OHHA CUSTOMER PROFILES

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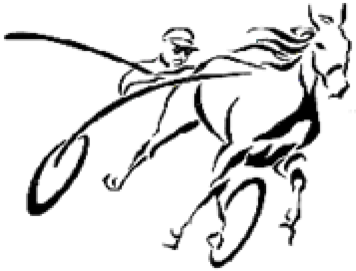


Background & Research Objectives:

The OHHA was interested in conducting quantitative market research across Ontario with 4 distinct "customer" segments to input into their 2006 Strategic Plan, from which future marketing initiatives will be developed. These "customers" were defined as:

- Current track attendees (bet on a live race at an Ontario harness racing track at least once in the past year)
- Potential cross-over customers (went to an Ontario harness race track in the past year, but did not bet on the races: played the slot machines and/or dined there)
- Lapsed customer (used to bet on live Ontario harness racing 2-5 years ago, but have not done so in the past year)
- Prospective customers (have not bet at a live Ontario harness race in the past 5 years, but are open to do so in the future)

Background & Research Objectives:

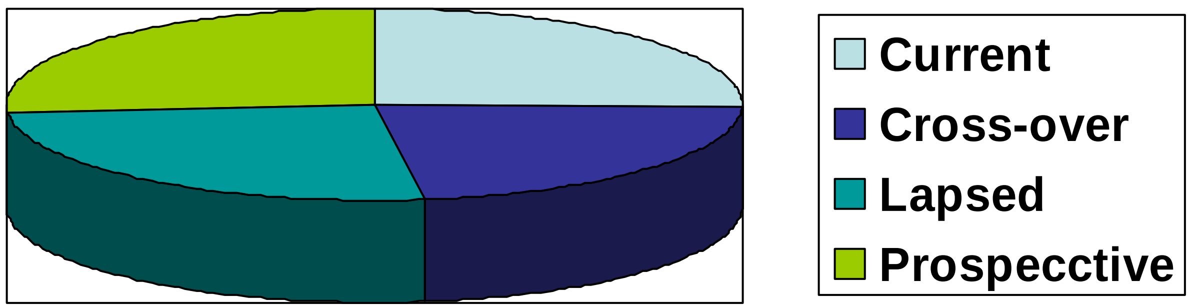
The findings of this research will be used to:

- Create demographic and psychographic profiles by customer segment
- Better understand attitudes toward Ontario harness racing, in general and what stumbling blocks, if any, need to be eradicated
- Identify motivations and barriers to wagering at live Ontario harness racing and what consumer “hot buttons” can best be pushed to increase prospective customers’ interest in harness racing, without alienating the current franchise
- Assess where harness racing fits in within the “entertainment” market and how to best leverage this perception within a competitive framework

Method

- A total of 614 telephone surveys were conducted for this study. All of the study participants had to qualify based on one of the 4 “customer” profiles (current, cross-over, lapsed or prospective clients). The individual segments broke out as follows:

Sample:



Current:	155
Cross-over:	139
Lapsed:	157
Prospective:	163
Total:	614

Summary: Total Sample

- The “next adult in the household to have a birthday” method was used to ensure randomization by both gender and age.

The results show the following overall sample composition:

	Gender:
Male:	270 (44%)
Female:	344 (56%)

	Age:
19-34:	152 (25%)
35-54:	254 (42%)
55+:	200 (33%)

Summary: Total Sample: Demographics

- The largest age group is the 45-54 year old segment.
- The majority are living with a partner/are married, hence, the average number of adults in the household is just above 2.
- About two-thirds report no children in the home.
- Three in 10 have completed high school or less; a further two out of 10 have completed community college. The major city centres (Ottawa & Toronto) skew the smaller university educated segment.
- Men are more likely to be university educated; women are more likely to have the least formal education.

From a life stage perspective, most are in the launch or empty-nest phase; the "older" age segment reflects a more "traditional" gender profile.

Summary: Total Sample: Demographics

- On a working status front, there are 2 key segments:

  Those who work full time (skewed by males)

  &

  The retired segment (skewed by females).

- The strong majority are English speaking.

- Just over half drive a domestic vehicle (GM)

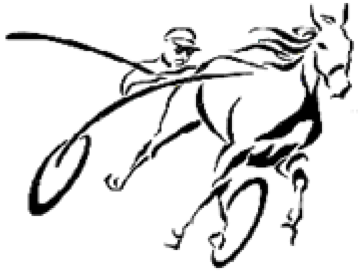
Summary: Total Sample: Psychographics

- Highest agreement is with (an average of 3+ on a 5-point balanced scale):

  "I like to dress up when I go out" (skewed by females & 19-34 year olds)

  "I own the latest in computers"

- Despite the lack of more formal education, respondents aspire to keep up with technological advancements.



Summary: Total Sample: Track Perceptions

- On a top of mind basis, harness racing is considered:

More a form of entertainment	45%
More a sport	12%
Both	38%

Yet on a competitive activity basis (1st mention) it is perceived as:

Competitive to professional sports	28%
Dining out	23%
Casinos	22%

Males drive the "sports" image, whereas females skew the "entertainment" factor.

Summary: Total Sample: Track Perceptions

- On a total basis, an average of 4.6 social outings are reported per month.
- Those who think of harness racing as a sport report significantly higher social outings (5.57 per month).
- Seniors (55+ age group) are significantly more likely to have been to both a casino and a harness racing track in the past 6 months.
- The perception that harness racing is more of a “special occasion outing” (second highest agreement at a mean of 3.58) is a potential barrier to higher attendance frequency.

OHHA’s challenge is to capture a larger share of social outings by removing the special occasion label, especially in the 19-54 year old age segment.

Summary: Total Sample: Track Perceptions

- Track perceptions are largely positive – the highest agreement is with the statement that harness racing offers modern facilities. **This is important given the fact that many prefer to dress up when going out on social outings.**

- Those who agree that harness racing has a seedy image (low at 16%), show significantly higher social outings than their “disagree” counterparts (5.45 vs. 4.30). **This may well be why this faction does not elect to go to harness racing more often.**

Summary: Total Sample: Track Perceptions

- Harness racing is perceived to be:

  An adults-only outing
  More blue collar
  More an entertainment seeker
  More individuals than organized groups.

- The strong majority do go to a harness racing track accompanied (89%).

- The highest reported reason for going to the track (lapsed + cross-over) is to ‘socialize’.

The social component, while part of the “entertainment value” should not over-ride the “excitement” of the races.

Summary: Total Sample: Track Perceptions

- Most respondents grade harness racing as the “same” compared to their competitive set (sports, casino, dining-out). When it is a better or worse experience, main drivers are:

vs.	Sports	Casinos	Dining-out
Better	Variety	Exciting	3 activities in 1
Worse	Less exciting/ entertaining	Less exciting/ entertaining (only slots)	Less relaxing/ noisy

Summary: Total Sample: Preferred Media

- Overall, television is the communications media of choice.

- Males prefer radio, whereas females prefer newspaper communication.

In general, the woman in a “partnership” household initiates ‘couple’ social outings.

Summary: Current + Crossover: In Common

- Predominantly, 45 -64 years old
- Employed in a clerical capacity
- Report more monthly, social outings (vs. lapsed): 5+ per month
- Report having been to a casino in the past 6 months (vs. lapsed & prospective)

Summary: Current + Lapsed: In Common

- The belief that harness racing is most competitive to other professional sports (vs. cross-over)
- Preference for radio communication (vs. cross-over: 1st mention)
- If perceived harness racing is seen as most competitive to casinos, they rate the experience as “better” based on excitement (vs. cross-over)

Summary: Lapsed & Prospective: In Common

- Frequent licensed restaurants more often (vs. current & cross-over).

Summary: Unique to Current

- Least likely to be readers (vs. prospective)
- Least likely to prefer to stay at home (vs. prospective)
- Have strongest personal association with the harness racing industry (vs. all other segments)
- Report highest agreement with the “I enjoy betting” statement (vs. all other segments).
- Perceive harness racing as “classy” (vs. lapsed)
- Although more likely to go to the track accompanied, are also the most prone (vs. cross-over & lapsed) to go alone (all are males in the 55+ age group, who consider harness racing as competitive to other professional sports).

Summary: Unique to Current

- Just over one-quarter (27%) report having been to more than one track in the past year.

- Preference for one track over another is driven by proximity to work/home.

- The average number of times they attend a harness race is just short of ten times per year (the avid segment: 10 times + per year represents 26% of the sample vs. light 1-2x & medium 3-9x: each at 37%).

- Just less than one quarter (22%) report they **always dine, play the slots and bet on the races**.

- Seniors are more likely to always dine and always play the slots. Females are more likely to always play the slots.

Summary: Unique to Current

- 75% always bet on the races.

- **Those who always bet on the races consider harness racing as more competitive to other professional sports** (positioning harness racing as competitive to casinos and/or dining-out reduces the likelihood of betting on the races).

- Major influences on betting are:

  Live vs. simulcast
  Odds on the horse
  The driver (strongest when there is a personal association).

Summary: Unique to Current

- Less important influences on betting behaviour are:

  Type of event (claiming, trotting, pacing)
  Ontario Sires Stake race
  Field size

Summary: Unique to Current

- Types of bets placed (multiple mentions accepted) show a marked interest in:

		Skewed by:
To win:	55%	(males: 63% vs. females at 46%)
To show:	36%	(females at 46% vs. males at 27%)
To place:	34%	(HR is “both”: 46% vs. entertainment: 28%)
Triactor:	25%	
Exactor:	22%	

- The average bet per race is $ 11.24, with the strong majority betting between $ 1-5 per race (61%).

- Males are much heavier betters ($16.68 per race) than their female counterparts ($ 5.58).

Summary: Unique to Current

- City Centre also shows strong variations in average amount bet per race:

Niagara/Hamilton:	$ 28.17
Toronto:	$ 14.00
SW ON:	$ 9.48
Windsor/Sarnia:	$ 7.14
Ottawa:	$ 6.67
Barrie:	$ 5.20

- Heavier betters ($11+) are significantly more likely to view harness racing as a **sport** ($ 25.90) versus entertainment ($11.80) or both ($ 8.00).

Summary: Unique to Current

- Current customers have had, on average a 16 year relationship with harness racing.

- Customers from SW ON (average= 22years) and Windsor-Sarnia (average= 18 years) show a significantly longer relationship compared to “newcomers” in Ottawa (12 years) and Barrie (9 years).

- Those who have a personal association with the track (22 years) and those who have high school education or less (20 years - largely from the older faction) have definitely been attending harness racing the longest.

Summary: Unique to Current

•When queried as to why customers attend harness racing, top three mentions go to:

1. To be entertained/ for fun: 56% (Barrie is much lower at 20%)
2. Social occasion: 42% (Win/Sar much lower at 18%)
3. The excitement of the races: 39% (Ott: 27% & Barrie: 28% much lower than SW ON: 59%)

•A social occasion motivation is far more likely from those who have no personal association with the track (49%) and those who have any university education (55%).

•The excitement of the races is the most appealing to those who have the least education (47%).

Summary: Unique to Current

- Increasing attendance amongst current customers may be a hard sell:
  - 43% say nothing would induce them to attend more frequently.
  - Bigger purses are of most interest to customers from SW Ontario (26% of mentions vs. total at 11%).

Summary: Unique to Cross-over

- More female than male
- Retired (vs. prospective)
- More likely to see the current customer as blue collar (vs. prospective)
- More likely to believe that harness racing is competitive to casinos (vs. current & lapsed)
- Go to the harness racing track to play the slots & watch the races without betting (vs. lapsed)
- Past experiences at the track have been very positive (socializing, fun, exciting to watch the races). Race excitement is more likely to be mentioned by those who perceive harness racing to be competitive to other professional sports.
- Would be motivated to bet on the races if they better understood the races, followed by bigger purses – they don't bet largely due to "insufficient knowledge" & a preference for the slots

Summary: Unique to Cross-over

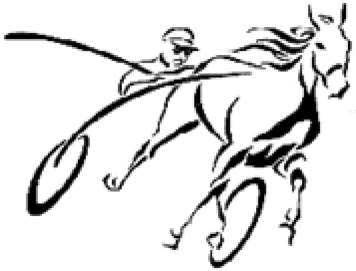
- Have been to the track on average, 8 times per year (recall: average for current customer is 10 times per year).

- The avid segment accounts for only 17% of the total (avid: 10+ times vs. light (1-2x) 43% & medium (3-9x) 40%.

- More likely to attend harness racing event in the next 6 months (vs. both prospective & lapsed).

Summary: Unique to Lapsed

- Largest age group is 35-54 years old (younger than current & cross-over)
- Skew previously married status
- More likely to be in a professional job (vs. current)
- Report the least number of monthly outings (4 per month)
- Stronger emphasis on harness racing as both entertainment & sport (vs. all 3 segments)
- Most (70%) have a positive image of the track
- Motivation to go to the harness race track is to bet on the races (vs. cross-over)
- Those who see harness racing as competitive to other professional sports are **less likely** to be lapsed (vs. perceiving it as competitive to either dining-out or casinos).
- Might go more often if: dining & drinks were less expensive or other people wanted to go.



Summary: Unique to Lapsed

- On average, the lapsed segment went to harness racing 5 times in the past 2-5 years (that is only about once a year).
- Reasons reported for lapsed behaviour are largely lifestyle related (changed jobs, had a child), followed by the belief that they were never that involved with the track (the latter is more pronounced amongst those who believe harness racing is most competitive to dining out).
- Half of the lapsed segment suggest they will attend a harness race in the next 6 months (friends & family are interested, they do enjoy the races and it has been a while).
- Those who indicate they will not attend a harness race suggest they are too busy or simply disinterested.

The lapsed segment really does treat harness racing as a “special occasion” activity.

Summary: Unique to Prospective

- Age wise is polarized between 25-34 and 45-54 years olds
- More likely to have never been married
- They read more books than watch television (vs. current)
- Most likely to prefer to stay at home (than go out)
- More likely to believe that harness racing appeals to someone older than themselves (vs. current & lapsed)
- Perceive harness racing as more competitive to dining out (vs. all 3 segments)
- Currently, are more likely to dine-out at licensed restaurants & to go to bars & clubs (as main social outings).

Summary: Unique to Prospective

- Almost 3 in 10 (29%) prospective customers have **never been or cannot recall the name of any harness racing track** they have ever attended.

- This proportion is greatest amongst the younger age groups:

19-34:	41%
35-54:	31%
55+:	10%

The untapped market is especially strong for the youth market – a relevant & persuasive message could raise both: awareness & interest in attending a live harness race track.

Summary: Unique to Prospective

	Aware of:	Ever Been:	Gap:
Woodbine:	47%	19%	28%
Mohawk:	22%	6%	16%
Rideau:	19%	12%	7%
Flamboro:	18%	8%	10%
Georgian Downs:	18%	7%	11%
Western Fair:	15%	11%	4%
Windsor:	14%	12%	2%
Dresden:	6%	4%	2%
Woodstock:	5%	3%	2%

(balance: less than 2% awareness)

Future Directions