

Helping Consumers Make Better Choices:
Sports Gambling in College Males Involved in Greek Life

Emma Bottoms, Noah Hensley, Sarah Morrin, Payton Smith, and Mika Spahn

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Dr. Khamitov

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Executive Summary

Through analyzing consumer behavior, marketers can encourage consumers to make better choices through extensive research and accurate advertisements after understanding the target market and the theory behind behavioral issues. When deciding how to help consumers make better choices, our team decided to focus on the frequent and often problematic engagement in online sports betting through mobile apps and platforms among college fraternity members. The refined target audience in this research project consists of male undergraduate college students, aged 18 to 23, who are active members of fraternities (involved in Greek life). In our research on sports betting, we found common causes to be social and cultural influence, platform accessibility, financial pressures, and psychological factors. Frequent trends in the issue we found were increased participation, normalization through social media, legal and regulatory shifts, gamification of betting, problematic gambling increases, and group betting. Using the principles of the availability heuristic and the gambler's fallacy that we learned in class, we suggest organizations provide education on probability as well as delayed judgments. When analyzing our secondary research, we found that weapons of influence on sports betting were advertising saturation and spending.

Our team has suggested that organizations can help consumers make better decisions regarding sports betting through educational programs, peer-to-peer outreach, and limits. We displayed this through a print advertisement of a college student getting a withdrawal denied at an ATM in a casino. Our team also created a short video advertisement telling the struggles a college frat boy faced due to his sports betting addiction. Using the advertisements, we created a survey for our targeted demographic to take to understand if the advertisements had any effects on them. In this, we found that 47% of the people found our video advertisement could

potentially influence college students in fraternities to stop sports betting and that 32% of people are thinking of utilizing the help resources listed in our print advertisement. This means that our solution is not bulletproof but is on the correct track.

Current Situation, Causes, and Trends

Currently, sports betting has emerged as a significant global issue, with addiction rates expected to increase. The problem has experienced heavy growth in the United States, particularly. In 2023, the U.S. sports betting industry reached a record revenue of \$11.04 billion, marking a significant 46% increase from the previous year, according to the article “American Gaming Association: Legal Sports Betting Hits Record Revenue in 2023” by Mike Reynolds. This boost can be attributed to the substantial \$119.84 billion gambled by Americans on sports in the same year. The article “Gambling Addiction Statistics” by Kent S. Hoffman states that, on a national level, research shows that 24% of gambling addicts engage in sports betting, while the global percentage of engagement reaches 38%. This rising trend relates to behavior because the more popular and easily accessible sports betting becomes, the more frequently college students engage in it. In recent years, the number of states where sports betting is legalized has increased, making gambling activities more accessible, especially for college students. With such a rapid surge in the number of participants and the amounts they are spending, sports betting is, without a doubt, a real and increasingly growing problem.

Understanding the motives of our target market is the first step in strategizing the prevention of sports betting among college male students in Greek life. “One out of 10 college students is a pathological gambler,” according to the article “The Prevalence of Pathological Gambling Among College Students: A Meta-analytic Synthesis” by Donal E. Nowak, which is far higher than the 2-5% of the U.S. general population estimated to have a gambling problem.

Other studies place the number of student gambling addicts lower but still higher than the overall population of pathological gamblers. The common denominator among all these forms of betting is mobile phones. Gambling on a phone combines the compulsive behavior created by social media—the constant pursuit of dopamine hits—with the addictive qualities of gambling, according to the article “Scientists Can’t Decide if Social Media Is Addictive” by Haley Weiss. Perhaps more critically, it also eliminates the barriers of time and space that once were obstacles for gamblers, says Dr. James Sherer in the article “An Explosion in Sports Betting Is Driving Gambling Addiction Among College Students” by Oliver Staley. Other causes our group discovered include social and peer pressure, legal and regulatory shifts, and ease of access. The trends we noticed in our research on sports betting are increased advertising of the behavior and increased participation, as well as preventative actions from educational institutions. One bias from class our group recommends organizations address is the gambler’s fallacy. In terms of sports betting, the gambler’s fallacy occurs when an individual believes they are likely to win in the future after experiencing a losing streak. Additionally, bettors often refer to previous sports outcomes and identify patterns to inform their next bet in the hope that their inference will predict the future and yield a win, according to Will Kenton in the article “Gambler's Fallacy: Overview and Examples.” This bias can be addressed by educating bettors on long-term odds and encouraging betting limits. The second principle we used to solve this behavior is the availability heuristic, which is when people believe they are likely to win in events they can easily imagine winning, according to Jeff Ma in the article “The Betting Mistakes We All Make.” This bias can be combated by organizations by promoting the analysis of information sources and encouraging the seeking of diverse perspectives.

Weapons of Influence and Methods of Persuasion in Sports Betting

When analyzing the problem of sports betting among college fraternity members, there are several weapons of influence and methods of persuasion that have contributed to the issue. The sports betting industry has employed a variety of persuasive influence techniques to capitalize on the psychological vulnerabilities among students at universities. These influential tactics combined with cultural norms, socio-economic pressures, and peer pressure have significantly impacted the problem of sports betting as an addiction among college students, especially in highly social settings such as fraternities.

Advertising Saturation and Spending

Sports betting companies have increasingly been directing their advertising efforts towards college students through saturating various marketing strategies targeted to this vulnerable demographic. Advertising saturation by sports betting companies have penetrated the market with ad spending of companies increasing 55% in just one year, going from \$197 million in 2021, to \$305 million in 2022. Using the persuasion method of authority, companies strategically partner with professional athletes and celebrities such as Charles Barkley and Jamie Foxx to endorse betting platforms and appeal to younger audiences. With impulsive behavior linked to gambling participation, companies use scarcity promotion to create a sense of urgency among consumers to place their bets and offer exclusive deals on betting platforms using enticing language such as “free” or “low-risk” betting promotions. According to a study published on the Journal of Behavioral Addictions on the leading attributes of sports betting ads and the likelihood of betting upon all levels of sports gamblers (non-problem, low-risk, moderate-risk, and problem), the use of an attractive female celebrity in presenting the ad and the promotion of risk-free bets were most effective in gaining attention, interest, and participation.

College students have faced an increased exposure of sports betting ads, particularly through organic and paid ads channeled through social media platforms. A study conducted and published in a Current Addiction Report found that 72% of 18-24 year olds have seen gambling ads through social media. Combining mass exposure with micro-targeting algorithms, companies have effectively used social proof to market sports betting as an acceptable and rewarding activity, gauging engagement and fostering an environment where college males are encouraged or triggered by sports betting advertisements. According to a 2023 NCAA survey 63% of on-campus students aged 18-22 reported seeing gambling advertisements. Of this population, 58% admitted they were more likely to place a bet after seeing an ad, suggesting a correlation between the influence of betting ads and attitudes. Further, A meta-analytic research study published by ADDICTA: The Turkish Journal on Addictions, has provided evidence for a positive association between exposure to gambling advertisements and gambling-related attitudes, intentions, and behavior, with behavior yielding the greatest statistical significance.

Socioeconomic, Cultural, and Peer Factors

Understanding the external factors that play a role in shaping concerning gambling behavior is important in strategizing a solution for college male bettors. Socio-economic factors play a crucial role in this problem. Sports betting offers a high appeal to college students who face financial pressures including tuition fees, living expenses, and student loans. While college students often engage in sports betting as an activity to alleviate financial burdens, research has shown that such cycle dependency seeking high rewards in regards to betting often leads to greater loss than gain across multiple levels. Beyond an increase in consistency of bets and financial loss, students are spending their financial aid money, lying to parents about their spending, and focusing more on playing while ignoring academics, leading to a decline in

academic performance. Psychologist Shane Kraus, PhD, director of the Behavioral Addictions Lab at the University of Nevada, shared that students that come from low income families are more susceptible to engage in sports betting as they value a bigger win greater than those with a higher income. Lastly, research has affirmed that college students residing in fraternity houses are more likely to engage in more high-risk activities, attributed to greater opportunities, increased exposure, and reduced oversight in contrast to those living in non-Greek housing.

Cultural factors also play a significant role in this problem. Sports betting has become increasingly normalized in sports culture with advertising saturated in media and featured on sports platforms, even featuring professional athletes through endorsements. Further, sports betting companies such as Caesars Sportsbook have established million dollar deals partnering with over 12 universities, their athletic departments, and/or booster clubs, in agreement the university will advertise their betting platforms to their students. These partnerships contribute towards fostering an environment in which college students perceive sports betting as socially accepted, normalized, and less monitored, adding to the problem. Students enrolled in universities with a higher level of “sports interest” exhibited an increased likelihood of sports betting, feeding into sports fandom within a sports-centric culture. Further, because of their competitive drive and connection to the sports industry, athletes are particularly susceptible to the dangers of gambling. According to research, 30% of male athletes wager on sports. In addition to the lack of regulation on college campuses there is a lack of awareness and education on the consequences of engaging in sports betting. Universities should not be fostering an environment that encourages such problem activities and rather focus on increasing awareness within the community on the negative consequences associated such as mental health issues of

long-term addiction and compulsivity, pressure on student athletes, declining academic performances and damaged prospects, pairing with substance abuse, and debt accumulation.

The most common psychographic of the target market is social influence, making it critical to examine how peer factors shape problematic sports betting behavior. Research has proven that subjective norms as well as social influence from family and friends are direct “predictors of intention” and in correlation, behavior, related to influencing sports gambling in college males. The social influence caused by peers that enables an individual's desire to fit, fear of missing out, and competitive nature regarding ego status feed into the main catalyst to sports betting and addiction which is peer pressure. According to a report by the National Institutes of Health (NIH), members of Greek life on college campuses engage in more risky behaviors than non-greek members. The study showed that the “powerful peer influence of a fraternity/sorority environment” contributes to the promotion of high-risk behaviors. This supports how the social milieu of a fraternity influences risk-taking behaviors, such as gambling by fostering a social environment and community where risky activities are often normalized and encouraged through peer pressure and social conformity. Further, sports betting can be perceived as more of a bonding activity within fraternities, muting the financial risk involved. Research shows that individuals are likely to engage in gambling when they otherwise may avoid it because it is normalized within their social circle. Further, studies have shown that the leading motivations for college males to gamble are enjoyment, excitement, and social reasons. Research involving males has discovered comparable trends indicating that gambling plays a significant role in the dynamics of friendship groups and promotes social engagement with individuals outside of the group when gambling interests are reciprocated.

Impact on Students

These methods of influence by the industry combined with social pressures have created negative impact and are leading factors in the contributions of normalization and addiction sports betting among college students. The NCAA conducted a survey and found that of students aged 18-22, 60% have engaged in sports betting, with 4% admitted to daily placing bets on sports. Further, 6% of these students reported experiencing a significant financial loss of greater than \$500 in a single day due to sports betting.

To help consumers make better decisions, organizations can apply cognitive-behavioral driven marketing strategies and problematic behavioral awareness. It is important for consumers to be aware of possible programs that can help them to stop gambling. At Towson University, they have created a program called Tigers Play Responsibly which helps students to develop boundaries with college students and help them to be able to see the addiction forming. This program involved workshops, social norming campaigns, student leadership training and events at the Towson's welcome week . Towson has even received grants such as the Agility Grant that was awarded in the spring of 2022. Grants such as these will encourage other campuses to follow along with the same programs. These grants are funded by the NFL and FanDuel which is in partnership with the NCPG, which shows that even corporations that benefit from sports gambling realize the danger it can cause college students. In this program, it is important to implement financial literacy into these programs to help students understand how to properly manage their finances and see the dangers that sports gambling can have on their future. These programs can explain the importance of setting limits if you do choose to play sports gamble, boundaries can help from letting it become a problem. Implementing these programs in all college campuses can help to show the students that it is important to be careful when it comes to sports gambling, due to the negative consequences that it may bring.

While specifically targeting collegiate fraternity members, it is important to speak to things that matter to them such as their fraternity brothers or freedom to travel and enjoy life, without financial burden. We also believe that it may be more effective to communicate with these fraternity brothers by working in a peer to peer system, where people who are their own age could help them see the dangers. This could help them put their guard down and be more receptive to the information at hand. We believe that a peer to peer system could help to show that setting limits with sports betting can be helpful with keeping a healthy relationship with it rather than chasing the next win.

The video ad conveys the frightening reality of what can come with a sports gambling as a college male in Greek Life. This ad shows a man in a fraternity sitting on his couch with some of his friends who quickly disappear from the video. He is sitting on his phone with a betting app on his phone realizing what he has lost and the funds he had to pay for his dues to be in the fraternity had quickly disappeared due to the addictive nature of sports gambling. The video ends with resources that can be used for others so that they can get help if they are dealing with a sports gambling addiction. This ad will help because they will be able to hear a story from a person their age who is also in a fraternity.

This print ad conveys the negative consequences of overspending on sports gambling featuring a visual of our target market, a male college student involved in Greek life, at an ATM machine, facing a “withdrawal declined” screen. The main message is focused on self-control in terms of betting and encourages the audience to set personal limits and adhere to them. It uses the element of fear featuring the potential financial consequences that stem from irresponsible gambling in a real-life scenario. Lastly, the print advertisement includes a clear call-to-action with a three-step approach of “Set a budget. Play responsibly. Learn the rules at

www.NCPGambling.org/Responsible-Gambling/Safer-Sports-Betting/.” This directs consumers to additional resources for information and support.

The survey results suggest that the video and print ads were both effective in raising awareness about the risks of sports betting, with a high percentage of respondents reporting that they would consider changing their behavior. While not all respondents expressed strong confidence that the ads would influence behavior directly, the overall positive reception and high perceived seriousness of the issue indicate that these materials may be a valuable tool for encouraging more responsible attitudes toward sports betting among college students.

When asked “Did the video ad make you think about the potential risks of sports betting?” 4 out of 19 respondents answered “Yes, definitely” and 12 answered “Somewhat”, meaning nearly 85% of respondents thought about the potential risks of sports betting after watching the ad. Furthermore, when asked whether or not the video ad would influence fraternity members to reconsider their sports betting behavior, 9 answered “Maybe” and 4 answered “Yes”, which displays that over 68% of the respondents believe that the video ad might influence fraternity members to reconsider their sports betting behavior, but there is not much confidence.

Looking at the effectiveness of the print ad, 10 respondents said it clearly communicates the risks of sports betting, and 6 stated it somewhat clearly communicates the risks, demonstrating that almost 85% of respondents believe the ad clearly communicates the risks of sports betting to different extents. However, only 4 respondents said they are very likely to seek more information about the resources mentioned in the ad, while 6 were somewhat likely.

Though respondents are evidently less likely to take action than they are to retain the information from our ad, over 50% of respondents are more likely to seek additional information than they were before viewing our ad.

Adjusting our solution

Based on the survey results, it's clear that the video and print ads were generally effective in raising awareness about the risks of betting on sports, with many respondents at least considering the dangers. However, while the ads did show awareness, they didn't create a strong enough incentive for respondents to change their behavior. One way to help would be to integrate elements such as QR codes leading to more detailed resources or steps for seeking help. This could ensure that the conversation continues further than just the initial awareness stage.

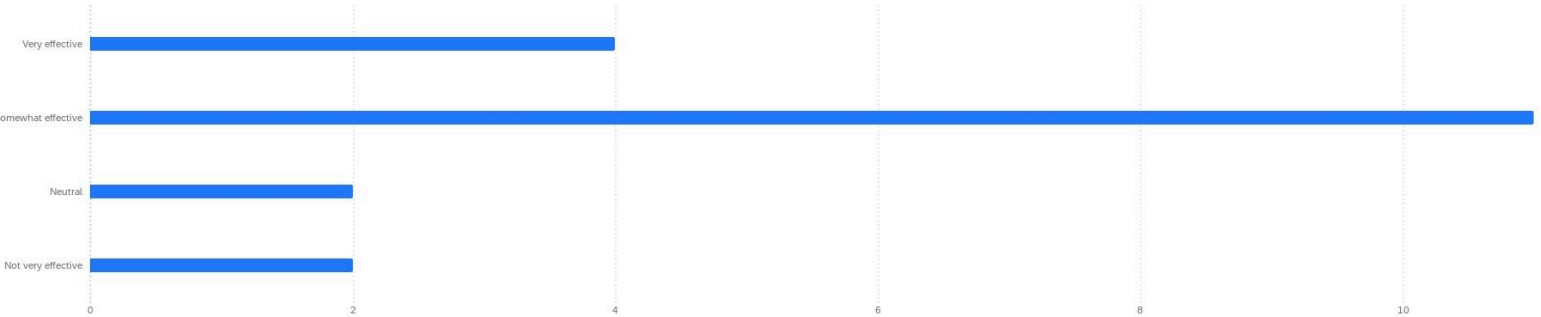
Additionally, leveraging peer influence within the community such as the Interfraternity Council (IFC) could enhance this message. This is because members of fraternities may respond more to messages from trusted individuals within their own community. To further the effects of our survey, the ads should include a clearer call to action, prompting fraternity members to visit a website or contact support services. The goal of these strategies is to influence fraternity men to make more informed decisions when betting on sports in an effort to prevent problematic betting habits. By taking an approach with these strategies, college campuses and fraternities can help male students in Greek life make smarter decisions about sports betting and avoid the negative consequences that can come with it. While this approach is both effective and cost conscious, there are a few limitations for us to keep in mind. The small sample size of 19 respondents makes it hard to apply these findings to a larger group, and relying on self reported data may lead to biases in responses. Another issue is potential user error. There may have been input errors or reading errors that we are unable to control since it was an online survey and not person assisted. Additionally, since the survey only captures short term reactions, we can't be sure if the ads will result in lasting behavior changes. Going forward, expanding the sample size, using random sampling, and creating more interactive surveys would provide more reliable results.

Conclusion

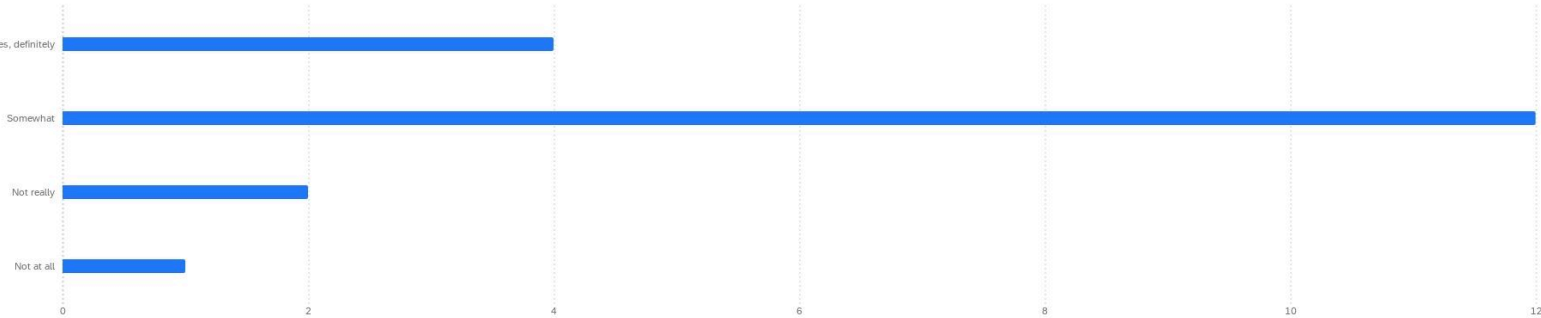
Sports betting among college fraternity members has become a pressing issue influenced by accessibility, social norms, and aggressive advertising. Our research shows how behavioral biases like gambler's fallacy and the availability heuristic play a big role in decision making, which contribute to very problematic gambling habits. By creating targeted programs and strong advertisements, our goal is to disrupt the issue of sports betting within this demographic of fraternity men in college. While our solutions are not exhaustive, we do feel that they represent a great step towards mitigating this growing concern. With ongoing efforts, organizations can help college students make more informed decisions and responsible choices regarding sports betting.

Charts and Figures

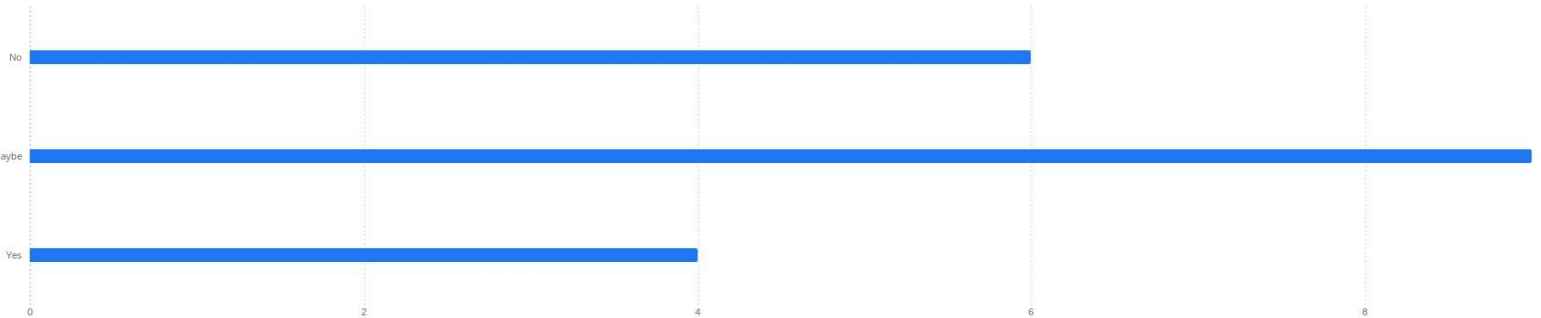
How effective was the video in conveying the emotional and financial risks of sports betting? 19 ⓘ



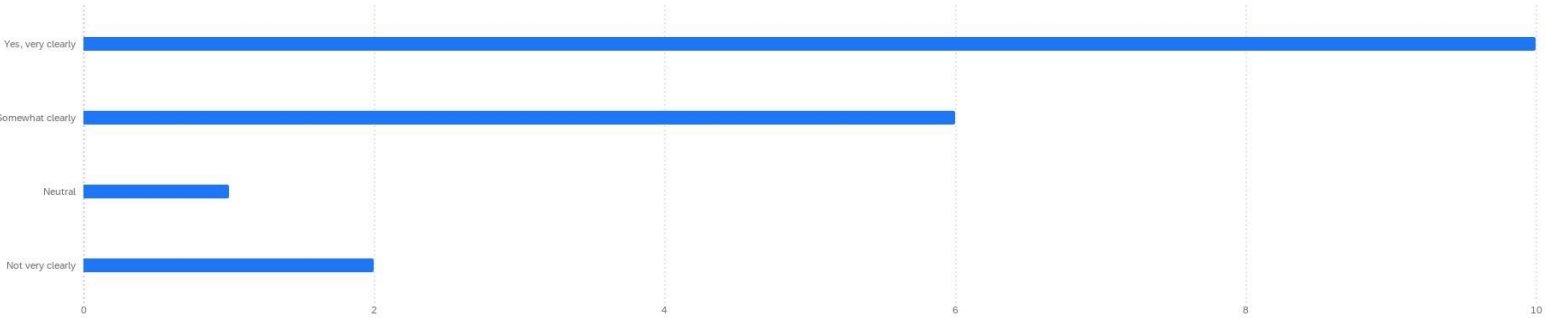
Did the video ad make you think about the potential risks of sports betting? 19 ⓘ



Do you feel the video ad would influence fraternity members to reconsider their sports betting behavior? 19 ⓘ



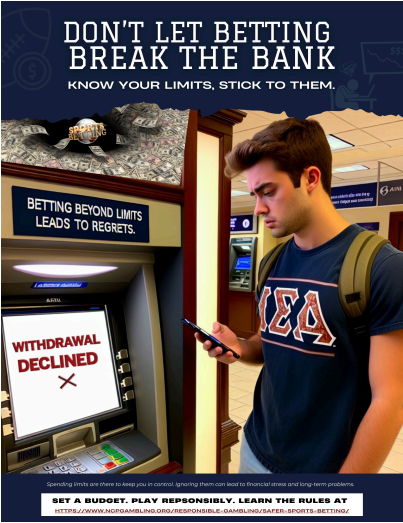
Did the print ad clearly communicate the risks of sports betting? 19 ⓘ



How likely are you to seek more information about the resources mentioned in the ad? 19 ⓘ



Video Ad



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a. Setting limits

- i. The Supporting Affordability and Fairness with Every Bet Act – SAFE Bet Act - proposed by Senator Richard Blumenthal (D-CT) and Representative Paul Tonko (D-NY) would establish a ban on sports betting that is nationwide to set a national standard. By adding this federal layer of oversight of the typically state-regulated industry, the goal is to regain control over the industry that has gone beyond current established limits. If the SAFE Bet act is passed, it would mandate that the 38 states where sports betting is currently legal to undergo a new application process overseen by the U.S. Justice Department in which the U.S. Attorney General would be responsible for reviewing, evaluating, and ultimately either approving or rejecting applications. Approved applications introduce a regular review cycle with all grants approved being time-limited, meaning valid for a three-year period. **SOURCE:**

[Lawmakers propose new federal regulations on sports betting - ESPN](#)