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#### **Understanding Students' Internet-based Gambling Behaviors**

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#### Abstract

The rise of the Internet has recently spawned a rise in online gambling. While still only a small portion of overall gambling revenues, Internet-based gambling is rapidly increasing. The research-in-progress described in this paper addresses the question of how ethical beliefs, other addictions, and gender are related to online gambling behavior. The findings from the completed study holds implications for both practitioners and researchers.

#### Introduction

Advancements in technology have recently made gambling easier than ever before. Now, instead of traveling considerable distances to a casino, people need only go into their houses and turn on their computers. Internet-based gambling revenues are difficult to estimate. However, it does seem clear that revenues are on the rise. The *Economist* recently reported that 1999 online gambling revenues were estimated to top \$1 billion, up from \$300 million in 1997 (Betting on the house, 1999). Given the rapid rise in Internet-based gambling, there has been little research into this important area.

Online gambling is potentially problematic from a social responsibility perspective. According to the Yale Law Journal, Internet gambling has the potential to pose a greater risk to society than brick-and-mortar casinos because it may intensify the abuses associated with addictive or underage gambling. It has been termed the "crack cocaine" of the gambling world. The pathological gambler will have constant access, and therefore temptation to gamble. This could lead to more gambling addiction (Keller, 1999).

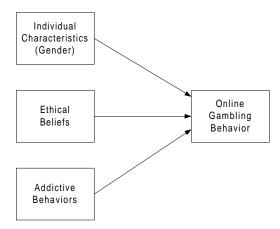
In order to better understand the phenomenon of Internet-based gambling, the research in progress investigates the question, "To what extent are ethical beliefs, the presence of other addictions, and gender related to a person's tendency to gamble online?"

#### **Research Model**

A research model was developed to guide this research. This model, shown in Figure 1, was based on

the extant literature on gambling, addictive behaviors, and ethical beliefs.

Figure 1. Research Model



A number of researchers have investigated the relationship between ethical beliefs and behaviors (Banjeree, et al., 1998; Singhapakdi, et al., 1996). The general consensus of the findings of these projects is that ethical beliefs do have some impact on behaviors. This raises the question of whether ethical beliefs impact a particular behavior, online gambling. There does not appear to be any existing research into this specific question. However, there are a number of studies that discuss the ethics of gambling (for example, Oddo, 1997). There may be a relationship between ethical beliefs and online gambling, which leads to Proposition 1.

### P1: Ethical beliefs are related to online gambling behaviors.

Addiction is related to the relationship between a person and an object in their environment and may be defined as "the result of shifts in subjective experience" (Shaffer, 1996). People can have tendencies to be more vulnerable to this consciousness shifting. These include "chronic and acute emotional pain" and "a genetic propensity for novelty-seeking personality traits" (Shaffer, 1996). This leads to the belief that individuals who are addicted to one behavior or substance may be more likely to have other addictions. This notion has been empirically validated in a study of correlations among addictions to alcohol, cigarettes, caffeine, chocolate, exercise, television, the Internet, video games and

gambling (Greenberg, et al., 1999). Since there appears to be high correlations among various addictive behaviors, Proposition 2 can be stated.

P2: Individuals who engage in addictive behaviors are more likely to engage in online gambling behaviors.

It should be noted, however, that it is possible that some addictive behaviors are more highly correlated with online gambling than are others. Such differences may result in men being more likely than women to gamble online.

Differences in addictions between men and women has been demonstrated (Greenberg, et al., 1999). Table 1 shows the addictions studied by Greenberg, et al., with an "X" indicating which gender is more inclined toward the addiction. In cases where there is no gender difference, an "X" is shown in both columns.

An examination of Table 1 shows that a number of the addictions studied may be related to online gambling. The Internet, video games and gambling are all related to online gambling. In the case of the Internet and gambling, the relationship is obvious. Video games and online gambling have at least two characteristics in common, they both involve video and a certain level of excitement. It is important to note that all of the addictions that are related to online gambling are more common to men than to women. This leads to the conclusion that men should be more likely than women to gamble online.

P3: Men are more likely to gamble online than are women.

Table 1. Gender and Addictions

Table	Female	Male
Alcohol		X
Cigarettes		X
Caffeine	X	
Chocolate	X	
Exercise	X	X
TV	X	X
Internet		X
Video games		X
Gambling		X

Online gambling is said to be dangerous because of its highly addictive potential. But why is it considered so addictive? A combination of factors may account for this. First, gambling online is highly accessible, since only Web access is required. When this is coupled with the relative anonymity and excitement level, the potential for online gambling addiction becomes evident. (For more

information on online addictions see http://netaddiction.com.)

Many advancements in technology have changed the opportunity to shift subjective states and people have adapted, sometimes by increasing the associated activity. For example, just as the convenience of pre-rolled cigarettes resulted in people smoking more, so may online gambling lead to increased gambling (Shaffer, 1996). In fact, the potential exists that Internet-based gambling may present many with their first exposure to the gambling world, and may actually be more inviting than offline gambling (Griffiths, 1996). As a result, while there may be many similarities between on- and offline gambling, the potential for significant differences exists, which leads to the necessity for additional research.

#### Methodology

The sample will consist of approximately 200 subjects enrolled in courses at four universities. A survey designed to measure ethical orientation, addictive behaviors (including online gambling), and gender will be administered to the sample.

Items from the survey consist of both existing and newly developed scales. The existing, previously validated perceived role of ethics and social responsibility (PRESOR) scale (Singhapakdi, et al., 1996) will be used to assess the subjects' ethical orientation. This scale gauges the perceived role of ethics on three factors, which are social responsibility and profitability, long-term gains, and short-term gains.

Addictive behaviors will be measured following the method used by Greenberg, et al. (1999). This method lists each addictive substance or activity. Following each addiction, the four prongs (craving, withdrawal, lack of control, and tolerance) of Rozin and Stoess's (1993) definition of addiction will be listed. For each prong, the subjects will rate how frequently they experience each prong. These ratings will be on a five-point scale from always (5) to never (1). The sum of the ratings for each substance or activity indicates the level of addiction.

Gender and other demographic and descriptive items will be measured directly. These items include gender, age, class, major, access to the Web, and computer and Web experience. Gender will be used directly in hypothesis tests, while the other descriptive items will be used as covariates in the data analysis.

As with any self-reported data, there is a potential impact on data reliability. However, it should be noted that subjects will be assured of their anonymity and that they are in no way asked to identify themselves on the survey instrument. In addition, this study follows

procedures used in other published studies of addictive behaviors.

Data from the survey will be analyzed by ordinary least squares regression. This analysis will include tests of individual hypotheses derived from the propositions.

#### **Contributions**

The completed research will provide a number of contributions. First, the findings will increase the understanding of the types of individuals who are most likely to engage in online gambling, which may be helpful in identifying "at-risk" individuals.

University officials may be particularly interested in this information. Universities face potential legal and liability problems if university equipment is used for illegal online gambling. In addition, identifying at-risk individuals may be useful in forming education and intervention programs. While the ethics of online gambling is highly debatable, few would argue in favor of compulsive gambling. Identifying at-risk individuals may be a helpful step in preventing students from developing such a compulsion.

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