

Beyond the Bet: Sports Betting

Lesson Author

Matt Pierson, Nebraska Council on Economic Education

Reviewed by Jennifer Davidson, PhD, Nebraska Council on Economic Education

Standards and Benchmarks (see page 16)

Lesson Description

In this lesson, students will try to predict their classmates' performance in different simple athletic activities. Through the simulation of athletic activities, students will begin to see how unpredictable sporting events can be. Gambling has implications for teaching both economics and personal finance.

Economics

It's important to discuss the impact that incentives can have on us. Humans can be incentivized to change behaviors, and athletes are no stranger to this. The human aspect combined with the world of incentives creates a dangerous combination for those trying to win big in sports. The costs of sports betting are ever growing and pose large risk to people of all ages.

Personal Finance

In personal finance, we usually discuss risk in association with investment products, but sports betting can pose an even larger risk than other types of investments, and it causes people around the world to struggle with debt. Recognizing and acknowledge our own risk tolerance associated with sports betting can be part of addressing our gambling choices and behaviors.

Grade Level

9-12

Concepts

Cost/benefit analysis

Gambling

Incentives

Objectives

Students will be able to

- examine and experience the role that incentives play on human behavior,
 - discuss examples of incentives changing human behavior in sports, and
 - create a personal statement on sports gambling using multiple sources.
-

Compelling Question

How do the incentives, costs, and benefits of sports betting impact individual decisionmaking?

Time Required

60 minutes

Materials

- PowerPoint slide deck
 - Handout 1, one copy cut apart
 - Handouts 2 and 3, one copy of each for each student
 - 30-40 crushed balls of paper
 - Trash can
 - Targets drawn on whiteboard
 - 2 chairs
 - Prizes for winners (small pieces of candy, extra-credit points, bragging rights, etc.)
 - Device with internet capacity for each student
-

Preparation

You will need to use your classroom management platform, such as Google Classroom or Canvas, to distribute an electronic copy of the HyperDoc “Sports Betting in the News” (go.unl.edu/sportsbetting) to each student. Students can click the pictures in the PDF to view the linked articles.

Prepare the classroom for several simple athletic activities by making sure you have space at the front of the room and extra chairs to use as props. Please review *Handout 1: Game Descriptions* to estimate space needed.

Procedure

1. Display slide 1 from the “Beyond the Bet: Sports Betting” PowerPoint deck and have the [“Craziest Endings in Sports History” 9-minute video](#) playing when students enter the classroom. (Link is also on slide 2 of the presentation.) You can keep replaying it depending on how much time you have. Do not give students any context to the video, just have them watch as you take attendance. The video is showing unpredictable endings to sporting events.
2. When you finish playing the video, display slide 3 and discuss the following:
 - Why do people enjoy watching sports? (*Answers will vary but may include statements about excitement, history, loyalty, or entertainment.*)
 - What emotions did you feel while watching the video? (*Answers will vary but may include happiness, nervousness, anxiousness, or sadness.*)
3. Tell students that they will either participate in or watch several simple athletic activities. You will spend about 10 minutes on the games overall.
4. Display slide 4 and explain how each game will work. Ask for five volunteers to be the athletes. Pull these students aside or in the hallway. Distribute one of the game cards from Handout 1 to each volunteer. Be sure to fully explain how their game works and the level of physical activity required for each game. (Teacher Note: These games are simple but require a small level of physical activity. Pick students who you think will follow directions the best.)
5. Display slide 5 to show students the guessing sheet. Distribute a copy of *Handout 2: Guessing Sheet* to each non-competing student.
6. With the whole class together, tell them which athlete will compete in which event and that the non-competing students will fill out the guessing sheet for each round for each sport.
7. Instruct students to make their guesses for round 1. Ask them, “What did you consider when making your guesses?” (*Answers will vary but should include an analysis of the task and the skill of the athlete.*)
8. Start game 1. The student who has been chosen for basketball will try to shoot as many paper balls as possible into the trash can in 30 seconds. Instruct one of the other athletes to help retrieve balls and return to the person shooting.
9. Once the 30 seconds are over, instruct non-competing students to fill in the actual shots made and to raise their hand if their guess was correct. Make a big deal of it and give each student who guessed correctly a small reward.

10. Repeat steps 8 and 9 for games 2-5, with athletes following the specific instructions for each game.
11. Display slide 6. Instruct students to make their guesses for round 2. Tell them how easy this will be after they saw round 1. The same amount of time will be given to each athlete. Use phrases like "It's a sure thing!" and "You can't lose!" when hyping them up for this round. Consistently remind them that it is going to be the same thing as last time.
12. Instruct your five athletes to do their 30-second competitions again in the same order. Just as in round 1, after each athlete is finished, instruct non-competing students to fill in the actual shots made and to raise their hand if any of their guesses were correct. Reward any students who guessed correctly as you did in the first round. It is unlikely there will be any winners but make a big deal about it. This is the important point: Sports betting is unpredictable. It will come up again later in the lesson.
13. Display slide 7 and ask students, "What is gambling?" (*Students should write down their answers.*) Tell students to share their answers with people around them. Invite two or three students to share out their definitions.
14. Display slide 8 and define **gambling** as risking money on the chance of winning more money. Discuss the following:
 - Problem gambling is when gambling negatively interferes with everyday life; that is, gambling more than you have; experiencing feelings of remorse, compulsivity, or being out of control; or when others question your gambling.
 - Sports gambling is the activity of predicting sports results and placing a wager on the outcome.
 - Do you think what we did today was gambling? (*Answers will vary but some students may say yes while others say no. Ask those who said no why not; some might think it's not gambling because they did not risk any money.*)
 - What are some types of sports gambling that you see in your daily life? (*Answers will vary but may include wagers on individual sporting events or apps like Draft Kings or Fan Duel.*)
15. Display slide 9 and discuss the following:
 - Fantasy sports: This involves creating a fictional team of players from a variety of professional teams' players to score points for you based on their performances in real games. Often played between friends, family, or coworkers. Can be played for money.
 - Bracket challenges: These are popular during the NCAA March Madness basketball tournaments. A bracket challenge is a tournament-style competition where participants predict the outcomes of a series of matchups. Each matchup narrows down the choices until a final winner is determined. Often played between friends, family, or coworkers. Can be played for money.

- Squares: This is when people buy individual squares on a 10x10 table. For any given game, the person whose square corresponds with the last digit in a team's score on the table wins. This is often played as a fundraiser for youth sports teams or different non-profits.
 - Do you consider these activities gambling? (*Answers will vary but assure students that these are all gambling because they are risking money to try to win more money.*)
16. Display slide 10 and define an **incentive** in economics as a factor, often a monetary reward or advantage, that encourages people to do something. Discuss the following:
- What was your incentive to participate today? (*Chance to win candy or prize*)
 - Who won? Raise your hand.
 - Who lost? Raise your hand.
 - Today you did not have to pay anything to participate, but suppose you had to pay \$10 to make your guesses; how many people would have lost money? (*Answers will vary.*)
17. Tell students that sports betting has become a popular activity. Display slides 11 and 12 and read through the statistics about sports betting, as well as the stories from www.kindbridge.com about problem gamblers who sought help.
18. Display slide 13 and discuss the following:
- Why do you think sports betting is so popular? (*Answers will vary but may include that it's fun to watch sports, they are already watching sports, or the apps make it easy and fun to do.*)
 - Why do you think sports betting can be so problematic? (*Answers will vary but students may talk about how easy it is to make the bets with apps or that it can be addicting.*)
 - What makes winning a sports bet so difficult? (*Answers will vary but may include that sports can be hard to predict in general or that someone will win while someone else will lose.*)
 - Using **cost/benefit analysis**, do you think the costs outweigh the benefits for sports betting overall? Why or why not? (*Answers will vary but should discuss the unpredictable and addictive nature of sports betting. The benefits might be enjoyment or winning money, but overall the evidence is that it has more costs than benefits.*)
 - How can sports betting impact family and close friends? (*Answers will vary but should include that it can cause financial and relationship stress and that people can become isolated.*)
19. Display slide 14. Tell students that you have talked about some of the dangers of sports betting. Remind them about incentives and that incentives matter. To make the point, ask them, "If your teacher offered you \$500 to get an 'F' in class, would you take it? Would that incentive be enough to change your behavior?" (*Answers will vary but some may say yes and others no, considering the value they place on passing and the \$500.*)

20. Follow this up by further discussing how incentives affect decisionmaking. Give this example: What if you are a student who is expected to get huge scholarships in college next year? Would failing a class (which would forfeit those scholarships) be worth \$500? The costs and benefits are different for everyone. Incentives can be positive or negative.

21. Display slide 15 and give students access to the HyperDoc “Sports Betting in the News” via their device (go.unl.edu/sportsbetting). Divide the class into groups of five students. Instruct each student to read one of the five articles and then give a two-sentence summary to their group. Ensure reading of all five of the articles. Give them 10 or so minutes to complete this task. (Teacher Note: If your class number will not divide evenly into groups of five, simply form larger groups with a couple of students reading the same article.)

22. Display slide 16 and instruct student groups to further explore the articles by discussing the following:
 - What incentive did the player or referee have to change the outcome of an event? (*Answers will vary but may include that participants and officials were offered an incentive that was larger to them than what they would get from the event.*)
 - How do these articles make you feel about sports betting? (*Answers will vary but may include that sports betting is unpredictable and has many factors that can impact the outcome.*)
 - Can you predict outcomes in sports when it comes to betting? (*No, there are so many factors and uncertainties, even with research on players and abilities.*)
 - What do you think are the risks of sports betting? (*Answers will vary but should include the risk of losing money.*)

Closure

23. Display slide 17 and conclude the lesson by discussing the following:
 - What is gambling? (*Answers will vary but should be based on the definition given on the slides: Gambling is risking money on the chance of winning more money.*)
 - Is sports betting considered gambling? Why or why not? (*Answers will vary, but students may overwhelmingly believe that it is gambling because you are risking money in return for more money or prizes.*)
 - What are incentives? (*Answers will vary but should be based on the definition given in the slides: An incentive is a factor, often a monetary reward or advantage, that encourages people to do something.*)
 - What are the incentives in sports betting? (*Answers will vary but should include the incentive of winning money.*)
 - What do you think are the risks of sports betting? (*Answers will vary but may include that you could lose money and go into debt trying to afford necessities.*)

- Can you predict outcomes in sports when it comes to betting? (*Answers will vary, but most should say no, as there are too many factors at play during a sporting event, such as weather, injury, corruption, or luck.*)
-

Assessment

24. Distribute a copy of *Handout 3: Assessment* to each student. The first page is a list of data and quotes that students will reference when writing a speech about sports betting. The second page provides an outline for each student to organize a 5-minute speech. Note the following:
- The final data point on the first page discusses a prop (or proposition) bet: This is a type of side wager on parts of a game or event that may have nothing to do with the final outcome.
- Speeches will vary but should discuss the unpredictability of sports gambling and the human aspect of the games, as well as the losses and data presented on the first page of the assessment. Students should form an opinion based off their experiences from the lesson.*

Additional Suggested Assessment Items

1. In economics, what do we call the rewards that athletes might gain from altering the result of a match?
 - a. Cost/benefit
 - b. Bribe
 - c. *Incentive*
 - d. Utility

2. Faith has been sports betting since she was 14. She enjoys the excitement of it, and she enjoys sports, so it has been a source of entertainment for her. Recently, Faith has started to miss work to place her bets on games and has had to take out a loan to cover some of her gambling debt. Economically speaking, why should Faith stop gambling?
 - a. *The costs of sports betting outweigh the benefits.*
 - b. Faith started gambling when she was too young, which is illegal.
 - c. Faith needs to work to pay her bills.
 - d. Faith should continue to gamble because she receives enjoyment from it.

3. What is often the first gambling activity of problem gamblers?
 - a. Slot machines
 - b. *Sports betting*
 - c. Poker
 - d. Keno

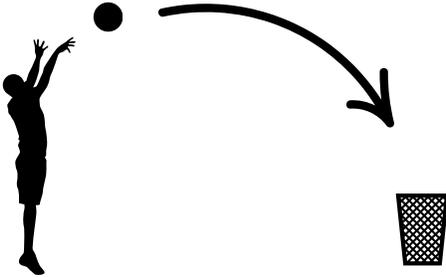
4. Essay/short answer: If your friend started betting on sports online and is of legal age to do so, what might you tell your friend to warn them of the issues of sports gambling?

Answers will vary but should include a statement on making sure that gambling is part of your entertainment budget. Answers should also warn the friend that sports are played by human actors who can be influenced by a variety of incentives.

Handout 1: Game Descriptions (page 1 of 3)



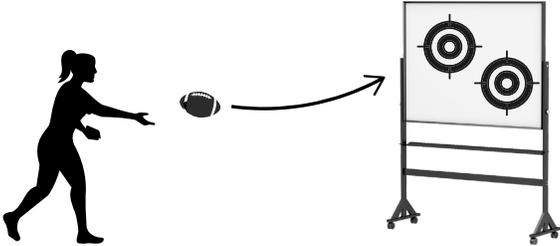
GAME 1
Basketball



Student has 30 seconds to shoot balls into the basket from 10 feet away as many times as they can. Each basket earns a point.



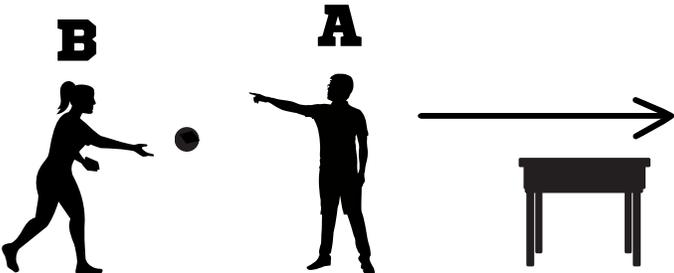
GAME 2
Football



Student has 30 seconds to throw balls at a whiteboard where there are targets with different point values. Student should be 15 feet away from the board.

Handout 1: Game Descriptions (page 2 of 3)

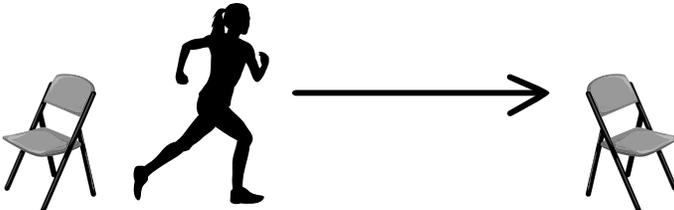
GAME 3
Baseball



The illustration shows a female silhouette labeled 'B' on the left, tossing a ball towards a male silhouette labeled 'A' on the right. Student A is in a swinging motion. To the right of Student A is a simple desk. A long arrow points from Student A towards the desk, indicating the direction of the ball's trajectory.

Student A has 30 seconds to use their arm to swing and hit a ball over a desk. Student B tosses the ball to Student A. Any ball that passes the desk earns a point. The desk should be 10 feet from Student A.

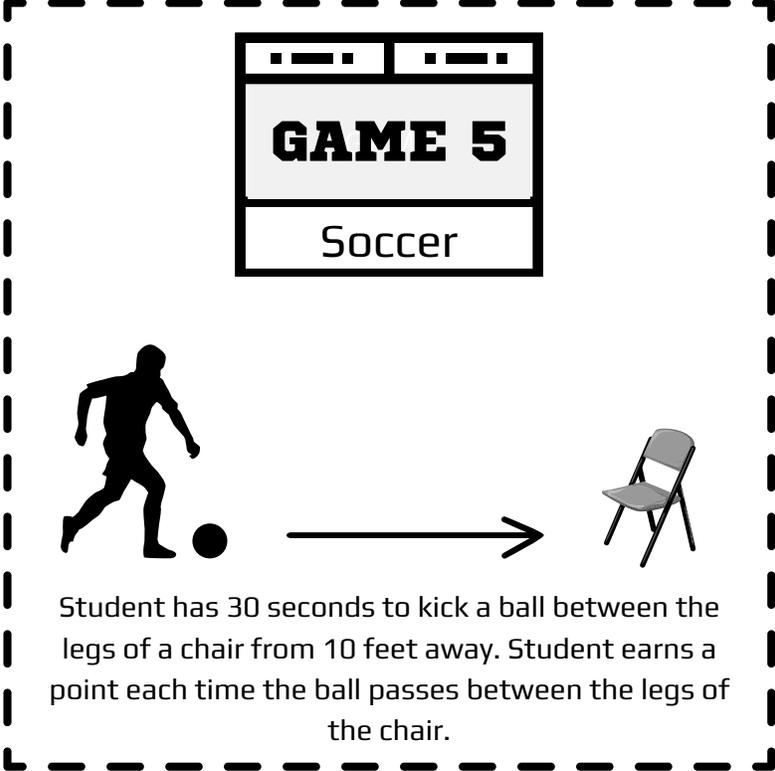
GAME 4
Track



The illustration shows a silhouette of a person running between two folding chairs. A long arrow points from the left chair to the right chair, indicating the direction of the run.

Student has 30 seconds to run back and forth between two chairs 15 feet apart and must touch the chair each time. Student earns one point each time they touch a chair.

Handout 1: Game Descriptions (page 3 of 3)



GAME 5
Soccer

Student has 30 seconds to kick a ball between the legs of a chair from 10 feet away. Student earns a point each time the ball passes between the legs of the chair.

Handout 2: Guessing Sheet (page 1 of 2)

	Guess	Actual
		
		
		
		
		

Handout 2: Guessing Sheet (page 2 of 2)

	Guess	Actual
		
		
		
		
		

Handout 3: Assessment (page 1 of 2)

Sports Betting Data and Quotes

- Eighteen percent of Americans say they have lost money sports betting that was meant for other financial obligations. (Siena College Research Institute)¹
- “It [sports betting] had a big impact. I’ve worked my whole life. So, I– you know, I got a check every week. But it would deposit right into whatever app I was using.” (CBS News)²
- “The biggest winners from the expansion of legalized sports betting are the sportsbooks themselves. Between the court’s decision in June 2018 and the end of 2022, sports gamblers made over \$190 billion in legal wagers generating \$14 billion in gross revenues for the sportsbooks. This represents nearly a 20-fold increase in under five years.” (Milken Institute)³
- “Data from 2018 shows that more than 75% of students gambled. This is a big concern given the risk-taking behavior that takes place in adolescence and young adulthood, along with gambling being more socially acceptable and glamorized than previously. More than 13% of adolescents wagered money on sports teams according to a study in 2017. Students most often bet on professional football and college basketball. Youth gamblers have higher rates of gambling problems than adults. Males are far more likely than females to both gamble on sports and to experience gambling problems.” (National Council on Problem Gambling)⁴
- Twenty-four percent of problem gamblers in the United States are sports bettors. (QuitGamble.com)⁵
- The revenue from sports gambling in 2023 was \$11 billion. (American Gaming Association)⁶
- Among college students, a 2023 survey revealed 60% of students gambled illegally and one in five used financial aid to support their habit. (UCF study)⁷
- Just 12 days after North Carolina legalized sports betting, including player prop bets on college competitions, North Carolina men’s basketball student-athlete Armando Bacot publicly reported receiving betting-related abuse via private social media direct messages after his performance: “It’s terrible. Even at the last game, I guess I didn’t get enough rebounds or something. I thought I played pretty good last game, but I looked at my DMs, and I got like over 100 messages from people telling me I sucked and stuff like that because I didn’t get enough rebounds.” (NCAA report)⁸

1 <https://scri.siena.edu/american-sports-fanship-survey-2024/>

2 <https://www.cbsnews.com/news/young-gamblers-sports-betting-addiction-60-minutes/>

3 <https://www.milkenreview.org/articles/sports-gambling>

4 https://www.ncpgambling.org/wp-content/uploads/2023/09/Sports-gambling_NCPGLitRvwExecSummary.pdf

5 <https://quitgamble.com/signs-of-sports-betting-addiction/>

6 <https://www.americangaming.org/resources/state-of-the-states-2024/>

7 <https://www.ucf.edu/news/ucf-experts-warn-students-about-risks-of-sports-betting/#:~:text=Among%20college%20students%2C%20a%202023,Health%20Promotion%20Services%20at%20UCF>

8 <https://www.ncaa.org/news/2024/5/17/media-center-sports-betting-culture-negatively-impacts-mental-health-ncaa-works-to-support-student-athletes.aspx>

Handout 3: Assessment (page 2 of 2)

Your Task: Speech to State Government

You have been asked to present to state legislators about the risks of sports betting for the public. You must write a 5-minute speech that covers your opinions on sports betting based on the activities and readings from class, the quotes and data listed on page 1, and your own cited research. Please construct your speech below. Make sure to include at least two examples from class activities and at least three of the points from page 1 in your response.

Use the outline below to help you organize your thoughts.

Examples from class activities:

1.

2.

Which points support your examples?

1.

2.

3.

Use the rest of the page to work on your speech. Use additional paper if necessary.

Standards and Benchmarks

Voluntary National Content Standards in Economics

Standard 2: Decision Making

Effective decision-making requires comparing the additional costs of alternatives with the additional benefits. Many choices involve doing a little more or a little less of something; few choices are “all or nothing” decisions.

- **Benchmarks: Grade 8**
 4. Many people have a tendency to be impatient, choosing immediate consumption over saving for the future.
- **Benchmarks: Grade 12**
 6. Some decisions involve taking risks in that either the benefits or the costs could be uncertain. Risk taking carries a cost. When risk is present, the costs should be treated as higher than when risk is not present.

Standard 4: Incentives

People usually respond predictably to positive and negative incentives.

- **Benchmarks: Grade 8**
 1. Responses to incentives are usually predictable because people normally pursue their self-interest or deviate from their self-interest in consistent ways.
- **Benchmarks: Grade 12**
 1. Acting as consumers, producers, workers, savers, investors, and citizens, people respond to incentives in order to allocate their scarce resources in ways that provide them the highest possible net benefits.