

# Report on Gambling

December 2011



*Discover your edge*

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### Introduction

Roy Morgan Research is the industry standard in Australia for consumer data on a range of industries from gambling, leisure and travel to media, telecommunications, finance and Information Technology. A large number of companies, agencies and the Government subscribe to Roy Morgan Research's data on gambling and the related tourism, travel and leisure markets.

Roy Morgan Research offers the most comprehensive coverage of the Australian adult population's participation, spend and venue usage including the increasing relevance of the internet as a gambling channel. Being totally independent, Roy Morgan Research is uniquely positioned to be able to provide a regular authoritative and impartial view of the Australian gambling market. The Roy Morgan Research Gambling Industry Currency Report. measures and tracks all the major forms of gambling over the last 10 years, providing a holistic understanding of the changing market - market size and share by category, as well as how many people gamble, who gambles, what form of gambling, how much they spend, how often they do it, where and how they do it ,providing significant insights into who and what are driving the changes in this complex market.

### About Roy Morgan Research

Roy Morgan Research is the largest independent Australian research company, with offices in each state of Australia, as well as in Indonesia, New Zealand, United States and United Kingdom. A full service research organisation specialising in syndicated data, Roy Morgan Research has more than 60 years experience in collecting objective, independent information on consumers. Roy Morgan Research is a specialist in recontact customised surveys which provide invaluable and effective qualitative and quantitative information regarding customers and target markets.

### Roy Morgan Single Source

Roy Morgan Single Source has been designed and engineered to represent the ideal single source model. It provides an integrated understanding of consumers; what they are like, what they consume, what they buy, what they think, what they want, what they watch, read and listen to. In Australia, Roy Morgan Single Source incorporates over 50,000 interviews face-to-face in both city and country areas each year with people aged 14+. A further 20,000 self-completion surveys provide enriched detail of consumption habits and attitudes. This large sample underlines the reliability of Roy Morgan Single Source, not withstanding the unparalleled data coverage with continuous collection of survey data of more than 10 years.

The overriding benefit of Roy Morgan Single Source is the strategic insights it offers in its ability to link many aspects. Not only can it show who is contributing to the size of each form of gambling but also show who they are, what they think, do and watch. Hence any strategy to influence their behaviour can be considered in the light of correct understanding of the marketplace.

### Methodology

All interviews in this survey begin with a face-to-face survey. The details on the gambling behaviour are collected in a self-completion survey. Interviews are conducted continuously over a 12 month period with results being weighted to reflect the geographic, age, and sex distribution of the population according to the latest data from the Australian Bureau of Statistics.

### **Roy Morgan Single Source**

This is a continuous survey of the Australian population based on an annual sample of approximately 20,000 people. Updates are provided each month which are based on the latest 12 months' rolling data.

### **Category definitions**

**Gambling** - All forms of gambling undertaken by Australians aged 18 years and above, except for the minor forms of gambling such as bingo, raffles and office footy tipping competitions.

**Poker Machines** - This includes poker machines played in hotels, in clubs, in casinos and online.

**Casino table games** - This includes all of the table games played at a casino such as roulette, blackjack and poker and also casino table games played online.

**Keno** - This refers to Club Keno played in hotels, in clubs and in casinos. It is the computerised Keno system and does not include Keno or Lucky Keno tickets which can be purchased at retail outlets, which are included under Lotteries/Scratchies.

**Lotteries / Scratchies** - This includes Tattslotto, Oz Lotto, Lotto, football pools, Keno, super 66, lottery tickets and instant lotteries or scratch tickets.

**Betting** - This includes betting on horse races, greyhound races and the trots. It also includes sports betting.

### **Key Measures**

**Participation** - This is the proportion of the adult population who have gambled in the past 12 months prior to being interviewed. "Participants" refers to the estimated number of the adult population, in thousands that have participated in gambling in the past 12 months\*.

**Spend** - This refers to the amount gambled by Australians on each gambling activity. It is extrapolated to create an annual spend amount for the total gambling market, as well as each of the gambling categories.

**Share of spend** - This refers to the proportion of the total annual spend that is spent on each form of gambling.

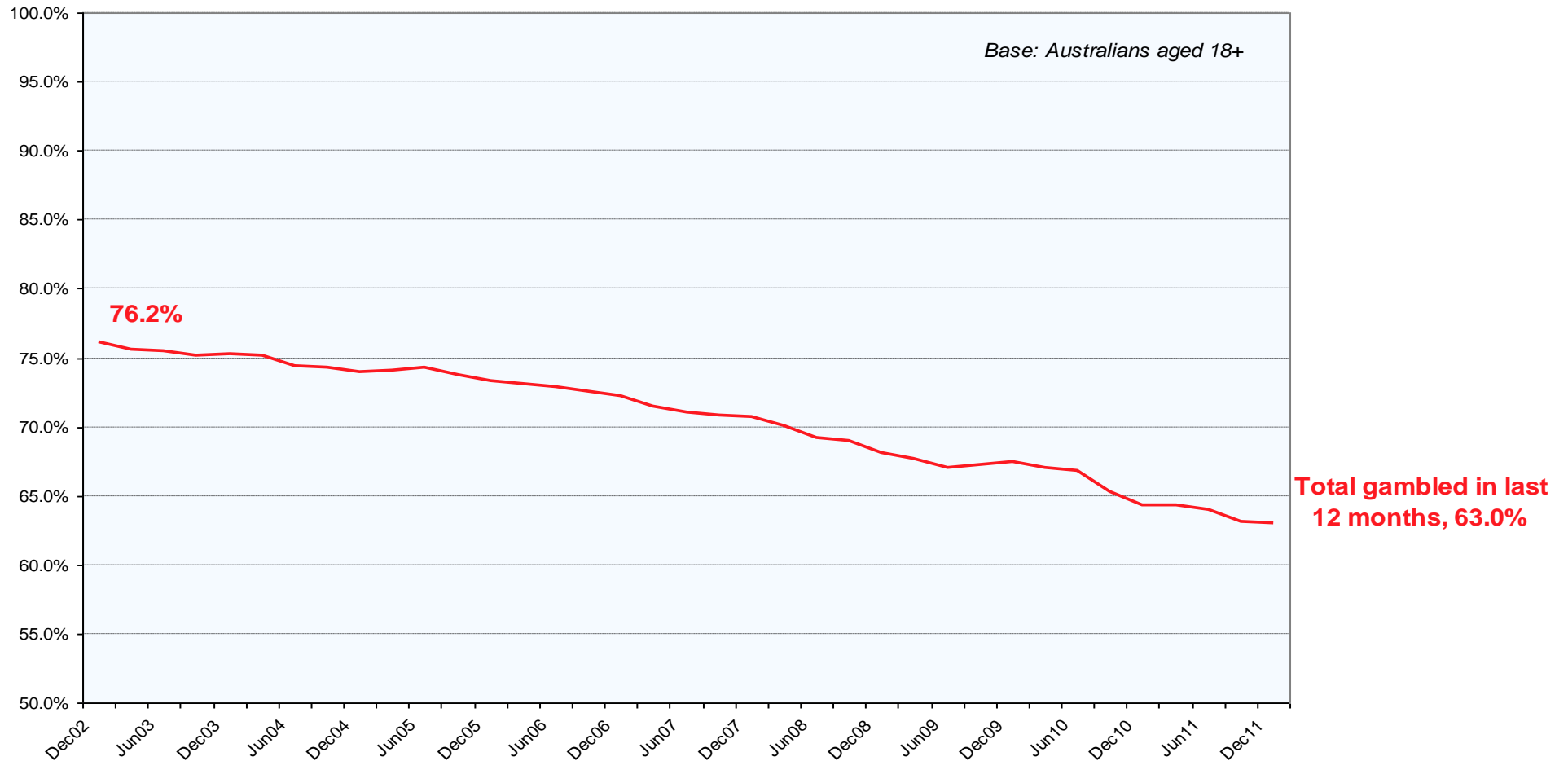
**Market size** - This is the estimated annual spend by gamblers, approximately equivalent to the publicly available gambling expenditure figures (excluding overseas gamblers' spend).

- **Independent research**; run, managed and financed by Roy Morgan Research, subscribers include Govt. bodies, industry bodies and private and public companies
- **Continuous** surveying every month
- **Total Population Survey**; not just gamblers
- **National Coverage**; with interviews in each state and territory, cities, regional and rural
- **Large Sample**; approximately 20,000 people interviewed every year

## Chart 1: Participation Rate Over Time – Total Gambling

Participation in gambling is in decline.

This chart shows the trend in the number of Australians aged 18+ who have gambled in the last 12 months.

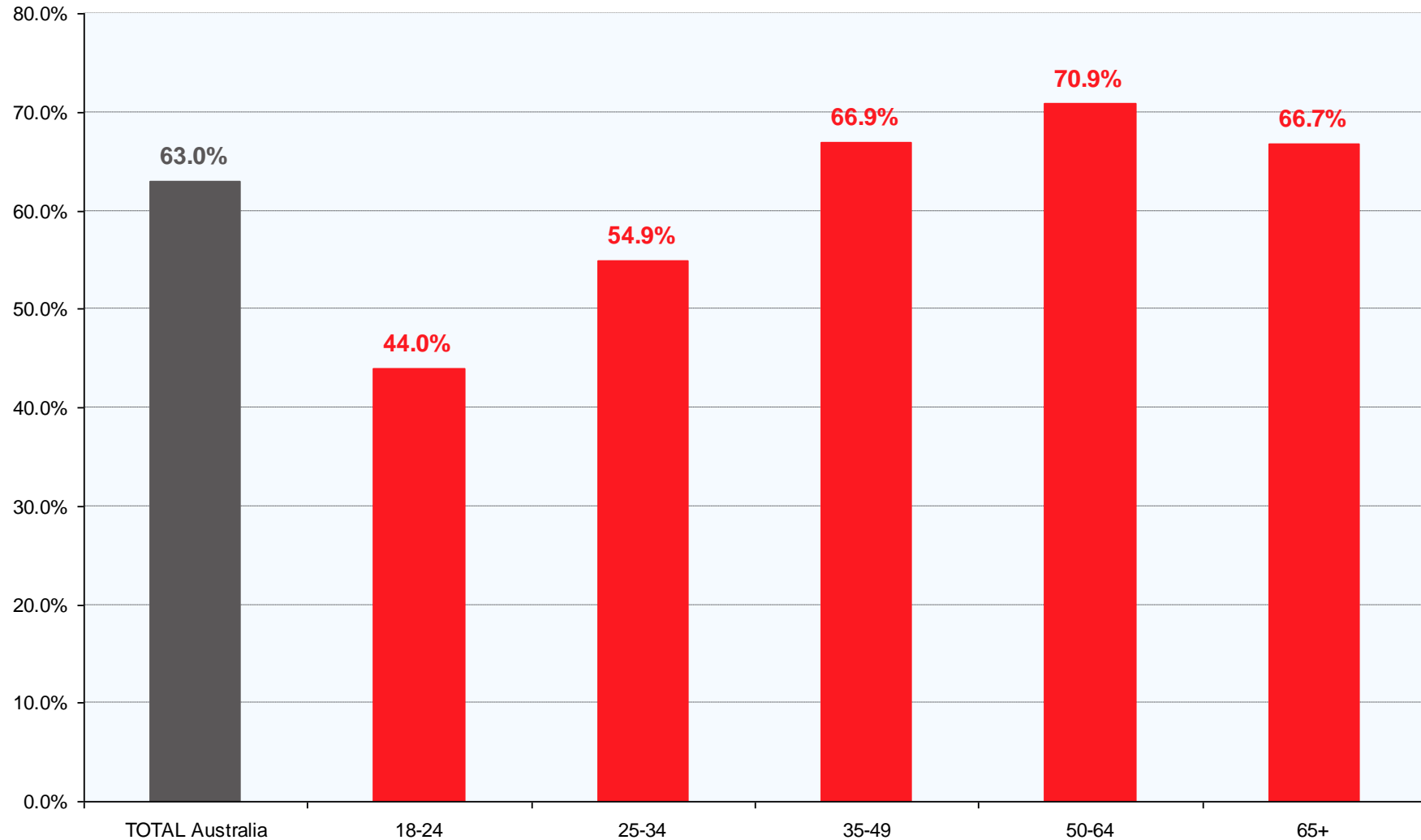


Source: Roy Morgan Single Source. January 2002 - December 2011, average annual sample n=21,139

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## Chart 2: Participation Rate by Age.

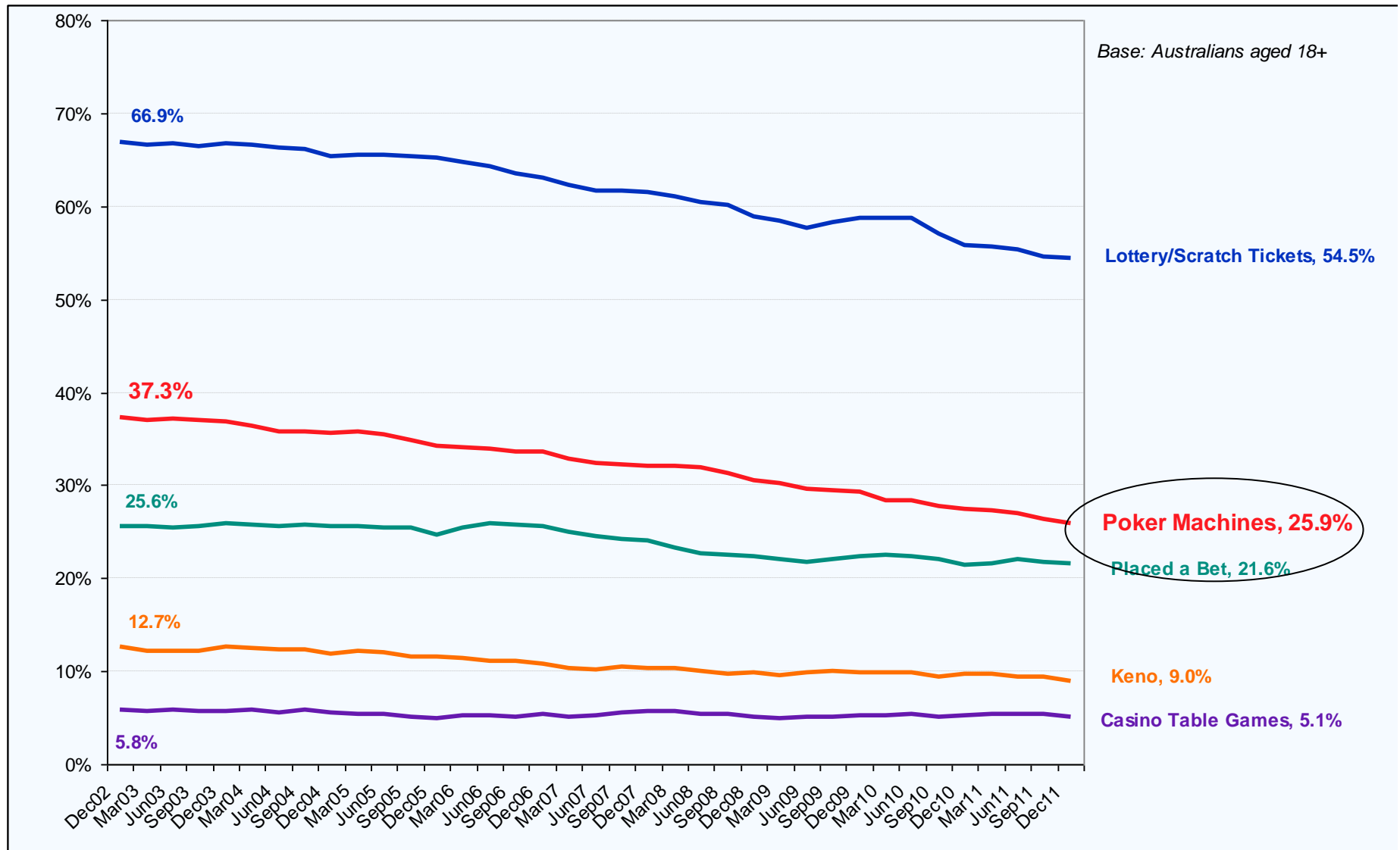
This chart shows the percentage of the population in each age group who have gambled in the last 12 months.



### Chart 3: Participation Rate Over Time – Total Gambling

Participation in all categories of gambling is in decline.

This chart shows the trend in the number of Australians aged 18+ participating in each of the gambling categories in the last 12 months.

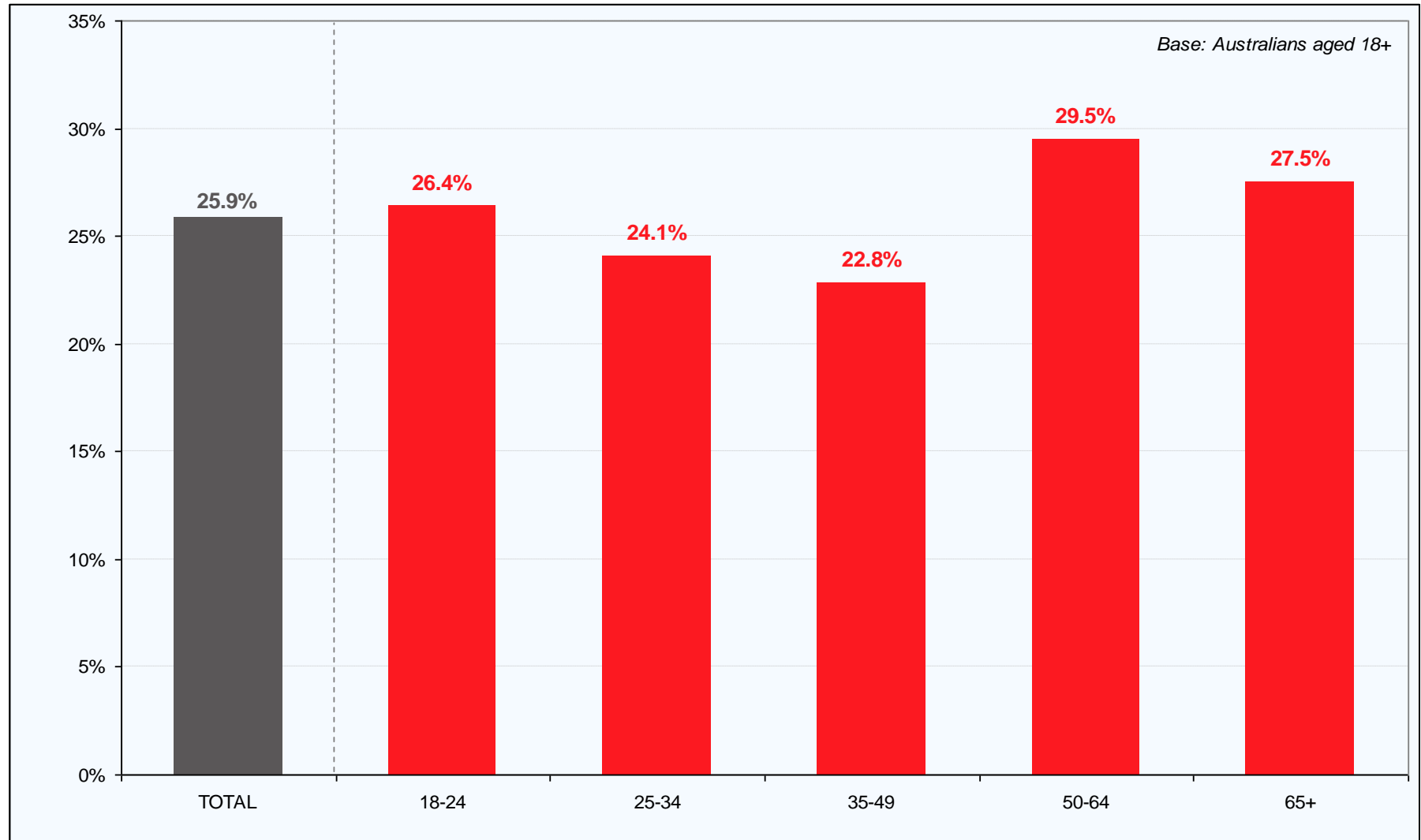


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Source: Roy Morgan Single Source. January 2002 - December 2011, average annual sample n=21,139

## Chart 4: Participation Rate by Age – Poker Machines.

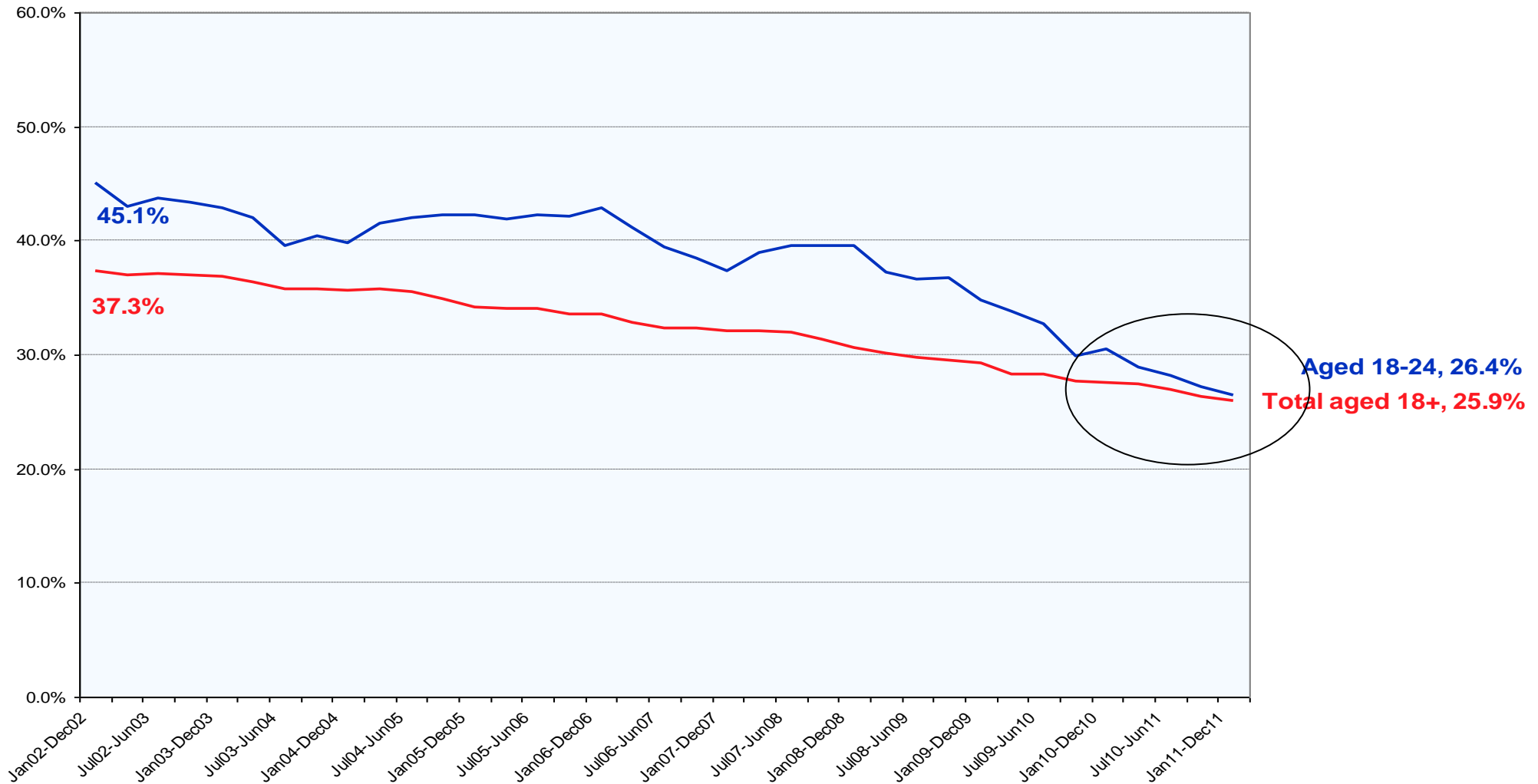
This chart shows the percentage of the population in each age group who have played poker machines in the last 12 months.





## Chart 5: Participation Rates for those aged 18-24 – Poker Machines

This chart compares the proportion of 18-24 year olds who have played poker machine in the last 12 months, with all Australians aged 18 & over.

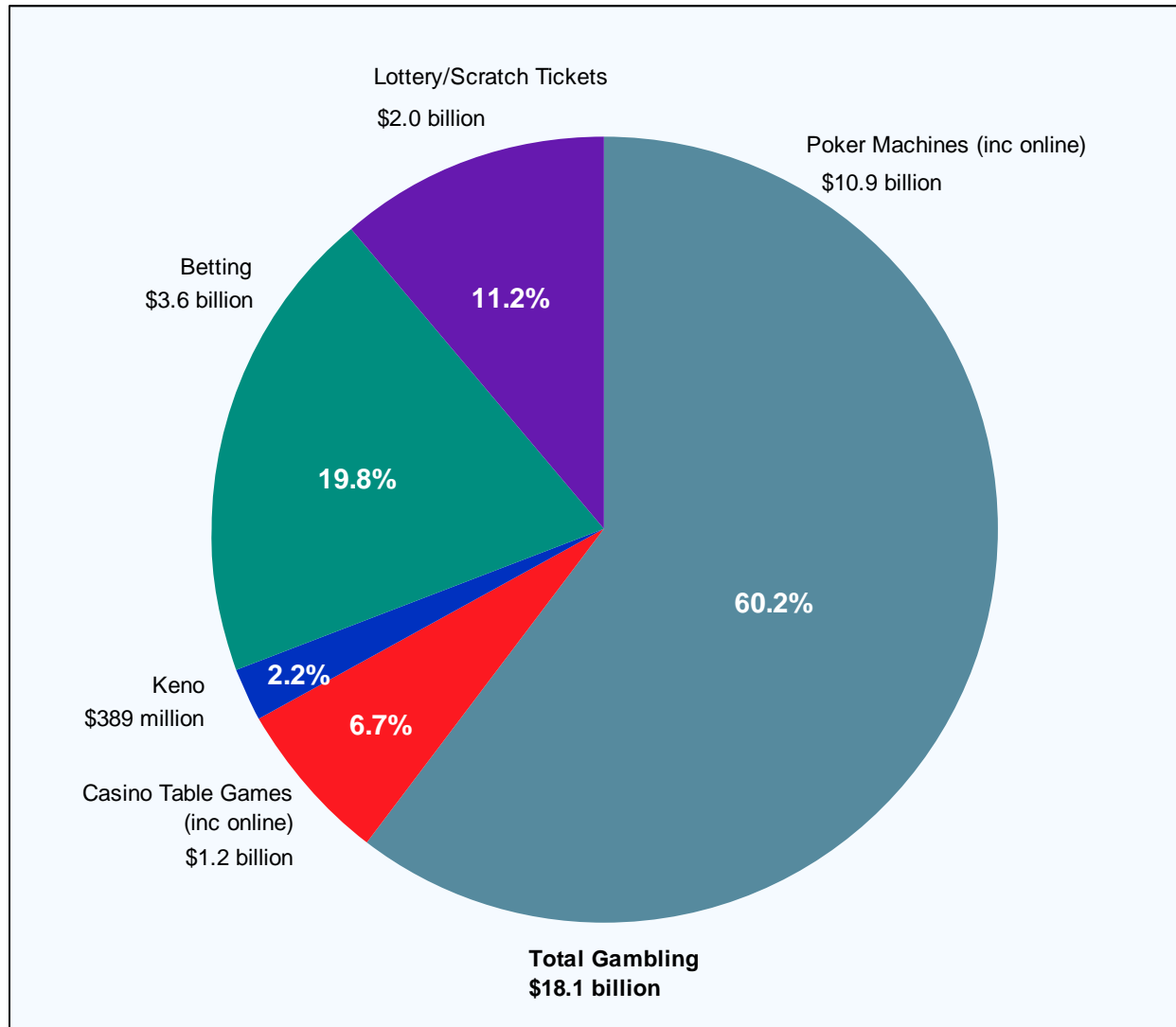


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Source: Roy Morgan Single Source. January 2002 - December 2011, average annual sample n=21,139

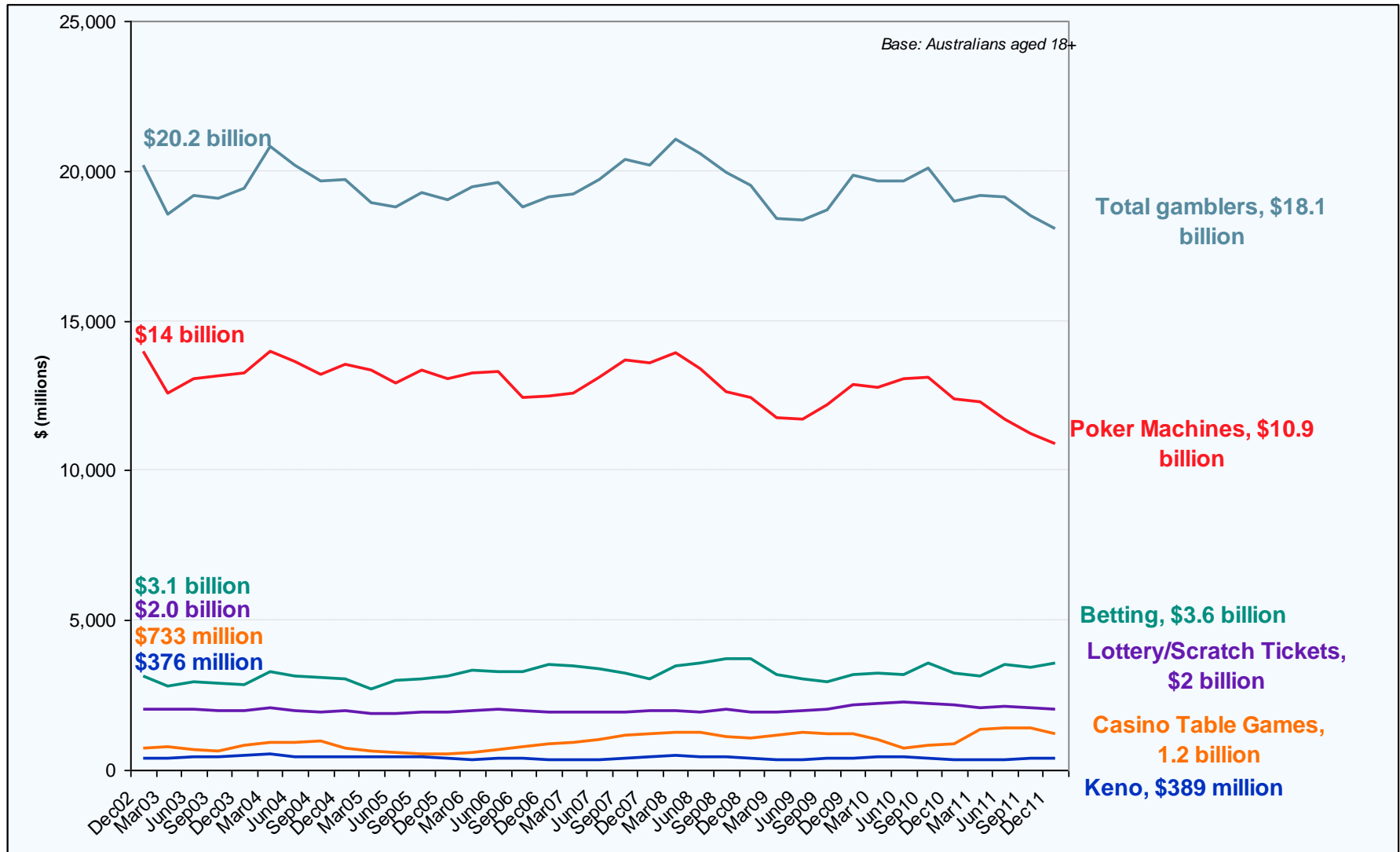
## Chart 6: Total Gambling Spend - \$18.1 billion

Total spend on gambling for the latest 12 months is estimated at \$18.1 billion.  
This chart shows the proportion of the total spend on each of the gambling categories for the latest 12 months.



## Chart 7: Total Gambling Spend over time

Poker machines had the highest annual market size valued at \$10.9 billion.  
This chart shows the total annual market size for each of the gambling categories over time.



Source: Roy Morgan Single Source. January 2002 - December 2011, average annual sample n=21,139

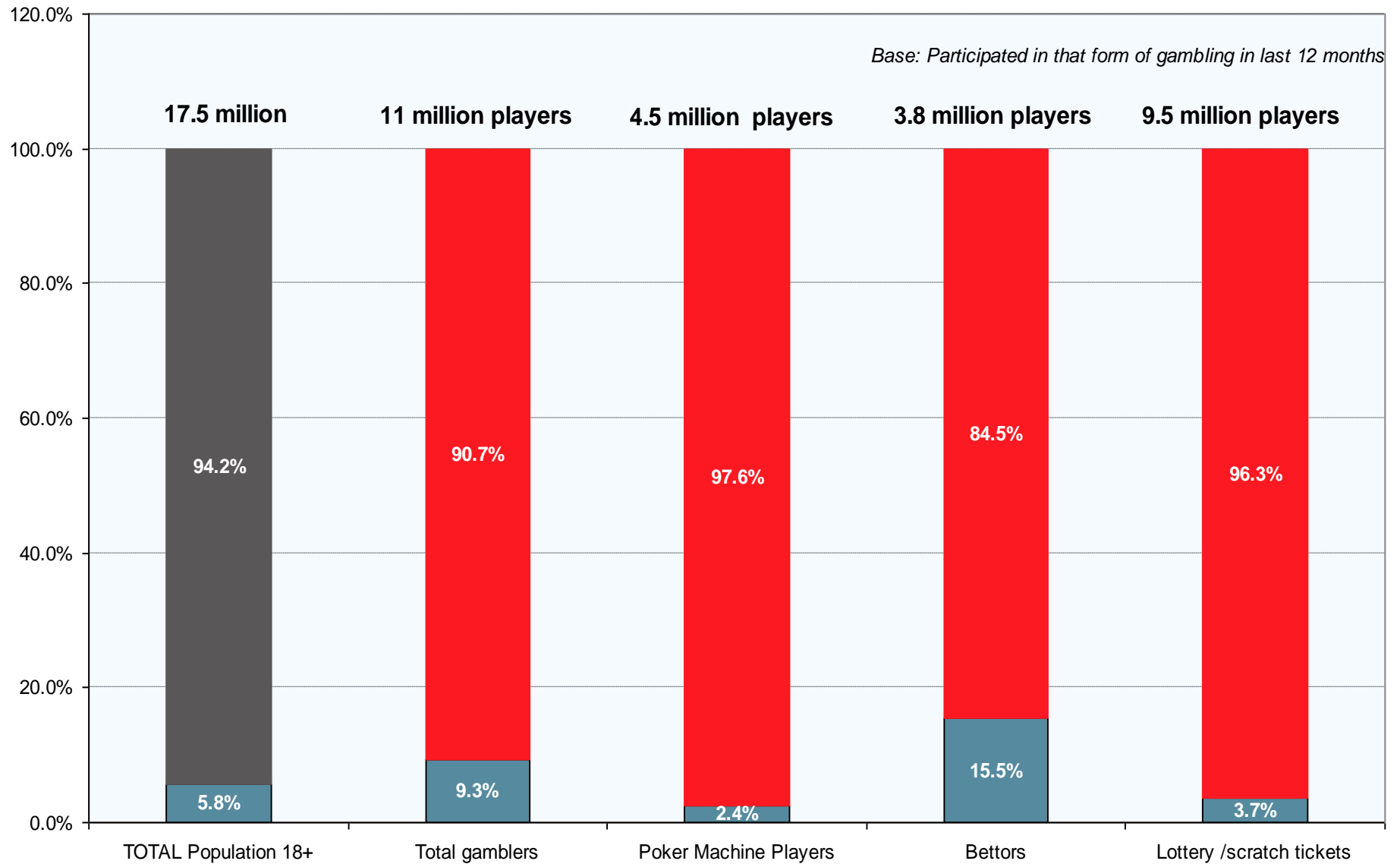
## Chart 8: Participation and Market Size– Total Gambling

This chart shows the number of Australians aged 18+ participating in each of the gambling categories in the last 12 months, as well as the annual spend and average annual spend per player

	Participants (000's)	Annual Spend (\$millions)	Average Annual Spend per player (dollars)
Lottery/Scratch Tickets	9,507	2,020	212
Poker Machines	4,517	10,872	2,407
Betting	3,774	3,575	947
Keno	1,568	389	248
Casino Table Games	896	1,211	1,351
Total	11,007	18,066	1,641

## Chart 9: Internet Usage for Gambling (Participants)

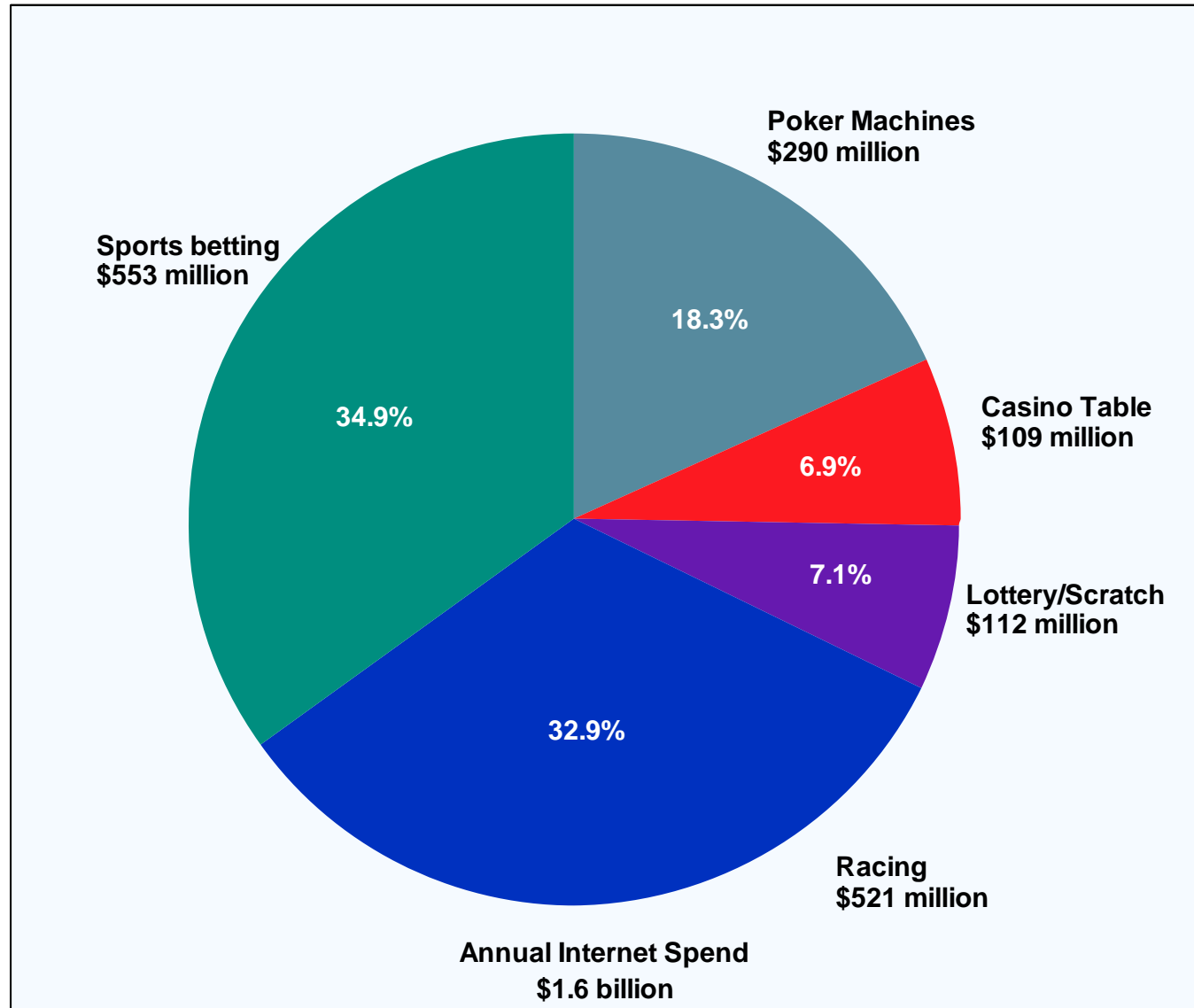
This chart shows the percentage of players who have used the internet for that form of gambling in the last 12 months.



## Chart 10: Internet Usage for Gambling (Spend)

Annual Internet spend on gambling is estimated at \$1.6 billion.

This chart shows the proportion of the total internet spend on each of the gambling categories for the latest 12 months.



Source: Roy Morgan Single Source. January 2011 - December 2011 n=18,131

## Chart 16: "At Risk" Gamblers

This chart shows the percentage of a player's income spent on gambling. "At risk" gamblers are defined as those who spend 10% or more of their income on gambling.

% of income spent on gambling	Population ('000)	v%
Less than 1%	6,781	62%
1-2%	1,552	14%
3-4%	783	7%
5-9%	785	7%
10% or more	1,106	10%
<b>Total gambled in last 12 months</b>	<b>11,007</b>	

	Number	Annual Spend	Average Annual Spend
<b>All players</b>	<b>11 million</b>	<b>\$18.1 billion</b>	<b>\$1,641</b>
<b>"At risk" players</b>	<b>1.1 million</b>	<b>\$12.7 billion</b>	<b>\$11,499</b>
	<b>10%</b>	<b>70%</b>	