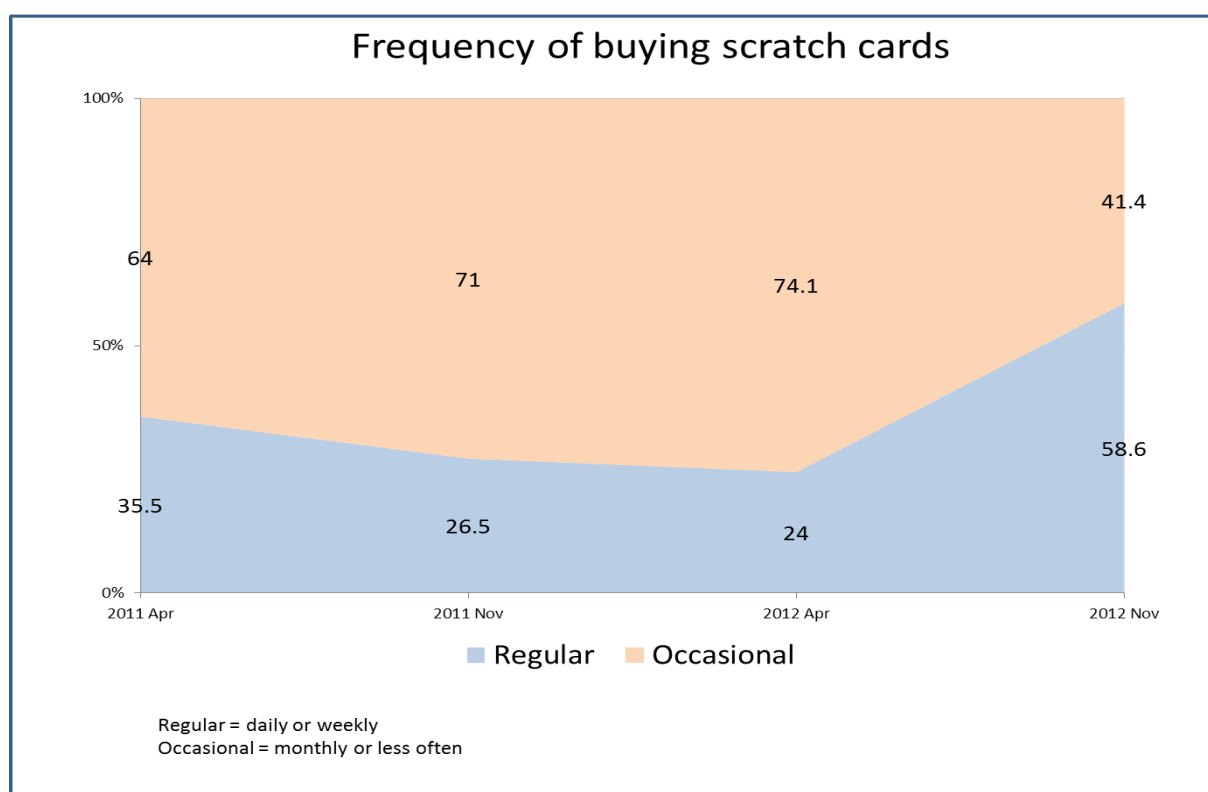
week. Also according to the most recent survey, just over fifty percent (53.6%) buy a lottery ticket less often than weekly.

7.2 Frequency of buying scratch cards

In contrast to the stable frequency of buying national lottery tickets, the frequency with which gamblers bought scratch cards has increased significantly (from 24% in April 2012 to 58.6% in November 2012). This might be a reflection that many gamblers are utilising the less costly gambling modes more often.

Figure 29: Frequency of buying scratch cards

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)

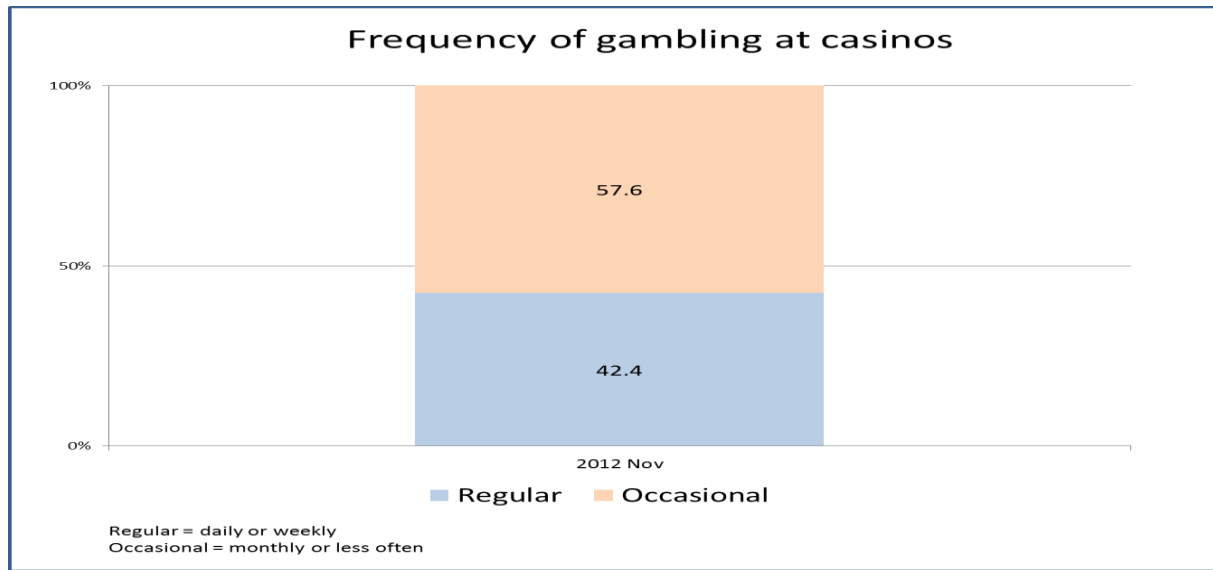


7.3 Frequency of gambling at licensed casinos

It seems that slightly more gamblers visit licensed casinos to participate in casino games on an occasional basis (57.6%), than those who gamble on a regular basis at these venues (42.4% gamblers gamble daily or at least once week). The description of legal gambling activities changed between the April 2012 and November 2012 survey and therefore the trend was interrupted and could only one wave be reported.

Figure 30: Frequency of gambling at casinos

(Source: Ipsos Khayabus survey – November 2012)

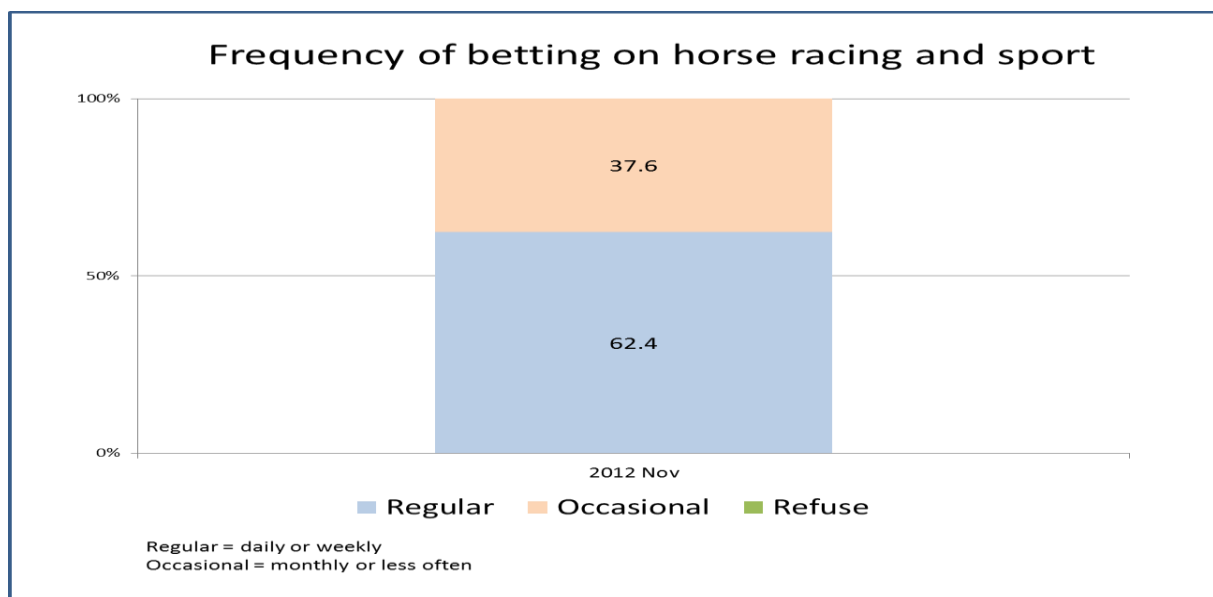


7.4 Frequency of legal betting on horse racing and sport

The majority (62.4%) of gamblers who indicated that they bet on horse racing and sport, participated in this activity on a regular basis. Compared to the frequency with which gamblers buy national lottery tickets, scratch cards as well gamble at casinos, gamblers betting on horse race and sport engaged in this activity more often. The actual item description was amended in the questionnaire in November 2012 and therefore the data cannot be tracked.

Figure 31: Frequency of betting on horse racing and sport

(Source: Ipsos Khayabus survey – November 2012)



8. REASONS FOR GAMBLING

Gamblers were requested to indicate their main reason (only one response was allowed) for gambling in the past year. This question was only posed to gamblers. Respondents offered spontaneous feedback and could only mention their main reason for gambling.

Table 13: Main reason for gambling by gender and age group

(Source: Ipsos Khayabus survey – November 2012)

Reason why people gamble	Gender			Age group				
	Total	Male	Female	18-24	25-34	35-44	45-54	55+
Base: Respondents who have gambled in the past year								
Chance to win large sums of money	39.5	43.8	32.1	32.3	36.4	48.7	39.8	42.1
I needed the money	14	12.8	16	20.6	11.6	10	16.5	12.3
My friends gamble	10.5	9.6	12.2	14.9	11.8	8.3	9.2	6.7
To make a quick buck without having to work for it	6.5	7.2	5.3	4.6	10.5	6.1	2.1	6.8
My family gamble (parents, spouse, siblings)	6.1	3.8	10.2	9.3	3.1	3.8	6.9	10
I wanted to share in the excitement	4.1	4.3	3.6	0.7	8.4	3	5.7	0
It is a form of relaxation	4	3.4	5.1	0	2.9	3.5	5.4	11
Curiosity \ wanting to know more about gambling	3.6	3.6	3.8	3.3	3.7	5.8	3.3	1.1
I enjoy playing games \betting\risking money	3.4	4.6	1.3	7.7	3.2	2.9	0.7	1.5
Advertising \ marketing campaigns \ special offers	2.3	1.7	3.4	3.1	1.2	3.1	4	0
Lost my job, so needed another way to make money	1.7	2.2	1	0.8	1.2	1.7	2.4	3.3
Easy access to gambling outlets and forms of gambling	1.6	1.9	1.1	2.2	2.5	0.8	1.8	0
I wanted the social contact with other people	1.3	0.4	3	0.4	2	1.6	0	2.4
I was interested in the glamour of going to a gambling outlet	0.2	0.3	0	0	0.3	0	0.7	0
Other (specify)	1	0.5	1.9	1	1.1	0.6	1.2	2.7

From the above table it is clear that economic motivation is the main reason why most gamblers participate in gambling activities. The lure of potentially winning large sums of money is cited by nearly four out of every ten gamblers (39.5%). It is especially true for men and gamblers in the middle age groups. Should all the economically motivated reasons be added, 61.7% of gamblers are gambling because they wanted to access the winnings more than anything else.

Nearly seventeen percent (16.6%) of gamblers reported that their gambling is motivated by the fact that either friends or family gamble and they then also decided

to participate; females and young gamblers (18-24 years of age) seem to be more receptive to the influence of friends or family.

A similar proportion of gamblers (16.6%) indicated that their participation was motivated out of social aspects such as the fun element, relaxation or a need to play games in a social environment. Younger gamblers tend to gamble because they love playing games and taking risks, while older gamblers showed a higher propensity to gamble as a form of relaxation. The excitement of gambling has a stronger appeal for 25-34 year olds than for any other age group.

A very small portion (2.3%) reported that their gambling was driven by advertising or campaigns enticing them to gamble.

While an economic motivation was the most mentioned reason, only a very small number (1.7%) of gamblers reported that they turned to gambling as a mode of earning an income because they have lost their job.

Table 14: Main reason for gambling by working status

(Source: Ipsos Khayabus survey – November 2012)

Reason why people gamble	Working status				
	Total	Full-time	Part-time	House duties, student, retired	Unemployed
Base: Respondents who have gambled in the past year					
Chance to win large sums of money	39.5	38.9	39.5	38	41.2
I needed the money	14	13.9	8.5	15.9	15.7
My friends gamble	10.5	7.8	13.8	11.2	12.2
To make a quick buck without having to work	6.5	7.7	9.6	1.8	6
My family gamble (parents, spouse, siblings)	6.1	3.3	8.9	5.5	8.7
I wanted to share in the excitement	4.1	8	0	1	2.7
It is a form of relaxation	4	3.9	2	8.5	2.7
Curiosity \ wanting to know more about	3.6	4.5	5.5	2.3	2.3
I enjoy playing games \ betting \ risking money	3.4	3.9	5.5	3.5	1.7
Advertising \ marketing campaigns \ special	2.3	3.5	1.3	2.5	1
Lost my job, so needed another way to make	1.7	0.3	4	1	2.9
Easy access to gambling outlets and forms of gambling	1.6	2	0	2.6	1.4
I wanted the social contact with other people	1.3	1.2	0	3.7	0.8
I was interested in the glamour of going to a gambling outlet	0.2	0.3	0	0	0.3
Other (specify)	0.8	0.8	1.4	2.3	0.4

While the unemployed segment showed a slightly higher propensity to gamble because they needed to generate money, the above table actually showed very well that work status is not a strong predictor for gambling. The different work status segments did not vary significantly from the overall trend.

9. REASONS FOR ABSTAINING FROM GAMBLING

Respondents who did not participate in any gambling activities in the 12 months prior to the survey and who were subsequently defined as non-gamblers, were asked to advance reasons why they abstained from gambling. They were offered the opportunity to mention the main reason and could do this spontaneously (no pre-coded reasons were offered to them). The majority (56.1%) of non-gamblers cited the fact that they have never been interested in gambling per se as their main reason for abstention. The second most often quoted reason was that they refrained from the activity based on moral or religious grounds (22.7% of all non-gamblers cited this as their main reason for not gambling). Only 14.7% of non-gamblers reported that they didn't gamble because they did not have the funds to do so.

9.1 Reasons for abstaining from gambling by population group

White non-gamblers are disproportionately more disinterested in gambling than any of the other groups. Asian non-gamblers showed a higher than average tendency to abstention on moral or religious grounds. It must be noted, however, that the sub-sample of Asian respondents is small and the margin of error thus higher.

Lack of money for gambling is far less prominent as a reason for not gambling amongst White, as well as Asian non-gamblers.

Table 15: Reasons for abstaining from gambling by population group

(Source: Ipsos Khayabus survey – November 2012)

Reason for abstaining from gambling	Population group				
	Total	White	Black	Asian	Coloured
Base: respondents who did NOT gamble in past 12 months					
I have never been interested in gambling	56.1	64.8	55.5	56.2	50.8
I have never gambled due to moral or religious reasons	22.7	24.5	21.7	33.2	25.7
Lack of money for gambling	14.7	6.4	15.7	8.5	17.9
Costs too much to get to a gambling outlet such as a casino	3.6	3	3.8	0.8	3.6
I don't have easy access to casinos or other gambling outlets	1.7	0.3	2	0	1.1
Pressure from my family and friends	0.3	0	0.4	0	0.3
Lost my job	0.3	0	0.4	0	0.2
Other	0.6	1	0.5	1.3	0.4

9.2 Reasons for abstaining from gambling by highest level of education

A higher than average percentage of non-gamblers who have no formal schooling cited moral or religious grounds for non-participation. A similar trend is discernible amongst non-gamblers with higher education levels.

Table 16: Reasons for abstaining from gambling by highest level of education

(Source: Ipsos Khayabus survey – November 2012)

Reason for abstaining from gambling	Highest level of education achieved									
	Total	No schooling	Some primary school	Primary school completed	Some high school	Matric/ Grade 12	Technikon diploma	University degree	Artisans certificate	Other post school
Base: non gamblers										
I have never been interested in gambling	56.1	44	58.2	50	54.3	58.8	61.8	57.3	54.2	64.9
I have never gambled due to moral or religious reasons	22.7	36.3	22.3	24.7	19.2	22.5	27.7	28.4	30.8	18
Lack of money for gambling	14.7	13.3	16.2	15.3	19.1	13.5	6.9	7	4.4	7.4
Costs too much to get to a gambling outlet such as a casino	3.6	3.7	1.5	5.1	3.8	3.1	0.9	6.1	7.9	9.6
I don't have easy access to casinos or other gambling outlets	1.7	2.7	0.9	3.1	2	1.4	1.9	0	0	0
Pressure from my family and friends	0.3	0	0.9	0.3	0.5	0.1	0	0.2	0	0
Lost my job	0.3	0	0	0.2	0.3	0.2	0.4	0.9	1	0
Other (specify)	0.2	0	0	1	0	0.3	0	0	0.7	0

10. Perceptions about gambling

Apart from monitoring incidence and frequency of participation, the study also measured attitudes towards gambling in general. A set of statements were generated and the findings have been analysed by comparing the perceptions of gamblers to those of non-gamblers. As could be expected gamblers have a much more positive view on a range of issues related to gambling, while non-gamblers are slightly more negative.

Respondents had the opportunity to respond using a 5-point agree/disagree scale. The statements as they were included in the questionnaire have been listed in the subsequent tables.

Note: A factor analysis was conducted and the clustering of the statements into the various groups is a result of this statistical process.

10.1 Perceptions on whether gambling contributes to society

A number of statements (see table 17 below) were included that set out to gauge the general perception on the impact of gambling on society and how they personally feel about it.

Table 17: Perceptions on whether gambling contributes to society

(Source: Ipsos Khayabus survey – November 2012)

Statement	Strong agree and agree (%)	
	Gamblers	Non-gamblers
People should have the right to gamble whenever they want to	65.7	38.8
Gambling is an important leisure activity in South Africa	48.7	26
Gambling is acceptable to me	60.2	24.8
Gambling industry creates jobs in South Africa	57.9	40.1
Gambling is a harmless form of entertainment	42.7	28.2
Most people who gamble, gamble sensibly	37.6	27.8

The overall trend is that non-gamblers are quite sceptical on whether gambling contributes to society in a positive manner. They are, however, slightly more open that an individual should have the right to choose whether to gamble or not.

Respondents recognise, to some extent, that the gambling industry contributes to the economy by creating jobs: almost six out of every ten gamblers believe that jobs are created in the gambling industry, opposed to four out of every ten non-gamblers who share the same opinion.

10.2 Perceptions on the regulatory environment

The next cluster of statement referred to the general regulatory environment and perceptions on whether regulations are sufficient.

Table 18: Perceptions on the regulatory environment and how this might impact on households

(Source: Ipsos Khayabus survey – November 2012)

Statement	Strong agree and agree (%)	
	Gamblers	Non-gamblers
Gambling is addictive	64.2	60.7
Gambling usually leads to a situation in which the affected household lacks basic necessities such as food	44	45.3
Gambling should be discouraged	25.8	37.3
Access to outlets at which to gamble is too easy	45	36.1
There is enough information available to inform the general public about the perceived risks of gambling	47.3	35.7

On the key issue of whether gambling is addictive or not, gamblers and non-gamblers are in agreement – the majority perceive the activity to be addictive.

Slightly more than five out of every ten gamblers (and slightly more than 6 out of every ten non-gamblers) would like to see more information warning the general public against the perceived risks of gambling.

Both gamblers and non-gamblers agree to a reasonable extent on the perception that gambling might result in affected households lacking basic necessities.

Less than half of gamblers believe that access to gambling outlets is too easy, whereas fewer non-gamblers feel this way.

What did come as a surprise was the lack of conviction amongst non-gamblers on the issue of discouraging gambling: Only 37.3% indicated that they believed that gambling should be discouraged.

10.3 Perceptions on the impact of gambling on households

The final set of statements is a cluster reflecting perception on the impact of gambling on households.

Table 19: Perceptions on the impact of gambling on households

(Source: Ipsos Khayabus survey – November 2012)

Statement	Strong agree and agree (%)	
	Gamblers	Non-gamblers
Gambling by members of my household have a negative impact on the interpersonal relationships in my household	36.4	31.5
There are enough opportunities to gamble	37	37.9
Gambling does not usually lead to domestic violence	32.7	42.9

Between three and four out of every ten gamblers and non-gamblers respectively believe that gambling has a negative impact on interpersonal relationships in their household.

11. GAMBLING LOCATION: WHERE DO GAMBLERS MOST OFTEN GO TO PARTICIPATE IN GAMBLING ACTIVITIES?

The choice of gambling outlets is strongly influenced by the type of gambling or mode. Those gamblers who play the national lottery only (and who are the largest and most dominant group of gamblers in South Africa) buy their lottery tickets at a retail outlet nearest to their home. The picture of how people gamble in South Africa is as follows:

- I. Gamblers in general (all modes included) prefer to participate in their gambling activities at a retail outlet nearest to their homes. Nearly six out of ten (58.4%) will gamble while they are going about their normal business/shopping activities and a further 24.7% will actually make a special or dedicated trip to a retail outlet to gamble. This brings the total percentage of gamblers who mentioned retail outlets nearest to their homes to 83.1%;
- II. Only 6.5% of gamblers who participate in the national lottery exclusively, will actually visit a dedicated gambling outlet or venue within 30km radius of their home;
- III. The moment gamblers who only buy national lottery tickets were excluded from this, the picture does change. The gamblers who participate in a number of different modes, use retail outlets, but also make trips to dedicated gambling venues. About 25.9% will visit a specialised gambling outlet located within a 30km radius of their home and another 13.8% will travel further than 30km to reach a gambling outlet;
- IV. Problem gamblers seem to be the most focussed of all gamblers and 40% mentioned that they would make a dedicated trip to an ordinary retail outlet to go and gamble; and
- V. Online gambling is not a mode preferred by many and this is corroborated by the low incidence of online gambling.

Table 20: Most used gambling location

(Source: Ipsos Khayabus survey – November 2012)

What is your most used gambling location? OMO	Gambler types			
	Gamblers	Gamblers excluding lottery	Gamblers Lottery only	Problem gambler
Unweighted base	540	107	433	113
Pop (wt.) (000's)	4685	1130	3555	945
Visit an ordinary retail outlet like a café, corner store, supermarket, forecourt nearest to your home while doing your everyday business/activities	58.4	30.5	67.3	26.5
Make a dedicated trip to an ordinary retail outlet like a shopping mall, café, corner store, supermarket, forecourt within 30km of your home to only participate in gambling	24.7	29.1	23.4	40
Make a dedicated trip to visit a specialized gambling outlet within 30km of your home. The gambling venue is not within or part of a shopping mall or other retail outlet	11.2	25.9	6.5	24.9
Make a dedicated trip to visit a specialized gambling outlet further than 30km from your home	5.1	13.8	2.3	8.6
I gamble online	0.6	0.7	0.6	0

12. UNDER-AGE GAMBLING IN SOUTH AFRICA

Gambling in South Africa is a restricted activity and only persons aged 18 years and older may, by law, participate in gambling. A wide range of education and communication campaigns promoting this message is on-going. This includes warning to this effect on all retail material. It is therefore illegal for a person younger than 18 to participate in any regulated gambling activity in South Africa.

While the trends in gambling incidence and related behaviour were analysed for respondents 18 years and older, the sample does include 15-17 year old respondents. An analysis of this sub-segment revealed that an insignificant number of underage persons reported that they have gambled in the 12 months prior to the survey. While it must be noted that the data is the result of “self-reporting” and that by indicating involvement, respondents incriminated (either knowingly or inadvertently) themselves, it does provide some insight into the phenomenon of underage gambling.

It is important to contextualise the findings. The age group 15-17 years old represent 3.3% of the population in South Africa and the actual number of respondents in the sample was 117 individuals. Only 7 of the 117 individuals indicated that they have gambled in the 12 month prior to the survey. This translated into a negligible percentage of the total population.

In addition to analysing the true underage segment, an analysis of the 18-24 year age group, showed that this age group is disproportionately less likely to gamble than the population average. It is concerning, however, that this age group has a higher propensity to participate in illegal gambling activities.

While it is difficult to prove with certainty that underage gambling is not a serious issue, continued education and communication campaigns aimed at the pre-18s and also the youth market (18-24 years) are essential to inform and educate them about legal and illegal modes of gambling, as well as the risks associated with gambling.

13. SCOPE OF PROBLEM GAMBLING IN SOUTH AFRICA

The relative size of the problem gambling population and trends in this regard is an indicator that the NGB monitors closely.

13.1 Measuring the level of problem gambling in South Africa

A range of measurement tools and approaches may be applied to measure the depth of problem gambling. Organisations such as the National Responsible Gambling

Programme (NRGP) employ comprehensive and complex approaches when measuring problem gambling. Research programmes aimed at this, are therefore complex and entails multi-disciplinary methods. The NGB monitors the scope of problem gambling in South Africa by means of regular tracking research.

Against this background it was decided to select a single measurement instrument that is simple, easy to apply and, more importantly, recognised globally as a standardised measure. The Canadian Problem Gambling Index (CPGI)⁵ is a set of 9 statements (referred to as the Problem Gambling Severity Index or the scored module of the CPGI) aimed at measuring experience over a period of time. It sets out to measure the percentage of persons who are either:

- At no risk (to be a problem gambler);
- At low risk (to be a problem gambler);
- At moderate risk (to be a problem gambler);
- At (high) risk gambler (regarded as a problem gambler).

Calculating the size of problem gambling using the CPGI

Each question has four response options: Never, Sometimes, Most of the time, and Almost always. These are scored 0,1,2,3 respectively. The score for each question is then summed to produce an aggregate score ranging from 0 - 27.

The aggregate scores have the following interpretation:

- 0 = No risk;
- 1-2 = Low risk;
- 3-7 = Moderate risk;
- 8-27 = At risk or high risk gambler (this category is skewed towards identifying a person as a problem gambler).

The scores of individual statements are therefore not reported, but a computation of the scores on the battery of 9 statements is done. The 9 statements that are used to calculate the score are as follows:

1. Have you bet more than you could really afford to lose?
2. Still thinking about the last 12 months, have you needed to gamble with larger amounts of money to get the same feeling of excitement?
3. When you gambled, did you go back on another day to try to win back the money you lost?
4. Have you borrowed money or sold anything to get money to gamble?
5. Have you felt that you might have a problem with gambling?
6. Has gambling caused you any health problems, including stress or anxiety?

⁵ Ferris, J., & Wynne, H. (2001). The Canadian problem gambling index: Final report. Submitted for the Canadian Centre on Substance Abuse. This reference refers to the website of the Problem Gambling Institute of Ontario. <https://www.problemgambling.ca/en/resources>

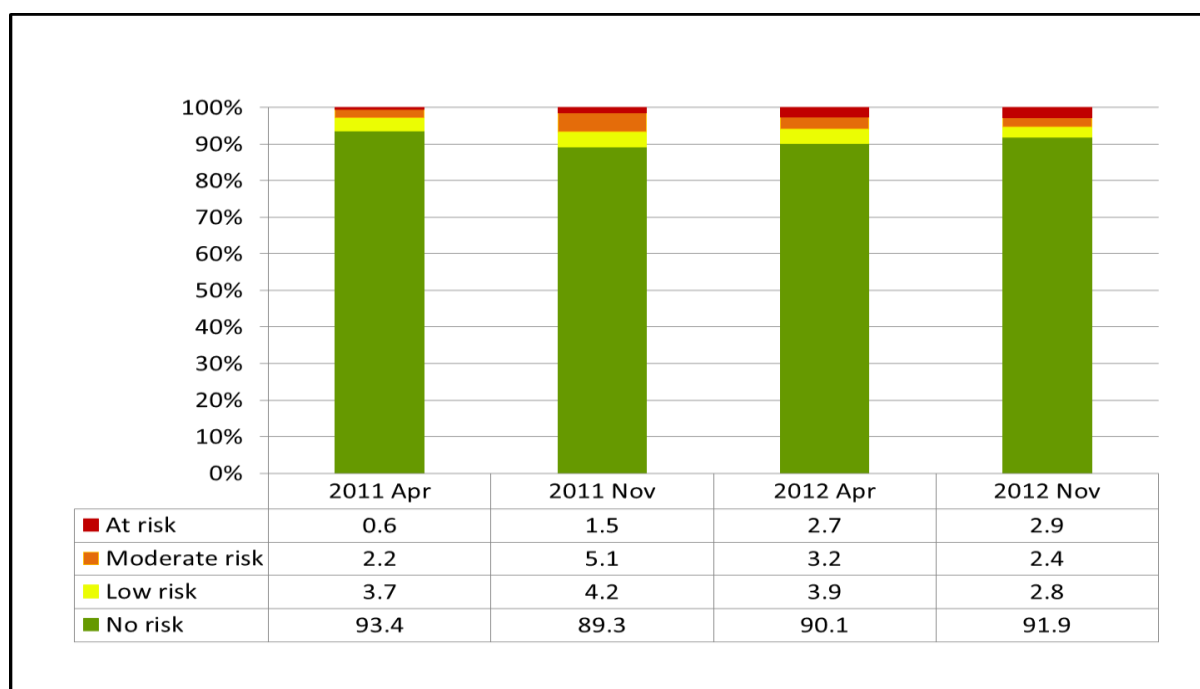
7. Have people criticized your betting or told you that you had a gambling problem, regardless of whether or not you thought it was true?
8. Has your gambling caused any financial problems for you or your household?
9. Have you felt guilty about the way you gamble or what happens when you gamble?

13.2 Incidence of problem gambling

The NGB has been tracking the incidence of problem gambling over four waves over a period of two years. At a glance the trend seems fairly stable, but a closer look revealed that percentage of gamblers who are at risk is on the increase. This increase is of a very low base, but the general trend is concerning.

Figure 32: Scope of problem gambling in South Africa (on total population 18 years and older)

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)



Within the total population 18 years and older, 2.9% can be considered at (high) risk gamblers. The actual cell size is very small (n=113 in November 2012) which made in-depth analysis difficult and the description below should be viewed as indicative rather than finite.

The profile of at (high) risk (or problem) gamblers in South Africa is likely to be:

- More male than female (60:40);
- Middle age group (47% between 25-44 years);
- Full-time employed (40%) and 26% unemployed; and
- Matric or higher qualification (70%).

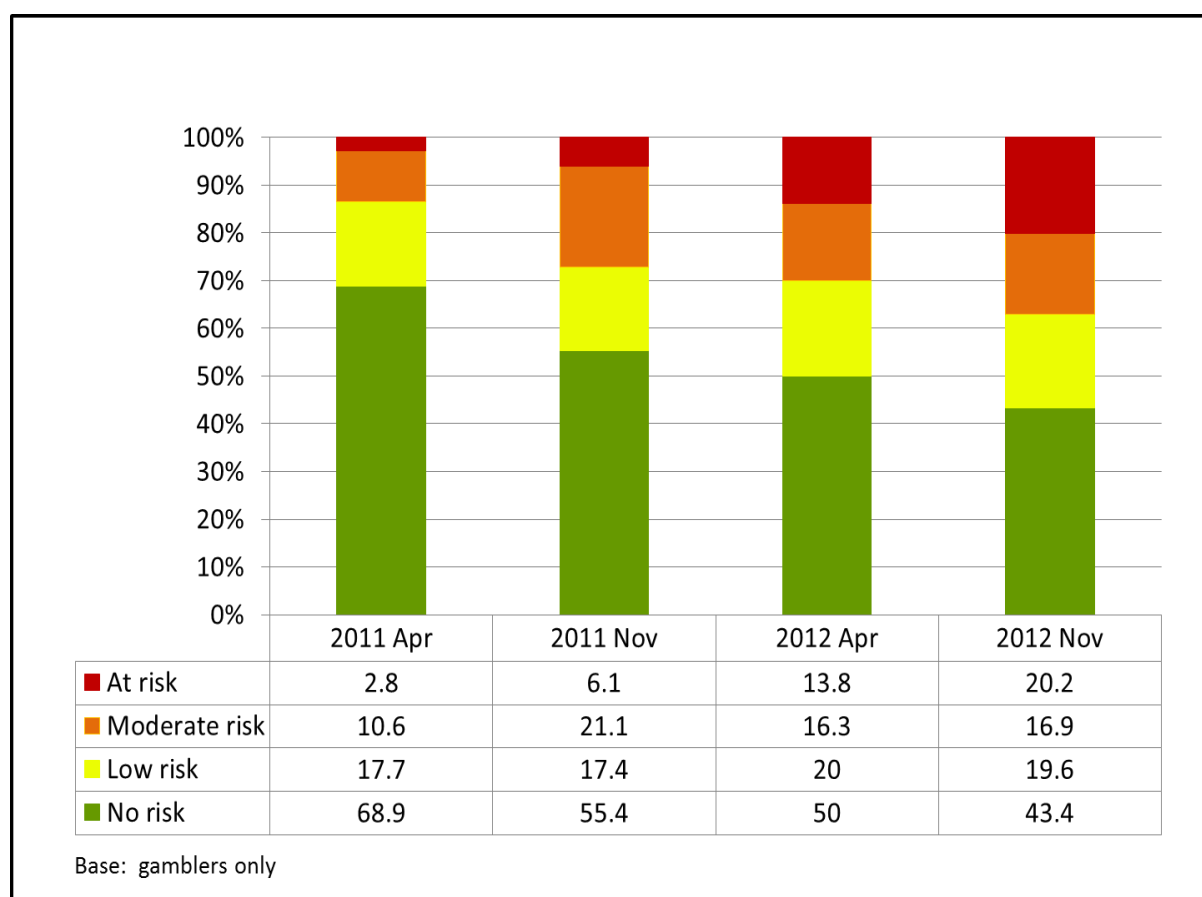
Gamblers who are at (high) risk and regarded as problem gamblers, divided their gambling activities as follows: 60% participate in the national lottery; 52.5% participate in illegal gambling activities and 25.7% bet on horse racing and sporting events. Kindly note that they could mention multiple modes and therefore the data will not add up to 100%.

This profile is a near reflection of the general gambling population in South Africa and therefore provides some indication that one group cannot be singled out as the most vulnerable and at risk with respect to problem gambling.

Although off a very low base, it is important to note that the numbers of current gamblers who are segmented as at (high) risk or problem gamblers have increased over the last three years. One in every five gamblers could be classified as a gambler who is potentially at risk. Overall the shift into higher risk segments is concerning.

Figure 33: Scope of problem gambling within the gambling population only

(Source: Ipsos Khayabus survey – April 2011, November 2011, April 2012 and November 2012)



While the gambling incidence level has declined over the last three years and fewer persons participate in the activity, a growing number of those who do participate are

reporting that they are experiencing increased stresses (whether financial or emotional) due to their gambling behaviour.

13.3 South Africa within the global context

Although the CPGI is widely used to measure the incidence of problem gambling, the majority of surveys focused on states or provinces within a country. The rate of problem gambling ranges from 0.5% to 7.6% with the average around 2.3%⁶. Compared to global trends, South Africa is slightly higher than the global average.

It is important to contextualise the level against overall incidence levels. Recent and directly comparable surveys have been conducted in the United Kingdom⁷ and Australia⁸ and the incidence of gambling within these countries are nearly seven times higher than South Africa. While the percentage of problem gamblers might be on the same level as South Africa, it translates into a much larger number of individuals due to the much higher incidence levels.

14. CONCLUSION

The key findings of this report are:

- I. Gambling incidence has declined over the last three years – fewer people participate in gambling now than three years ago;
- II. Playing the national lottery remained the most dominant mode of gambling;
- III. The profile of persons buying a national lottery ticket is a near mirror image of the broader South African population;
- IV. The prevalence of at risk gambling has consistently increased. Although of a very low base, this is a concern;
- V. The profile of gamblers varies depending on the gambling mode with more affluent persons participating in gambling at casinos and the poorer communities focussing on the national lottery, scratch cards and illegal gambling modes such as Fafi/iChina;
- VI. With the exception of the national lottery, the profile of the gambling population is skewed towards persons:
 - a. Holding down a job and earning a middle income monthly income;
 - b. Men are much more likely to participate in gambling than women; and
 - c. Gambling is an activity more likely to be found amongst persons in the age group 25-54.

⁶ Responsible Gambling Digest, Issue 12/12 (page 8), December 2012, National Responsible Gambling Programme, Cape Town, South Africa.

⁷ British Gambling Prevalence Survey 2010 (p.20), UK Gambling Commission, National Centre for Social Research.

⁸ Problem gambling: Facts and myths about problem gambling in Australia, Australian Government. 4 December 2012. www.problemgambling.gov.au

- VII. It must be noted, however, that gambling is an activity that touches every segment of society. The fact that the profile of participants in the national lottery is a mirror image of the broader South African population further emphasises the fact that while people in middle to higher incomes groups are disproportionate more likely to gamble, the activity is also present amongst low income communities and does effect poorer communities.

The incidence of illegal gambling is a concern with more than one in every four gamblers indicating that they do participate in illegal gambling activities. This concern is compounded by the fact that the prevalence of illegal gambling is highest amongst the poorer, less educated communities.

A steady increase in the number of gamblers who were segmented as problem gamblers is another concerning finding and requires immediate attention from government and its supporting bodies.

At an overall level, however, gambling prevalence figures have remained fairly low if compared to the prevalence levels in countries such as the United Kingdom and Australia where nearly 70% of the population gamble.

15. RECOMMENDATIONS

Based on the findings of this study, the following recommendations are proposed for consideration:

- I. The National Lottery remains the most dominant mode of gambling in that a nearly 9 in every ten gamblers indicated that they have participated in this form of gambling. It would therefore be key to continue to ensure that this audience is served well with information on the dangers of gambling and where they can seek help should they feel that their gambling is becoming a problem and is having negative impact on their lives.
- II. The profile of players of the National Lottery is a near mirror reflection of the profile of the general adult population and as such no single sub-segment of the broader population is more or less predisposed to playing the National Lottery. This should be taken into account when developing education and information campaigns – the latter should speak to the broad population.
- III. Programmes aimed specifically at high risk gamblers (those segmented as at risk on the CPGI measure), are more likely to be male, educated, employed and in the middle to higher income groups. While information and educational campaigns focussing on the dangers of gambling should cut across all segments of society, it could assist the NGB and its partners to focus special campaigns at venues where educated persons with middle, to higher income level participate in gambling activities.

- IV. Participation levels in illegal gambling modes such as iFafi is high (26.2% of all gamblers indicated that they played some or other form of illegal gambling game), and it is therefore recommended that the NGB and its partners consider information and educational campaigns aimed at informing the broad public on which games are illegal and what the consequences of participation would be should they be found playing these illegal games.
- V. It should also be noted that persons with low levels of education and low or no household income, are more likely to participate in illegal gambling modes. It is recommended that campaigns focussing on illegal gambling, must be highly visible in the poor communities. Industrial theatre and TV campaigns might be considered because they would have higher impact in communities with low literacy levels. Encouraging religious and community leaders to support the cause of the NGB and its partners might also be quite impactful.
- VI. While the survey could not determine the incidence of underage gambling with a high degree of confidence, the NGB should take note that the low levels of reporting could be due to a fairly high level of awareness about the legal gambling age. This could be an indication that the current campaigns (NGB and other partners) are having some success in communicating the legal age limit. It is recommended, however, that this campaign must be continued and enhanced to ensure that underage participation is even lower.
- VII. Over the last few surveys (2011 and 2012) the participation levels in sport betting showed a steady increase and the NGB might consider special information and educational campaigns focussing on the difference between legal and illegally operating sport betting.

BIBLIOGRAPHY

British Gambling Prevalence Survey 2010 (p.20), UK Gambling Commission, National Centre for Social Research.

Ferris, J., & Wynne, H. (2001). **The Canadian problem gambling index: Final report**. Submitted for the Canadian Centre on Substance Abuse. This reference refers to the website of the Problem Gambling Institute of Ontario, viewed 18 November 2013, <<https://www.problemgambling.ca/en/resources/>>

National Gambling Board, South Africa, viewed 15 November 2013, <<http://www.ngb.org.za/>>

National Gambling Act, Act no7 of 2004

Problem gambling: Facts and myths about problem gambling in Australia, Australian Government. 4 December 2012 viewed 18 November 2013, <www.problemgambling.gov.au>

Responsible Gambling Digest, Issue 12/12 (page 8), December 2012, National Responsible Gambling Programme, Cape Town, South Africa.

South African Sensus, 2011, as viewed 28 November 2013. <http://www.statssa.gov.za/census2011/Products/Census_2011_Census_in_brief.pdf>

South African Yearbook 2012/13 (p. 4), published by the Government Communication and Information Service, Pretoria

Contact details:

National Gambling Board

Direct switchboard: 086 722 7713 or 0100033475

Fax to e-mail number: 0866185729

Website: www.ngb.org.za

E-mail: info@ngb.org.za

Address: 420 Witch-Hazel Avenue, Eco-Glades 2, Block C, Eco-Park, Centurion, 0144



National Gambling Board
South Africa

a member of the dtd group