

How Much Should You Bet?

By Barry Meadow

Two questions we ponder daily:

1. When our horse wins, we wonder why we didn't bet more.
2. When our horse loses, we wonder why we bet so much.

How much to bet is a problem every player on the planet must confront. Whether you play every day or once a month, you need some plan.

Ah, a plan. Many bettors use the wing-it method. Some get up a few dollars early and then start firing serious bullets, hoping to take the entire track home in a single day but usually winding up with just bittersweet memories. Others get behind, then try to make it all back on the last race. Still others switch back and forth, betting \$10 on this race, \$70 on that one, and \$40 on this other one.

Bet sizing is not simple. Among the factors to consider:

** Are you a winning player (the minority) or a losing player (sorry, the vast majority)?* Are you sure? For many bettors, this is a surprisingly difficult question to answer accurately. Many players keep no records. Others look at their last series of bets (say, 100 plays), leading to small samples which often signify nothing. Others combine their records on low-odds bets (which win often) with more volatile high-odds bets (which win less often but which pay better).

** Do you want action, or are you trying to win?* When I go to a dog track, I pick out pretty dogs and play every race; I want some action with little thought about whether I win or lose. Is this you at a racetrack? If it is, you don't need a guide on money management. Just have fun. But if you are trying to win, long-term, you've got to figure out how you can maximize your winnings while maintaining a playable bankroll during a losing period. And that's easier said than done.

** How big is your bankroll?* By this I mean your overall gambling bankroll, not simply how much you brought with you to the track today. If your bankroll is only \$1,000, you can't suddenly start betting \$80 on a race or you run a very high risk

of going broke. How much can you afford to lose if you never hit another winner?

* *What value are you offered?* If you think a horse should be 4-1 but he's 6-1, that's some value. If he's 8-1, that's better value and you should bet more. If you are offered no value--he's going off at what appears to be a *fair* price, not a *good* price--why play at all?

* *How will your bet impact the price?* At some tracks, even a \$20 bet on a long-priced daily double or exacta can cut your price by 10% or more. Once you start moving numbers, be careful you don't move them from an overlay to an underlay. You may have to spread your action over various pools.

* *How likely is the bet to win?* We'd all love to make huge bets on winning longshots, but the reality is that short-priced horses win much more often than long-priced horses. If you prefer to play 15-1 shots, it's no big deal to lose 50 straight bets at such a price--so if your bet size is too large, you may go broke before something finally comes in.

* *How much does a single horse mean to your bankroll?* Some players try to stick to a careful plan, but forget that when you key a horse in several pools the combined play may be too large. Let's say you have a \$5,000 bankroll and ordinarily don't bet more than 2% (\$100) on a particular race. You like the 6 to win, the 6-2, 6-3, and 6-4 daily doubles, the 6-1 and 6-7 in the exacta, and the 6 as a trifecta and Pick 3 key as well. You can't bet \$100 into each pool or your bankroll will shrink drastically if the horse loses

* *At what point does your stress outweigh your pleasure?* Some players can bet \$50 without blinking an eye but when they bet \$100 they simply get too nervous to enjoy the day. And this seems to have nothing to do with whether they own a bank or own only a toothpick. Many players dismiss small bets as not providing enough action or thrills, but there's a fine line between thrills and a heart attack.

If you read sales pitches for systems or other racing materials, or believe the posts on Internet forums, winning at the track is simple, and you can win gobs of money simply by following a few simple rules. Good luck there! Sadly, you won't get rich betting \$20 a race no matter what you do. Let's be generous and assume you have a 5% overall edge (yeah, I know that people claim far greater edges than this, but let's keep this discussion

somewhere in the realm of reality). If you bet eight races a day at \$100 a race, with this edge you will pocket \$40, which just about pays for your transportation, admission, Form, and lunch. To make serious money, you will have to bet many more races, or raise the size of your bets.

Of course, if you raise those bets too much, you risk having very bad things happen to you once you hit a losing streak. And, trust me on this, you will.

Let us close with a look at the very first bet-size consideration: Are you a winning player? We always work with imperfect (and often contradictory and misleading) information when trying to answer this. Can we call ourselves winners if we won last year but lost the four years before that? If we hit a big Pick 6 which is unlikely to be repeated? If we made some big bets the last week of the year, they won, and they put us into the black? If all our profits came from rebates and bonuses which may not be available next year? If we made only 400 bets all year? If we didn't keep good records and only *think* we wound up ahead?

The hard fact here is that most of us have relatively little idea of whether we truly are winning players (or losing players, for that matter). Whether the records are inadequate, based on small samples, based on widely varying payoffs, or whatever, few of us can make a dependable prediction on how the next year is going to go. If we can't be *sure* we have an edge—and how much that edge might be—we can't make hard-and-fast betting rules.

One thing's for certain—overbetting is far worse than underbetting. Take the old joke about the guy who bets his entire bankroll on every race. He starts the day betting \$2 in the first race, then miraculously wins the first eight races. By now his bankroll is in the thousands of dollars, which he bets on his pick in the last race, who loses by a nose. When he gets home, his wife asks how he did. His reply:

“I lost \$2.”

Barry Meadow is the author of Money Secrets At The Racetrack. For seven years, he published the newsletter Meadow's Racing Monthly. In 2014, he won the first-ever Ron Rippey Award for handicapping media. His newly revised website, trpublishing.com, features a number of free handicapping articles.

