



**Americans Take 297 Million+ Casino Gambling Trips in 2002;
More Than a Quarter of U.S. Adults Gambled at Casinos Last Year**

National Survey Reports on Casino Player Demographics and Characteristics and Reveals Behind the Numbers Look at 'A Night in The Life of a Casino Gambler'

LAS VEGAS (Sept. 26, 2003) – More than 50 million American adults made nearly 300 million trips to casinos in the United States in 2002, according to a national survey released today. In addition to visitation figures, *Profile of the American Casino Gambler: Harrah's Survey 2003* reveals distinct differences in the preferences of gamblers and non-gamblers in the categories of money management, travel and entertainment and consumer choice and lifestyle.

More than a quarter of Americans age 21 and older – 26 percent or 51.2 million – gambled at a casino in 2002, according to the survey. On average, gamblers visited a casino about once every two months – 5.8 trips per year. The number of U.S. casino visits last year was 297.2 million.

The Survey, commissioned by Harrah's Entertainment, Inc. (NYSE: HET), is available at www.harrah.com. It also explores casino players' interests and shows the relationship between income, age, education and casino gambling. The Survey identifies the areas of the country in which casino gambling is most popular as well as regions where casino gamblers are underserved. The findings are based on three nationwide studies – *The Roper Reports*, conducted by Roper ASW, and the *U.S. Gaming Panel* and *A Night in the Life of a Casino Gambler*, conducted by NFO WorldGroup.

New to the Survey in 2003, *A Night in the Life of a Casino Gambler* takes a light-hearted yet informative look at what casino players experience and enjoy on an average night at the casino from the number of trips they take to the buffet, to their favorite classic slot machine symbol and card suit.

“The Harrah's Survey provides a comprehensive overview of the American casino gambler and dispels a number of misconceptions that exist about our customers,” said Gary Loveman, Harrah's president and chief executive officer. “At the same time, it reaffirms many of our core beliefs – that gaming enthusiasts are active, financially stable and civic-minded members of the community.”

SURVEY HIGHLIGHTS

Player Demographics

- The median household income of casino gamblers – \$50,716 – is more than 20 percent higher than that of the overall U.S. population – \$42,228.
- Americans in upper income brackets have the highest casino gambling participation rates (percentage of adults who gambled at least once in a casino in the last 12 months) and those in the lowest income

brackets have the lowest rates. More than a third – 34 percent – of individuals with annual household incomes in excess of \$95,000 gambled in a casino in 2002, while only 21 percent of those with annual incomes of less than \$35,000 gambled in a casino.

- The typical casino player is middle-aged and more likely to be female. The median age of casino gamblers is 47. The male-female ratio of casino gamblers is 46 percent/54 percent.
- Among Americans, the highest casino gambling participation rate is in the 51 to 65 age group (30 percent of casino gamblers).
- Casino players are more likely than non-gamblers – 46 percent versus 41 percent – to hold white-collar jobs.

Where Casino Players Live

Five states generated more than one-third of casino trips in the United States during 2002, with 17 percent of casino trips originating in California alone. Other findings include:

- Illinois generated the second-most casino trips (15,020,000); Nevada, New York, Michigan, New Jersey, Texas, Louisiana, Florida and Missouri round out the top 10 states.
- Florida became a top 10 state for the first time, supplying 10.5 million casino trips (4 percent of the U.S. market share) despite a lack of convenient gaming destinations for residents
- 31 states each generated more than 2 million casino trips last year. Arkansas (roughly 2.2 million trips) was added to the list in 2002.
- The highest casino gambling participation rates occur among residents living in the West (35 percent) and North Central (29 percent) census regions.
- Of the 26 states with casino participation rates greater than the national average of 26 percent, only nine are east of the Mississippi.

Money Management

Casino gamblers tend to be more experienced investors, and their financial portfolios are more varied than those of non-gamblers.

- 39 percent of casino gamblers view themselves as intermediate or knowledgeable investors (versus 29 percent of non-gamblers).
- Gamblers like relatively aggressive investment options that provide a greater opportunity for long-term earnings, including mutual funds and stocks. The biggest differences between gamblers and non-gamblers occur in retirement/pension plan investing (50 percent of gamblers versus 40 percent of non-gamblers) and mutual fund investing (23 percent versus 15 percent).
- 46 percent of gamblers share the main responsibility for investment decisions with someone else in their household as opposed to 38 percent of non-gamblers, who are more likely to say someone else has most or all of the responsibility.

Travel & Entertainment

Casino players tend to be more active and willing to try new things when it comes to travel and entertainment.

- 51 percent of gamblers go out for entertainment at least twice a week (versus 37 percent of non-gamblers).
- Gamblers average 7.6 meals out a month versus 6.6 for non-gamblers.

- Based on reported travel activities in the past year, gamblers are far more likely to engage in a variety of vacation and outdoor experiences: trip to the lake/shore/beach (64 percent for gamblers vs. 49 percent for non-gamblers); took a camping/hiking trip (26 percent vs. 16 percent); took a trip to a historical site inside U.S. (25 percent vs. 18 percent); went on resort vacation (24 percent vs. 8 percent).
- Gamblers are more likely to have taken a vacation of 5+ days in the past year (63 percent versus 47 percent).
- Both gamblers and non-gamblers (68 percent equally) seek safety/security first in their approach to travel. Gamblers are more likely to try new places (61 percent versus 47 percent). Non-gamblers are more budget conscious when they plan travel (54 percent versus 48 percent for gamblers).

Consumer Choice & Lifestyle

Gamblers are more likely to spend money on travel, new cars and special friends, but the typical casino player is more selective in his or her shopping habits than non-gamblers.

- 13 percent of casino players plan to buy a car within the next two years (versus 9 percent of non-gamblers).
- Even though gamblers have higher incomes than non-gamblers, they look for deals. 62 percent of gamblers often or fairly often shopped at the store with the best prices (versus 52 percent of non-gamblers). Gamblers are more likely to use coupons (56 percent versus 51 percent) and buy in bulk (47 percent versus 35 percent).
- Non-gamblers are more likely to attend a place of worship at least once a month (63 percent non-gamblers vs. 52 percent gamblers).
- 50 percent of gamblers reported having a date on a “romantic occasion” during the past month as opposed to 40 percent of non-gamblers.

A Night in the Life of Casino Gambler

On a typical night at the casino:

- Most gamblers (53 percent of respondents) like to stay in an upper floor room with a view at a casino hotel.
- Buffets by far are gamblers’ favorite restaurants in casinos (57 percent). And 54 percent of gamblers typically take two passes at the offerings.
- Hearts are gamblers’ favorite card suit (40 percent) followed by spades (31 percent).
- The song that best captures the casino atmosphere according to gamblers is “Viva Las Vegas” (34 percent) followed by “All Night Long” and “Celebrate” (both 24 percent)
- Soda (36 percent) is the preferred drink when gamblers are playing casino games.
- Cherries (37 percent) are gamblers’ favorite classic slot machine symbol.

Games of Choice

Slot machines and electronic gaming devices, particularly quarter slots, are the most popular casino games among Americans.

- 74 percent of casino gamblers prefer to play slot machines and video poker. 14 percent prefer table games. Blackjack/21 is the favorite.

- Slot machines are most popular for both men and women. 81 percent of women gamblers prefer slot machines. 67 percent of men prefer the slots.
- 20 percent of men prefer table games, while only 8 percent of women do. Table games are most popular among young adults and least popular among older adults.

About Harrah's Survey 2003

Profile of the American Casino Gambler: Harrah's Survey 2003 is based on three nationwide studies:

Roper Reports

Roper ASW administered face-to-face interviews to a nationwide sample of 2,000 men and women, 18 years of age and older, in respondents' homes. The Roper ASW research used in compiling this *Profile* was conducted in four waves between January and December 2002. The margin of error is approximately +/-3%.

U.S. Gaming Panel

NFO WorldGroup mailed a survey questionnaire in 2002 to a panel of 100,000 adults (25,000 adults per quarter) 21 years of age or older within the Continental United States. The survey generated 64,753 respondents from which NFO identified the U.S. Gaming Panel, a nationally representative sample of 16,438 casino players. The margin of error is approximately +/-1%, and can vary between +/-2% and +/-5% depending on sample segmentation.

A Night in the Life of a Casino Gambler

NFO mailed a survey questionnaire in June 2003 to 3,300 individuals 21 years of age or older who were pre-identified as having gambled in a casino in the prior 12 months. The survey generated 2,523 returns. The margin of error is approximately +/-2%.

Everything You Always Wanted to Know About Casino Gamblers But Never Asked **'A Night in the Life of a Casino Gambler' Finds Players Have Hearts for Elvis, Rooms with a View and Multiple Buffet Trips**

LAS VEGAS (Sept. 26, 2003) – Gentlemen prefer blondes and diamonds are a girl's best friend, but casino gamblers will take hearts, cherries and Elvis, thank you very much.

Oh, and a mighty fine buffet.

Everything you always wanted to know about casino gamblers but never asked can be found in the *Profile of the American Casino Gambler: Harrah's Survey 2003* -- available at www.harrahs.com. Among the findings, the Survey takes a fun yet informative look at some of the preferences of gaming enthusiasts in a special section titled *A Night in the Life of a Casino Gambler*.

Curious what card suit most gamblers prefer? It's hearts. Forty percent of casino players who responded to Harrah's questionnaire said so. Spades came in second with 31 percent, and diamonds were third with 20 percent. Clubs ranked a distant fourth, bringing in 8 percent.

When it comes to classic slot machine symbols, gamblers responding to the survey opted for cherries, with 37 percent classifying them as their favorite. "Sevens" ran a close second, at 32 percent, and "bars" finished third with 19 percent.

Buffets are by far gamblers' favorite restaurants in casinos. Fifty-seven percent said so (as opposed to just 16 percent for a steakhouse), and 54 percent typically made two passes at the offerings. Twenty percent each made one or three trips. Only 5 percent owned up to making more than three trips to the buffet.

Asked what song best captures the casino atmosphere, 34 percent of respondents answered “Viva Las Vegas!” by Elvis Presley. Twenty-four percent opted for “All Night Long” by Lionel Richie, and 24 percent selected “Celebrate!” by Kool and the Gang.

Among the other findings reported in *A Night in the Life of a Casino Gambler*:

- Most respondents preferred gambling with their spouse or boyfriend/girlfriend (49 percent).
- The majority of gamblers (53 percent) like to stay in a hotel room on an upper floor with a view.
- Taking in a show/entertainment (28 percent) is the favorite non-gambling casino activity of gaming enthusiasts. Trying different restaurants (27 percent) was the next most popular. People-watching was third (23 percent).
- 58 percent of respondents said “friendly” was the most important attribute of a card dealer.
- Asked the most important attribute of a casino cocktail server, 45 percent responded “friendly.” 39 percent opted for “speedy” and 12 percent replied “accurate.” Only 3 percent said “good-looking.”
- 37 percent of slot players said they are “grazers” and like to try lots of different machines. 33 percent have two or three favorite machines and 22 percent prefer to find one machine they like and stick with it.
- Soda or a soft drink was the preferred beverage (36 percent) of gamblers while playing casino games. Cocktails are preferred by 22 percent.
- 56 percent of respondents said the biggest jackpot they ever won at a casino is less than \$500. 23 percent have won between \$500 and \$999, and 22 percent have won \$1,000 or more.

A Night in the Life of a Casino Gambler is based on a 2003 nationwide survey of 2,523 casino gamblers conducted by NFO WorldGroup for Harrah’s Entertainment.

The Harrah’s Survey also identifies gamblers’ games of choice at the casino. Slot machines and electronic gaming devices, particularly quarter slots, are the most popular casino games among Americans.

- 74 percent of casino gamblers prefer to play slot machines and video poker. 14 percent prefer table games. Blackjack/21 is the favorite.
- Slot machines are most popular for both men and women. 81 percent of women gamblers prefer slot machines. 67 percent of men prefer the slots.
- 20 percent of men prefer table games, while only 8 percent of women do. Table games are most popular among young adults and least popular among older adults.

These results were obtained from the U.S. Gaming Panel, a survey of 16,438 casino players conducted by NFO WorldGroup for Harrah’s Entertainment.

Founded 65 years ago, Harrah's Entertainment, Inc. operates 26 casinos in the United States, primarily under the Harrah's brand name. Harrah's Entertainment is focused on building loyalty and value with its target customers through a unique combination of great service, excellent products, unsurpassed distribution, operational excellence and technology leadership.

Additional information about Harrah's Entertainment is available at www.harrah.com

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