



Socio-economic Impacts of Sports Betting: Evidence from North-East Senatorial District of Benue State, Nigeria

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Abstract

The observed exponential upsurge and patronage that sports betting enjoys among Nigerian youths and grown-ups is unequivocally becoming worrisome. This research used cross-sectional data to examine the determinants and effects of this game of chance on the social and economic lives of the majority of its patrons in North-east senatorial district of Benue State, Nigeria. The study employed descriptive and inferential research methods to analyse the problem. Respondents (n=395) who were drawn using stratified and purposive random sampling techniques, freely completed the administered questionnaire. The result of logistic regression revealed that gender, mode of betting, winning rate, marital status, and bettors' reasons for engaging in gambling (the desire to win money, escape idleness, peers/ social media) significantly influenced punters' participation in sports betting in the study area. The study concluded that although sports betting impacts negatively on the family welfare and productive lives of its patrons, there are gains from the industry as it generates income, government revenue, and employment opportunities, which ultimately foster economic growth in the study area. It is therefore recommended that government should design and implement stringent regulations and policies, and monitor compliance to forestall the emergence of problem betting in the future while it reaps the benefits from the industry.

Keywords: Sports betting, socio-economic impacts, Benue North-east senatorial district.

JEL Code: L83, H27, H71

Contribution/Originality:

Apart from contributing to the existing literature on social and economic effects of Gambling in general, this study has provided evidence as to why majority of Nigerian youths and adults alike, indulge in sports betting. It is also the first study undertaken in Benue north-east senatorial district.

1.0 Introduction

Sports betting is one of the legalized games in Nigeria that is regulated by the National Lottery Regulatory Commission., and is being governed by the National Lottery Act 2005 and National Lottery Regulatory 2007 (as amended). Sports betting, which hitherto was played only as a pastime activity, is now a multi-billion dollars' business. With an estimated 60 million Nigerians actively involved in sports betting, and over 50 betting sites operating in the country, sports betting is experiencing a massive surge in Nigeria, and is consequently having a huge impact on the economy. Nigeria has become the second largest online gambling market in Africa, behind South Africa, with a Gross Gaming Revenue of \$58 million in 2018 (BusinessDay, 2020a). A leading report on gambling in Africa, published in 2016 by KPMG, a renowned accounting firm, stated that, Nigerians plough about \$5.5 million into sports betting every day, totaling an incredible \$2 billion a year. Bet9ja, the biggest betting brand in Nigeria, returned a monthly turnover of \$10 million as at 2016, with an estimated turnover of \$3 – \$5 million dollars every month (BusinessDay, 2020b).



In some countries like Australia, sports betting appears to be the fastest growing form of gambling, where it has almost doubled in popularity over the last decade (Gainsbury, Russell, Hing, Wood, Lubman & Blaszczynski, 2013). In the United States, sport gambling is a lucrative enterprise, with billions of dollars wagered legally (and more illegally) annually (McKelvey, 2004; Kelly, 2011). The American Gaming Association reported that, in 2012, \$3.45 billion was wagered legally in Nevada alone (Sports wagering, 2013). Also, in Uganda, there were 23 licensed betting companies operating in Uganda with over 1,000 betting outlets spread across the country as of June 2015 (Ahaibwe, Lakuma, Katunze & Mawejje, 2016).

The increased publicity in social media, televised promotion during the broadcasting of football matches and other sporting activities have continued to garner more penetration, prevalence and participation. In recent years, new technologies have enabled international betting companies to enter previously untouched markets (Herskowitz, 2016). This growth has been fastest across Africa and in developing countries, where the financial sector are often very small and fragile (AfrDB, 2011; Beck & Cull, 2014; PWC, 2014).

Over the years, many popular betting companies have emerged in Nigeria, including, 1xBet Nigeria, Cyber.Bet, Sportsbook, BangBet, BetWinner, 22Bet, Bet 9ja, IrokoBet, MELbet.Ng, DoubleBet, Naira Bet Mobile, Sportybet Nigeria, MerryBet, BetKing, Winners GoldenBet, LionsBet, Access Bet, Sure Bet 247, Bet Dey Football Betting Portal, 1XBET9JA, Supabets Nigeria, 1960bet, Betfair, Fortune Bet, BETWIN9JA, and many more (see; www.oasdom.com/best-betting-sites-online-nigeria). Football betting in Nigeria has particularly been organized around major European leagues; the most popular among the Nigerian fans are: English Premiership, Spanish La Liga, Italian Seria A and German Bundesliga. Meanwhile, English Premier Clubs have gained the greatest number of fans, followed by Spanish La Liga, and the Italian Seria A. According to Tade (2014) and Ifeduba (2011), the most widely supported clubs, in order of the number of fans, are: Manchester United, Chelsea, Arsenal, Barcelona, Real Madrid and Liverpool.

Even during the COVID-19 pandemic where everyone was stuck at home, betting companies were making the digital shift the best solution to keep their clients entertained during the quarantine period. As a result, betting sites were looking for new live events for players to bet on. BusinessDay (2020a) reported that virtual sports like pro-gaming had become wildly popular amongst many online bettors, able to satisfy their betting needs. The sports betting industry found new opportunities within the digital landscape and managed to keep players entertained.

The dramatic speed at which the gambling sector as a whole has developed in recent years can be attributed to its potential economic, social, and cultural impacts (Lee, Lee, Bernhard, & Yoon, 2006). Although many individuals bet in a responsible manner, it has also been recognized as an inherently risky activity as some individuals engage in problematic betting behaviour that causes disruption to their lives (Derevensky, Gupta, Dickson & Deguire, 2004).

The growth of legal betting in Nigeria in recent decades has been influenced largely by the public acceptance of sports betting as a form of recreation, and by the promise of substantial economic benefits and tax revenues from the communities in which the betting occurs. The primary reasons why sports betting industry thrives in Nigeria include large population and high unemployment, the potential for addiction, the increasing sports culture, lax laws on sports betting, and growing internet penetration and widespread use of mobile phones (Adebayo, 2019). The drive and motivation for engaging in sports betting in Benue Northeast Senatorial district of Benue state in recent times is borne out of so many factors, including poverty, unemployment, and human greed for easy wealth by members of the society.



Benue Northeast Senatorial district is one of the three senatorial districts, also referred to as Zone A within Benue State; it covers seven local government areas: Katsina- Ala, Logo, Ukum, Konshoisha, Kwande, Ushongo, and Vandeikya. The nerve center of the Benue Northeast Senatorial District is Katsina-Ala, projected to have a population of two hundred and ninety-two thousand, nine hundred (292, 900) in 2016 by the National Population Commission and National Bureau of Statistics webs. This population is predominantly of the Tiv tribe who are largely agrarian by trade. The age composition of the population and alternative employment opportunities are not in tandem, hence the susceptibility of a large proportion of the population to gamble as an alternative source of generating income.

The behaviour of bettors is often influenced by endogenous, external, and social factors. The internal factors such as motivation, involvement, information processing, learning and memory, personality, and attitude may influence betting behavior, while external factors influencing betting behavior might include culture, social class, family, and reference group (Assael, 2004). Social factors such as, family, social class, social group, and reference, might also be considered imperative factors which have an effect on gambling behavior (Mayo & Jarvis, 1981).

Being a game of chance, betting is associated with undesirable socio-economic problems with impact on the individual participants of betting and the family through financial and family stress caused by problem gambling and through negative externalities imposed on the society/community, such as increased crime (Kearney, 2005). Submerging in sports betting can be a source of pain for some families, individuals can commit suicide and lose property, while students involved in it can squander their school fees; betting can as well cause some families to break up. More so, since the expected value of betting is always negative, a large number of trials may result in accumulating debt over time; and this can cause human irrationality. In a press conference in 2015, the Chairman of the National Lotteries Board, Mr. Manzi Tumubweinee articulated concern about the potential harmful effect of gambling sector, arguing that

“Although the gaming industry has had a positive impact on the economy by providing business and employment opportunities and making the industry one of the most growing government revenue sources, there is a need for a strong regulatory framework to protect society from harmful effects of gambling while at the same time provide an opportunity for others to benefit from the industrial positives” Press conference at Uganda Media Centre, 2015.

However, despite being a robust and a fast-growing venture in Nigeria, there is a lack of much research on Sports Betting in the context of Benue State. There has been little or no serious concern about its consequences (negative or positive) on the participants of this risky venture. Therefore, the specific questions which this paper sought to address and analyze are; i) what are the factors that influence participation in sports betting in Benue state northeast senatorial district? ii). how does sports betting impacts participants socially and economically? iii). what are the benefits and costs of sports betting in the study area?

No doubt, the findings from the study would be significant in many ways: i). It identifies the motives towards betting, and ways that sports betting affects the general public; ii). It provides useful information for sports betting managers and operators to promote more socially and economically promising sports betting; iii). It contributes to multiple sub-fields in the development economics literature, including financial strategies of the poor, savings, and enticement goods; iv). It adds to the bulk of existing knowledge on sports betting and the gambling industry as a whole; and, v). It will be a great resource to those wishing to explore the field of Sports Betting in Nigeria.



2.0 Literature Review

2.1 Theoretical Framework

The rationale behind individual's involvement and behaviour in sports betting or gambling is rooted in Social Exchange and Social Learning Theories. The Social Exchange Theory which has its strong roots in economics, sociology and psychology was developed by Bandura (1965). The theory views human interactions and exchanges as a kind of results driven by social behaviour. The theory suggests that people try to adapt and emulate certain behaviours exhibited by others, especially if their observational experiences are positive ones or include rewards related to the observed behaviour (Nabavi, 2012). The essence of this behaviour emulation is to maximize benefits and minimize costs. Homans (1958) conjectured that people normally evaluate the potential benefits and risks of social relationships; and when the risk offsets the rewards, they will let go of such a relationship. Homans' work was based on three propositions, namely; i).

The behaviour that generates positive consequences is likely to be repeated. ii) The behaviour that has been rewarded on such occasions in the past will be performed in similar situations. iii) The more valuable the result of an action to an actor, the more likely that action is to be performed. iv) The more often a person has recently received a particular reward for an action, the less valuable is an additional unit of that reward. v). People will become angry when they do not receive what they anticipated (Cook et al., 2013). Homans (1974) later argues that they can become angry when they do not receive a fair rate of return.

Actors are viewed as acting in terms of anticipated rewards that benefit them and they tend to choose the alternative course of action that maximizes benefit [and minimizes costs] (Molm, Takahashi & Peterson, 2000). Blau (1986, p. 5) noted that for a behaviour to lead to exchange, it "must be oriented toward ends that can only be achieved through interaction with other persons, and it must seek to adapt means to further achievement of these ends". As it is, the Social Exchange Theory sufficiently explains punters behaviour in gambling, precisely sports betting. Punters are majorly concerned about winning their prediction to gain maximum returns or rewards, even though their favourite team losses in the process. The monetary rewards from planning bets energizes the individual punter more than the win of a favourite team.

On the other hand, the Social Learning Theory as expounded by Bandura (1977), states that people can learn new information and behaviours by watching other people. The theory posits that people learn from one another, via, observation; imitation; and, modelling. Shuell (1986) explained learning as "an enduring change in behaviour, or in the capacity to behave in a given fashion, which results from practice or other forms of experience" (p 412). Imitation involves the actual reproduction of observed motor activities (Bandura, 1977). The theory encompasses attention, memory, and motivation (Muro & Jeffrey, 2008). The relationship between Social Learning Theory and sports betting which is one of the social behaviours with economic undertone is evident in the fact that individuals get involved in sports betting through their direct contact with other people, social media and devices at little or no cost and subsequently become habitual part of their social interaction.

Also, the social learning theory maintains that, this pattern of behaviour can be learned from other people through observation and sharing in their tales of sports betting through winnings or loses experiences (Bandura, 1997). This explains the behaviour of punters in sports betting and shows that most of the behaviours exhibited by individual punters are learned, either deliberately or inadvertently through influence.



2.2 Motivations for Involvement in Sports Betting

Sports betting being one of the oldest form of gambling, has witnessed a great surge in participation due to advancement in technology from its clientele. Several authors have suggested reasons that may underlie a fan's decision to place a sport wager. Most people frequently involved in betting because of economic motivation of financial gains (Wann, 1995). Studies have also found that men report higher levels of economic motive than women (Bilyeu & Wann, 2002; Wann, Bilyeu, Breenan, Osborn & Gambouras, 1999). Ahaibwe et al. (2016) revealed that participation in gambling entirely has been influenced by a number of factors including age, gender, educational attainment, and monthly income, type of occupation, community factors such as distance to gambling outlets, and the juicy payoffs of winners.

The widespread ease to access internet and TV now has enhanced the ability of followers of European games as it happens readily, hence anyone, anywhere, is able to have the sport beamed across the planet directly to them. Findings from Gainbury et al. (2014) shows that sports and race betting appears to be related to problems for online gamblers. Gamblers who used both online and land-based forms attribute their problems to both electronic gaming machines (EGMs) and race betting, with sports betting also causing problems for those who use both modes of access. Another factor that influences involvement in sports betting is the excitement and leisure that punters experience while engaging in gambling activity and the feeling of "loss – chasing", i.e., trying to recover all that they have lost in their previous betting activity; this according to literature engender problem-gambling.

Apart from economic motivation, people may also participate in betting for other reasons, including entertainment, eustress, and group affiliations. Entertainment motivation involves the desire to consume sport because it is an enjoyable activity (Wann, 1995). Increase enjoyment of sport event, and the perceptions that the event is pleasurable may also enthuse people to be involved as a fan; and for fans driven by eustress, placing a wager may increase the excitement and arousal they receive when watching sport (Wann, Zapalac, Grieve, Partridge & Lanter (2001). For some people, betting provides opportunities for them to affiliate, i.e., socialize and spend time with others (Wann, 1995). Fang and Mowen (2009) found that the desire to be with friends was a key predictor of sport gambling. In a study by Nelson et al. (2007, p. 273), it was found that fans wager on sport as a method of 'being in the game', while Petry's (2003) finding suggested other sports fans hoped to add excitement by placing a wager. Paul and Weinbach (2010) reported that 'sports wagering appeared to be a complement to watching sporting events' (p. 137); and that betting volume for National Basketball Association (NBA) and National Hockey League (NHL) games increases for games played on social holidays, such as Christmas.

In an article published in Punch newspaper on unemployment and sports betting in Nigeria on the 30th March, 2019, Chiedozie (2019) pointed out that the level of unemployment in Nigeria and the rate at which it is growing has forced youths to regard sports betting as a formal "job" or a full time employment. Interaction and discussions with majority of punters revealed that they are educated but cannot find employment; hence they turned to sports betting as the last resort to keep themselves afloat. For individuals with limited means or avenues of generating sizeable income, sports betting or gambling generally is a great lure. The chance of winning repeatedly irrespective of the possibility of losing, motivates punters immensely.

Further empirical work has indicated that getting involved in sports betting depends on the bettor's perceived level of knowledge and their experience of the sport involved (d'Astous & Gaspero, 2013). Here, the bettors believe that the more they (punters) felt that they were "expert" on the sport, the more



likely they were to bet, and to bet a large amount (Palmer, 2013). Also, in a study of sports betting in the US National Football League, Chin (2013) found that more bets tended to be placed on teams to which bettors had a strong sentimental attachment. For individuals with limited means or avenues of generating sizeable income, sports betting or gambling generally is a great lure. The chance of winning repeatedly irrespective of the possibility of losing, motivates punters immensely.

In a study with 1,715 bettors in Kampala, Uganda, Herskowitz (2016) found that despite expected losses of 35-50%, participants view betting as a likely source of liquidity for desired lumpy expenditures; winnings increase both the size and likelihood of making such expenditures. In Edo State, Nigeria, findings from Akinlosotu, Mandojemu, and Aina (2019) indicated that high youth unemployment, high tendency for risk taking among the youths, increased passion for sports, among others, were the factors responsible for their involvements in sport betting.

2.3 Impacts of sports betting

Like other forms of gambling, sports betting is an economic activity characterized by a transfer of wealth, whose impacts are seen on both the winners and the losers. Thus, as noted by Williams et al. (2011), the first step in a socio-economic analysis of gambling generally is to document: a) how much money is being transferred; b) where the money is coming from; and c) where the money is going. The economic impacts, which are primarily monetary concerns, include; government revenue, public services, regulatory impacts, infrastructure value, infrastructure costs, business starts and failures, business revenue, personal income, and property values. Social impacts on the other hand are mainly non-monetary consequences, and consist of problem gambling and related indices, crime, employment, socioeconomic inequality, leisure activity, attitudes, and quality of life/public health/social capital/values. These impacts are well explained in Williams et al. (2011).

Apparently, engaging in sports betting beyond control or one's economic powers constitutes negative social and economic externalities to the punter, his family and the immediate community. According to American Psychiatric Association (2013); Productivity Commission (2010), and Neal *et al.* (2004), the negatives of sports betting include mental health (affective disorder, substance abuse, and stressed related symptoms) marital/ family dysfunction (conflicts, separation/divorce and domestic violence), employment and productivity (absenteeism and redundancy), and legal (criminal offences). Betting may also serve as a negative reinforcement by helping to alleviate unpleasant states of boredom, anxiety or low mood; and such emotional learning mechanisms would play a key role in shaping gambling or betting behavior (Blaszczynski & Nower, 2002; Clark, 2010).

Empirical evidence discloses that gambling in all forms has a positive government revenue effects by generating increased revenue to the government (Madden, 1991; Ryan & Speyrer, 1999; Williams, Belanger & Arthur, 2011). Such revenue which forms a significant net social gain, may be received directly by government through its direct involvement in the provision of gambling services or indirectly through taxing of gambling venues/operations. The tax may be in form of property tax, corporate income tax and taxation on gambling winnings by consumers (Williams et al., 2011). The generated revenue can be used to improve the quantity and quality of public services in many countries (Lesieur & Thompson, 1997; Aasved & Laundergan 1993).

Mustapha and Enilolobo (2019) examined the participation of youths in gambling in Lagos State, Nigeria and the effects of youth gambling on household welfare and spending. The data was analysed using targeted focus group discussions and probit modelling. The results showed that Nigeria's unemployed youths have an intense interest in gambling to sustain their income sources and to meet



their daily spending needs. Overall, it was found that gambling has adverse effects on youth welfare. Also, in a study using structural equation modelling (SEM), it was found that playing betting games provides another source of income to the youth, who are already engaged in one form of work or another. Also, youth involvement in betting games was found to create awareness regarding different sports in the world, while contributing to Nigeria’s economy (Olaore, Adejare & Udofia, 2020).

3.0 Methodology

In order to achieve the objectives of this study, both quantitative and qualitative research methods were employed. The population of the study constituted all male and female punters and non-punters, aged 15-50 years, that resided in the seven (7) local government areas that make up the Benue northeast senatorial district, whose total population was projected to be 2,043,200 (National Population Commission, 2016). The sample size for the study was derived using Taro Yamane (1967) statistical formula, whereby 400 sample size was derived. Stratified random and purposive sampling techniques were used to select the 400 respondents from the strata which comprised the seven (7) local government areas of Benue northeast senatorial district. Four hundred (400) copies of structured questionnaires were randomly distributed to punters and non-punters who attended identified viewing centers, betting outlets and small drinking bars/joints in the study area. The betting bookmakers visited within the study area were nairabet, bet9ja, accessbet, sportybet, betking, betway, and betpawa. These are the commonest bookmakers in the area, with multiple outlets in every community centers where people congregate to socialize, and gamble.

The consent of respondents was duly sought without any form of inducement after the purpose of the study was revealed and confidentiality assured; those who indicated interest partook in the study. The administration and retrieval of the survey instrument lasted between January and April, 2021. The retrieved questionnaires were collated and coded accordingly. Five (5) respondents returned incomplete questionnaires and were thus removed from consideration. As a result, the final sample consisted of 395 participants, giving 98.75% response rate. The collated data were analysed using descriptive and inferential statistics. Particularly, the logistic regression model (LRM) was used to identify factors that influence sports participation in the study area. The model adopted for this study is specified as:

$$\log \left[\frac{\text{Pr}(SBTG_{ij})}{1 - \text{Pr}(SBTG_{ij})} \right] = \alpha + \beta_i x_i + u_i \quad (1)$$

Where:

$\text{Pr}(SBTG_{ij}) = 1$, represents the proxy of the probability that an individual partakes in sports betting and $1 - \text{Pr}(SBTG_{ij}) = 0$, represents the proxy of the probability that an individual does not partake in sports betting. X_i represents vector of socio-economic variables. The parameter to be estimated in equation (1) are α and β . u_i is the error term included in the equation to capture any other factors that may not have been captured in the model but exert some influence in engaging in sports betting. The model was estimated using Stata version 15.0 econometric software.

4.0 Results and discussions

4.1 Demographic characteristics of sample

Table 4.1 shows the results of the demographic characteristics of the respondents. The proportion of male respondents (81.01%) was higher than that of the female (18.99%). The majority of respondents



were ages 15-30 (63.3%) and ages 31-45 (28.9%). Primary to Post-secondary graduates were predominant (94.9%), while about 60% of the bettors were unemployed and students.

About 19% of the punters were in paid employment. Respondents who are single were dominant (50.1%), slightly followed by those that claimed to be married (21.0%), while majority (56.96%) of the bettors were Christians. However, our finding on gender corroborates previous studies, which indicated that men are more likely than women to be involved in sport wagering (Dwyer & Kim, 2011; Hing, Russell, Tolchard & Nower, 2014). A qualitative study conducted in Israel showed that many women do not bet because they consider betting to be a waste of family resources (Gavriel-Fried & Ajzenstadt, 2012). The finding on age of bettors also aligns with other studies which found that sports bettors were young males aged between 20 and 30 years (Humphreys & Perez, 2012; Moore et al., 2013). Our finding also supports Gainsbury et al. (2013) which found that interactive sports bettors appeared to be younger males, with higher levels of education and employment, and with access to the Internet.

Table 4.1: Socio-demographic characteristics of the respondents: n = 395

Variables	Frequency	Percentage	Cumulative (%)
<i>Gender:</i>			
Male	320	81.01	81.01
Female	75	18.99	100
<i>Age:</i>			
15-30	250	63.29	63.29
31-45	114	28.86	92.16
46 - above	31	7.85	100
<i>Marital status:</i>			
Single	198	50.13	50.13
Married	83	21.00	71.13
Divorced	52	13.16	84.29
Separated	38	9.62	93.91
Widow(er)	24	6.08	100
<i>Religion:</i>			
Christianity	225	56.96	56.96
Islam	110	27.85	84.81
Traditional Religion	60	15.19	100
<i>Educational level:</i>			
Primary	72	18.23	18.23
Post-primary	78	19.75	37.98
Post-secondary	226	57.22	95.2
No formal education	19	4.81	100
<i>Employment status:</i>			
Employed	75	18.99	18.99
Self-employed	83	21.01	40.0
Not employed	192	48.61	88.61
Students	45	11.39	100

Source: Field work (April, 2021)

4.2 Reasons for engaging in sports betting



Table 4.2 reveals that majority (48.10%) engage in betting for the monetary reward. This is consistent with general observation about gambling; and agrees with Bereiter and Storr's (2018, p.60) assertion that '... games of chance has been a money-maker ever since'. About 18.23% of the respondents also engage in sports betting to escape idleness which is observed to be caused by joblessness, while 15.19% participate in betting because of peer and social media influence.



Table 4.2: Respondents’ reasons for engaging in sports betting, n=395

Variables	Frequency	Percentage
To escape idleness	72	18.23
For leisure	41	10.38
Influence of peers/ social media	60	15.19
Desire to win money	190	48.10
To chase loss	28	7.09
Others	4	1.01
Cumulative	395	100

Source: Field work (April, 2021).

4.3 Preferred mode of betting

The respondents preferred mode of betting as shown on Table 4.3 indicates that punters (91.39%) that preferred to place their bets in available betting houses/outlets were far more than those (8.61%) who preferred the online/mobile mode of betting.

Table 4.3: Respondents Mode of Betting

<i>Mode of betting</i>	Frequency	Percentage
Betting outlets	361	91.39
Online/mobile	34	8.61
Total	395	100

Source: Field work (April, 2021)

4.4 Regularity of Placing bets

Figure 4.1 shows how consistent the bettors bet. It indicates that approximately 89.3% are regular punters (daily or weekly). This implies that betting has become a recurrent activity for those engaged in it.

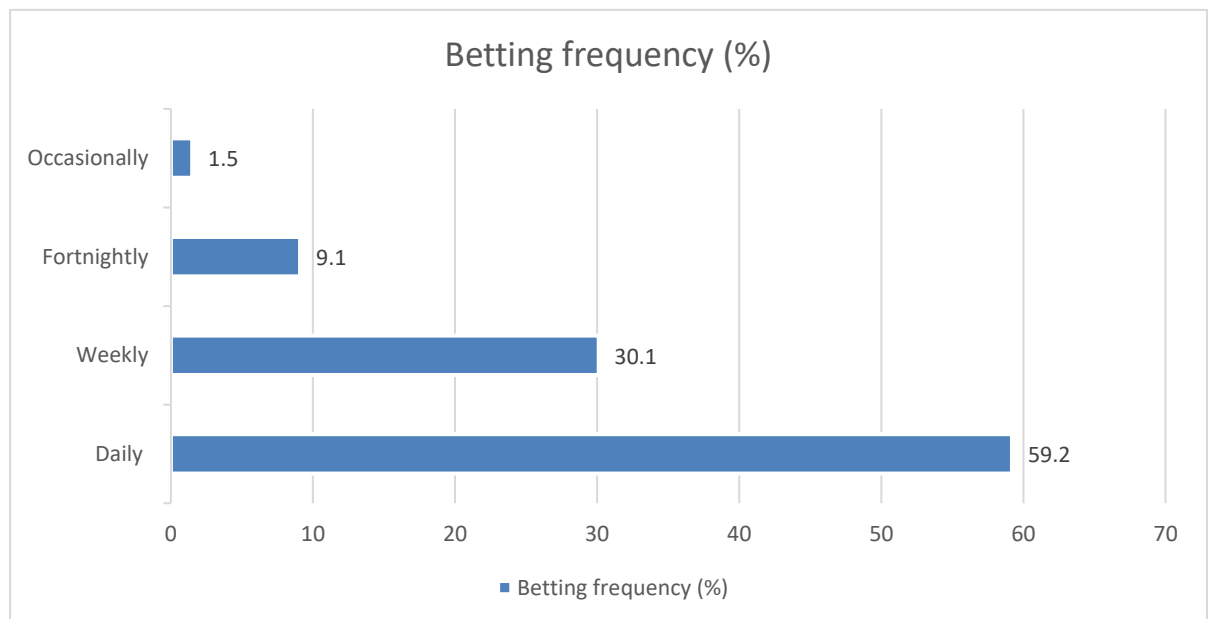


Figure 4.1: Frequency of sports betting



Source: Field survey (April, 2021).

4.5 Determinants of participation in sports betting

The logistic regression results in Table 4.4 indicate that participation in sports betting is significantly influenced by gender (sex), punter’s betting reasons, preferred mode of betting, and rate of winning bets. Particularly, the coefficient of punters’ reasons for engaging in betting is negative, and statistically significant. This finding suggests that bettors’ desire to win money, escape idleness, peers/ social media influence, for leisure, and to chase losses, are key motives for participation in sports betting in Benue Northeast senatorial district. We also found positive and significant relationships between mode of betting, the rate of winning bets, and participation in sports betting. The estimated coefficients imply that a unit change (increase) in the mode of betting and the rate of winning bets would increase the rate of participation in sports betting by 129.57 percent and 9.37 percent, respectively. Although religion was positively correlated with participation in sports betting, it was not statistically significant. Similarly, punters’ marital status impacted sports participation negatively, though its estimated coefficient was statistically significant at 10 percent. The coefficients of respondents’ marital status (negative) and religious beliefs (positive) aligned with the *a priori* expectations. Masaba, Sekakubo, Blaszczyński, and Kuka (2016) pointed out that sports betting by nature has a very strong traditional and religious bias that is considered unethical.

Other factors like age, level of education, and income level were equally not significant, implying that they are not important determinants of participation in sports betting in the study area. Although punters’ age was not statistically significant, its negative relationship with participation in sports betting is in line with *a priori* expectation. Our finding however differs from those of Ahaibwe et al. (2016) who found that participation in gambling is significantly influenced by age; but corroborates with their positive correlation between gender and participation in gambling in Kampala city, Uganda.

Table 4.4: Results of the logistic regression analysis Dependent variable: Participation in Sports betting =1

Variable	Coefficients	S.E	Z-Stats	Prob. Values
Punter’s age	-0.1073	0.3576	-0.30	0.764
Punter’s sex	1.1357***	0.3385	3.35	0.001
Punter’s marital status	-0.4271*	0.2530	-1.69	0.091
Punter’s religion	0.4696	0.4906	0.96	0.338
Educational level	-0.1646	0.2140	-0.77	0.442
Employment status	-0.0780	0.1839	-0.42	0.671
Punter’s level of income	-0.5073	0.3106	-0.63	0.102
Punter’s reasons for betting	-0.4212***	0.1133	-3.73	0.000
Preferred mode of betting	1.2957***	0.3587	3.61	0.000
Rate of winning bets	0.9360***	0.1332	7.03	0.000
Constant	0.6651	1.0207	0.65	0.515

Number of observations = 395

LR chi2 (10) = 274.94

Prob> chi2 = 0.0000

Log likelihood = -127.54

Pseudo R² = 0.52

Note: *** significant at 1%; ** significant at 5%; * significant at 10%.

Source: Authors’ computation using STATA version 15.0



The Pseudo R² value of 0.52 indicates that approximately 52 percent of the variation in sports betting is explained by the included determinants, while the remaining 48 percent is captured by the residual term. The likelihood Ratio (LR) Chi2 value of 0.0000 is significant at 1 percent level of significance implying that the model employed is adequate.

4.5 Impacts of sport betting

The respondents were asked to reveal the possible effects of betting on punters themselves, their households, and the society in the context of economic impacts, working hours, family welfare, and the perceived benefits of sports betting to Benue state economy. Table 4.5 presents their responses. In terms of economic impacts of betting, about 32.4 percent of the bettors claimed that they earned more income by engaging in betting than before; only a small proportion (4.3%) indicated that they used the betting proceeds to establish small business. Also, approximately 17.2 percent of the bettors used the betting proceeds to provide family basic needs, while majority (46.1%) of the punters complained of negative impacts in terms of loss of job, time, and income. Impliedly, the aggregate positive economic impacts of betting (53.9%) surpasses the negative economic impacts (46.1%).

The effect of betting on official working hours was also assessed. Majority (60.3%) of the bettors reported loss of working hours (negative impacts), while the remaining 39.7 percent claimed betting does not affect their official engagements. The loss of working hours implies loss of productive hours and output, and poor performance in school for the case of student bettors.

Table 4.5 Assumed impacts of sport betting

Impacts	Frequency	Percentage
<i>Economic impact to bettors:</i>		
Earn more income	128	32.4
Set up a small business	17	4.3
Provide for household comfortably	68	17.2
Others (loss of job, time, income)	182	46.1
<i>Impact on bettor's official working hours:</i>		
Negative	238	60.3
Positive	157	39.7
<i>Impacts on family welfare:</i>		
Positively	167	42.3
Negatively	75	19.0
Indifferently	153	38.7
<i>How betting negatively affects family welfare:</i>		
Spend less on household necessities (displacement effect)	37	49.3
Selling-off household assets	16	21.3
Domestic violence	9	12.0
Others (insecurity, lonesomeness, harassments, etc.)	13	17.3
<i>Perceived benefits of sports betting to Benue state economy:</i>		
Job creation	98	24.8
Increased revenue generation	174	44.1
Less social vices	51	12.9
Others (increasing capital stock of the community)	72	18.2

Source: Authors' calculations based on Field Survey (April, 2021)



Table 4.5 further shows that about 38.7 percent of the bettors indicated that betting did not have any impact on their household welfare, 19.0 percent reported negative impacts, while 42.3 percent reported positive impact. Out of the 75 (19%) respondents that reported a negative impact, about 49.3 percent of them re-counted that they spend less on household necessities. This is a displacement effect, and was reported as the major effect. About 12.0 percent of the respondents reported domestic violence, 21.3 percent recounted selling-off of household assets, while others (17.3%) reported cases of insecurity, loneliness, and harassment when the husbands spend longer time at betting outfits.

Majority (44.1%) of the respondents affirmed that sports betting generates revenue to government as they (bettors) remit rates and taxes to the local regulatory agencies. This finding corroborates Madden (1991) and Williams et al. (2011b) which found that the introduction or expansion of gambling in all forms has a consistent positive effect on government revenue. The generated revenue would have a multiplier effect as it could be used to improve public services within the locality betting activities operate. Further evidence from Table 4.5 reveals that about 24.8 percent of the bettors get employed in betting activities. Jobs in the betting sector require some skills such as accounting, computer operations, card dealing, crowd control, security or other expertise. People with these skills may therefore be engaged either on full and part time basis, thereby creating direct or indirect jobs within the betting outfits. As noted by Conner et al. (2009) and Farrigan et al. (2005), major increases in gambling activity may increase employment levels through direct employment at betting venues and indirectly through gaming related sectors. Other findings from the respondents are that engaging in betting helps to reduce social vices in the study area (12.5%), while also increasing capital stock of the community (18.2%). These are all socioeconomic benefits of betting in the study area.

5.0 Conclusion and Recommendations

This paper concludes that gender, punter's reasons for betting (especially, the desire to win money, escape idleness, peers/ social media), mode of betting, and rate of winning bets were major determinants in sports betting participation in Northeast senatorial district of Benue State, Nigeria. About 81% of the participants were male; 92.2% were aged between 15-45years, with higher levels of education; 71.0% of the respondents were not married, 89.3% of the respondents were regular punters (daily or weekly), while majority (57.0%) were Christians. Even though involvement in sports betting may have negative impacts on both the social and economic lives of most of its patrons (such as loss of productive hours and output, negative family welfare and displacement effects), it equally generates income, employment, and government revenue, as well as restrains social criminalities in Benue state northeast senatorial district.

On the basis of these concluding remarks, the study recommends that the government at all levels, and the private sector should take sustained and comprehensive necessary steps to curb unemployment and engage youths and adults in gainful productive activities other than wasting their time, resources and life on the game of luck. Also, stronger institutions should be built and empowered to inculcate morals to both youths and adults in the society via the National Orientation Agency, civil society organizations, etc., to conscientise the populace more about family/societal values, customs and norms and the dignity in hard work. Government should also design specific programs that would promote responsible betting and handling of any problem betting in the society.

Apart from contributing to the existing literature on social and economic effects of Gambling in general, this study has provided a clue as to why majority of Nigerian youths and adults alike, indulge in sports betting. The significance of the study had already been highlighted in the penultimate paragraph of section 1 of this paper. However, this study is by no means adequate in terms of scope and methodology,



and hence the need for further studies. We suggest that the study should be replicated in other senatorial districts or the entire Benue State and/or other states in the country for proper records and awareness. Other aspects of the gambling industry should be assessed to help measure the capacity of gambling industry in stimulating economic activity in the country.

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