GAMBLING ADVERTISING
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GAMBLING ADVERTISING: NATURE, EFFECTS AND REGULATION

BY

BARRIE GUNTER
University of Leicester, UK
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Chapter 1

Gambling Advertising: Is There Need for Concern?

Gambling covers a wide array of different activities from placing bets on horse races at bookies, through buying lottery tickets or scratch cards, attending bingo events, playing slot machines in arcades and public houses, visiting casinos to play card games, roulette and a multitude of other ways of wagering money. Gambling has grown in prevalence into the twenty-first century and much of this growth has been driven by the Internet and online gambling. Offline gambling games have moved online and new games have also become established in the virtual world. Online gaming has brought gambling into people’s homes and made it far more accessible. As a result, more people have taken to gambling.

Of particular concern to public health authorities has been the extent to which relaxed gambling laws have led to the rapid extension of gambling online that has, in turn, drawn the attention of young people. Pretend gambling games have been rolled out for children on social media platforms that do not require betting real money, but nonetheless introduce them to the concept of gambling. This phenomenon, and the substantial volumes of gambling advertising online and on mainstream media such as television, has created a world that provides constant temptations to would-be gamblers and constant reminders to established gamblers (Binde, 2014a).

A few statistics serve to illustrate how far-reaching gambling has become. Worldwide, the total gambling market was estimated to be worth US$450 billion in 2017 with further growth predicted in the years ahead. In the United States alone, the industry was worth US$137.5 billion and employed around three-quarters of a million people. In 2013, gambling losses in the United States totalled US$119 billion, followed by China (US$76.0 billion), Japan (US$31.4 billion), Italy (US$31.4 billion), Britain (US$19.9 billion) and Australia (US$18.6 billion) (Statista, 2018).

In 2016, the biggest proportion of all global gambling revenues was produced by betting on event outcomes (37%), followed by casino revenues (26%), lotteries (14%), other gaming (13%) and poker (10%). Betting revenues had remained
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fairly stable over the previous 10 years, while casino revenues had grown, lottery and other gaming revenues grew just marginally, and poker revenues fell (Statista, 2018).

The Independent newspaper reported in 2016 that gambling companies in the United Kingdom had spent nearly half a billion pounds on television advertising over the previous three-and-a-half years. Television advertising expenditure jumped from £81.2 million in 2012 to £1,185 million in 2015. This excluded a further £169 million spent on advertising the National Lottery during that period (Chapman, 2016).

The growth trend in gambling has not been recorded everywhere. One investigation of gambling rates among American adults found a reduction in gambling prevalence from 1999–2000 (82%) to 2011–2013 (77%). There was a reduction also among gamblers in the average numbers of days per year when they gambled (60 days to 54 days over this period) (Wells, Barnes, Tidwell, Hoffman, & Wieczorak, 2015).

In many places, however, gambling has been on the rise. The European Commission (2012a) reported that nearly seven million Europeans gambled online (Global Betting and Gaming Consultancy, 2013). Betting on sports events was the most popular form of online gambling (Global Betting and Gaming Consultancy, 2013). Such was the dramatic growth in popularity of online gambling that the European Union took steps to review its gambling legislation and guidelines it offered about gambling to its member states (European Commission, 2014a).

In the United Kingdom, research by the Gambling Commission (2018) reported that 45% of people surveyed in 2017 had gambled in the previous four weeks. However, 31% of those surveyed had only played lotteries. Nearly one in five people (18%) said they had gambled online in the previous four weeks. Over half (51%) of online gamblers had used a mobile phone or other mobile device to gamble with. One interesting finding from the UK research was that once lottery gamblers were excluded, participation in other forms of gambling was highest among those aged 16–34 years. Therefore, concerns that gambling appeals to the young were borne out by these data (Gambling Commission, 2018).

Much of the public concern about gambling has focussed on the age at which it starts. In the United Kingdom, the legal gambling age is 18, with the one exception being playing the National Lottery, which is legal from the age of 16. Research evidence has emerged, however, that children start to gamble earlier than this; sometimes with their own money and at other times with money given to them (or taken from) their parents (Gambling Commission, 2016, 2017).

In surveys conducted with children aged 11–15/16, the Gambling Commission (2016, 2017) in the United Kingdom found that 16% of a sample of 11- to 15-year olds in England Wales in 2016 and 12% of a sample of 11- to 16-year olds from across Great Britain in 2017 said that they had gambled in the past week using their own money. Their gambling included playing fruit machines, making private bets, buying National Lottery tickets and scratch cards and even gambling on licensed premises. There were also reports of online gambling. The latter has been a specific source of public concern that has led to calls for tighter legislation over gambling availability and gambling advertising because the online world has...
extra special appeal to young people (Lawson, 2018a). Of those who engaged in online gambling, twice as many did so using their parents’ money than their own money (Gambling Commission, 2016, 2017).

**Accessibility of Gambling**

Not only have technological developments made it easier for everyone to gamble, but the temptations to gamble constantly are also ever present. Whereas most gambling once took place in specific venues that were open at specified times, today gamblers can place stakes from home at any time of the day. Of course, many gamblers still visit arcades, betting shops, racecourses and casinos to place bets. They also go to their local shopping centres specifically to purchase scratch cards or lottery tickets from retail outlets. Yet, they can also gamble on live sports events, play in virtual casinos, enter lotteries and engage in a wide range of other gambling games via computer screen or mobile phone from home or any other location.

Home-based gambling has not just emerged with the Internet. Long before everyone went ‘online’, placing bets at home was a popular pastime with the ‘football pools’. Each week, millions of punters would stake bets predicting football results and occasionally someone would win a big prize. The difference between that style of home betting and the games that can be played remotely today is the scheduling of opportunities to play. With the football pools, participants could gamble only once a week. There were no opportunities to play this game more frequently. In contrast, contemporary online gambling games allow players to get results almost immediately and play repeatedly as many times as they choose. This feature sets the scene for multiple plays and multiple stakes and potentially big losses.

The gambling industry has become one of the biggest and most active advertisers in mainstream media and sport. It sponsors major entertainment and sports events, has its brand imprints on many different types of merchandise and buys significant amounts of advertising airtime on television. It also reaches into people’s lives through their online social networks. All of this means that consumers are constantly reminded about opportunities to gamble and are actively enticed into regular gambling behaviour. There are incessant inducements or temptations to place bets that are presented on television, at the cinema, on billboards and posters in the streets and on the Internet. By integrating gambling games with other forms of entertainment, and especially with sports, the fun value of gambling is enhanced. The image of gambling has been changed to make it more mainstream and normative rather than an activity traditionally associated with specific population sub-groups. The increased volume of opportunities to play has increased the extent to which people in general gamble and this trend, in turn, has resulted in a growth in the prevalence of problem gambling (Griffiths, 1997; Griffiths, Wood & Parke, 2009; Gainsbury, Hing, et al., 2014).

There is research evidence from around the world to show that increased accessibility to gambling opportunities is a key factor in pushing up gambling volumes and is linked to increased prevalence of problem gambling (Abbott & Volberg,
1996; Jacques, Ladouceur, & Ferland, 2000; Lester, 1994; Volberg, 1996). One study found, for example, that when a new casino opened in a community, it prompted increased involvement in casino-related gambling games compared to a control community where no such intervention had occurred (Jacques et al., 2000).

Among young people, more mixed empirical evidence has emerged concerning the role played by gambling accessibility in gambling behaviour onset. There is evidence to support the hypothesis that when there is increased temptation to gamble in a youngster’s environment then gambling onset likelihood is increased. Yet, not all research on this question has confirmed these findings. Some researchers have discovered that when young people are repeatedly engaged in open-ended discussion about gambling and their own involvement in it, a variety of factors emerges that each play a part in defining whether a young person will start to gamble, the frequency with which they do so, how much they will spend and the types of gambling activity they most prefer to engage with (Kristiansen & Trabjerg, 2016).

The migration of gambling onto the Internet has been perhaps the biggest single factor in the twenty-first century that has increased the availability and accessibility of gambling (Gainsbury, 2015). Seen as a potential money spinner that could yield high tax revenues, Internet gambling has been encouraged by many national governments around the world that have relaxed their gambling regulations to facilitate its establishment (Gambling Commission, 2014).

Internet gambling allows players to gamble anywhere using a range of devices including desktop and laptop computers, tablets and mobile smartphone. Gamblers can place bets at home or on the move. It is also a private form of gambling because it does not require players to go to a public location where gambling activities take place. This aspect can give online gambling special appeal to youngsters who are experimenting with gambling before legally old enough (Olasson, Sigurdsdottir & Smari, 2006; Allasson, Skarphedinsson et al., 2006).

While offline gambling activities continue to play a big part in introducing young people to gambling, there is evidence that the part played specifically by online gambling is also growing (Gambling Commission, 2016, 2017). It is also well established that Internet gamblers regularly concede that it is easier to spend more money while gambling online (Gainsbury, Parke, & Suhonen, 2013; Gainsbury, Russell, Hing, Wood, & Blaszynski, 2013; Griffiths & Parke, 2002; McCormack & Griffiths, 2012). Admissions such as these have led to increased legislative attention from international and national authorities and recognition by politicians that Internet gambling presents a specific type of temptation that deserves special public policy attention (Casino.org, 2014; House of Lords, 2017).

**Problem Gambling**

Problem gambling is a clinically diagnosed condition based on respondents’ scores on appropriately developed psychological tests designed to measure a behaviour syndrome signalling gambling that is extreme or out of control. While this is the type of gambling behaviour that has drawn the greatest concern, much of the
relevant research evidence for the past few decades has indicated that genuine ‘problem gambling’ affects only tiny proportions of people who gamble.

Studies conducted throughout the 1990s and beyond revealed low rates of ‘problem gambling’, as defined by clinical scores on relevant psychological tests and, in addition, mixed the evidence of either growth or declines in rates of this behaviour. There was evidence of increased rates of gambling and problem gambling over the final decades of the twentieth century, but then further evidence emerged of a tailing off or decline in these trends in the 2000s (Shaffer, Hall, & Bilt, 1997; Volberg, 2002; Wiebe & Volberg, 2007; Williams, Volberg, & Stevens, 2012).

Research among samples in the United States and Canada reported that ‘pathological gambling’ prevalence, which was defined and measured via different psychological tests, was generally very low (at one in 20 of fewer people on different measures) and no evidence of significance changes over the period studied (Wells et al., 2015).

In the United Kingdom, few gamblers were found to display symptoms indicative of ‘problem gambling’ behaviour. Those at ‘high risk’ or problem gambling amounted to fewer than 1% of those interviewed and others who were rated as low or moderate risk players amounted to just under 4% (Gambling Commission, 2018). Even among underage gamblers, for whom there has been special concern understandably reserved, self-endorsed problem gambling symptoms were at low level. In one example of this research, youngsters aged 11–16 years across Great Britain were asked whether they had experienced any of a number of specific behavioural symptoms linked to gambling, such as preoccupation with gambling, needing to do more of it to get excited, really missing it when it is not available, spending more than they had planned when gambling, chasing losses, lying to family members and friends about their gambling and committing illegal acts such as stealing money to fund their gambling. Only 1–2% of youngsters reported any of these behaviours (Gambling Commission, 2017; Grant, Kishner & Kim, 2002).

Of course, there are risks attached to placing reliance on self-attributed problem behaviour because it is dependent upon the accuracy and honesty of young people’s admissions about their own behaviour. Even so, the results offered some reassurance and have been confirmed elsewhere. Hence, a fairly recent evidence has indicated that Internet gambling per se might not lead to problem gambling behaviour but can do so when interspersed with offline gambling as well (LaPlante, Nelson, & Gray, 2014; Lloyd et al., 2010; McBride & Derevensky, 2009; Welte, Barnes, Tidwell, & Hoffman, 2009).

Historically, problem gambling – that is, when gambling gets out of control to the point where individual gamblers spend more on their habit than they can afford to the detriment of other aspects of their lives and on their relationships with others – was already observed with some who gambled to excess in arcades, betting shops and casinos. Excess gambling was classed by professional psychologists as an addiction (Griffiths, 1999). The emergence of online gambling extended the opportunities for problem gambling to occur and the kinds of addictive-like tendencies that had been observed among some players
of slot machines also started to appear with online game players and often in relation to sports betting (Griffiths & Auer, 2013; Lopez-Gonzalez, Estevez, & Griffiths, 2017).

Understandably, the extreme visibility of the gambling sector in public spaces – physical and virtual alike – has drawn attention from concerned authorities worried about its negative influences on people’s lives. The constant bombardment of the public with invitations to play bingo, enter lotteries and engage with online virtual casinos means that temptation to take risks with their money increase. The association of gambling with good causes through government sponsored lotteries has also served to shift public attitudes towards the industry. Gambling has become more socially accepted and this in turn has encouraged more people to participate. Gambling advertising has become increasingly prevalent as well and with endorsements from celebrities especially from sports, gambling is presented as fun (and harmless) (Amos, Holmes, & Strutton, 2008; Binde, 2014a, 2014b; Deans, Thomas, Derevensky, & Daube, 2017).

Gambling promotions, as we will see, present gambling games as a fun way to spend your time. They are shown as being sociable activities in which people can engage with their families and friends. The risk elements are played down while the prospects of winning are emphasised. Critics would say, probably with some justification, that the risks (of losing) are insufficiently explained while the potential to win, and win big, are exaggerated. Traditionally, gambling was associated not only with problem elements of society, but also with negative values such as hedonism, materialism and greed (Binde, 2014a). The industry has worked hard to reverse this negative social image by positioning gambling as a fun and family oriented, relatively risk-free mainstream entertainment and leisure pastime (Monaghan, Derevensky, & Sklar, 2008).

For some gambling critics, regulators have not always done enough to control gambling temptations spewed out by the industry. In the United Kingdom, for example, gambling advertising has been restricted on television and cannot be shown before a 9 p.m. watershed, designed to reduce its visibility to children (i.e. those aged under 18). However, the presence of gambling promotions in live sports events televised before the watershed was still allowed (Doyle, 2018). This topic will be revisited later in this book.

**Targeting the Young**

What has attracted the greatest attention and calls for intervention on the part of governments in the social network era has been the alleged tendency of the gambling industry to target young people. There is growing concern about the behaviour of the gambling industry in the way it promotes gaming in ways that would seem deliberately designed to appeal to children and adolescents. Not surprisingly, the industry itself has denied doing this and disputed any allegations that suggest it targets people legally too young to be allowed to gamble. Yet, close examination of the sector’s promotional campaigns often reveals widespread use of formats and features known elsewhere to appeal to teenage and pre-teenage children, such as animated characters and certain kinds of humour.
The industry’s critics have accused it of using such techniques deliberately to entice children to take an interest in gambling even though they are too young legally to take part (Davie, 2017; Lawson, 2017; Unfoot-Thomas, 2017a). These techniques are used increasingly in online gaming and Internet gambling advertising where codes of practice have been left behind by technology developments. Restrictions on gambling promotions on mainstream media, such as cinema, television, radio, newspapers and magazines, billboards and posters do not always apply to promotions on web platforms.

Gambling and advertising regulators have begun to get wise to the power of new and often subtle forms of gambling promotion on the Internet. Gambling operators create their own websites that contain not only information about their products, but also include entertainment elements that are frequently characterised by formats and features that have strong appeal to children. In the United Kingdom, advertising and gambling regulators banded together to investigate the use of child-friendly promotional methods by gambling operators that were manifest in their use of colours, cartoon animations, comic book references, and in the names gambling games were called, such as ‘Fluffy Favourites’, ‘Jack and the Beanstalk’, ‘Piggy Payout’ and ‘Pirate Princess’ (Murdock, 2017). In August, 2018, the UK’s Gambling Commission announced it was clamping down on gambling advertisements that used techniques known to attract the interest of children (Witherow, 2018).

Another phenomenon that has emerged in relatively recent times is the emergence of gambling games on social media sites that are so popular among young people. It isn’t just the gambling industry that has driven forward these new forms of entertainment, but game developers. One study of games on Facebook found that over half contained gambling content and most of that content was linked to slot machine gambling (Jacques et al., 2016).

Elsewhere, it was observed that the gambling and gaming industries were forging growing alliances and casino games had become prevalent online. A survey of adults who had played casino games in the previous 12 months also found that most of them (over 70%) said that playing these games had had no impact on how much they gambled; nearly one in five (19%) said that they had gambled for money as a result of playing these games and one in ten (10%) said that these games had increased the overall amount they gambled (Gainsbury, Russell, King, Delfabbro, & Hing, 2016). Clearly, this kind of evidence can readily (and, perhaps, justifiably) fuel concerns about the impact of online gambling on gambling behaviour in general and most especially about the enticements presented online for young people to gamble.

As we will see, these criticisms are justified when we look at the available scientific evidence about the effects of gambling marketing on children, adolescents and young adults. There is, however, a much more significant change to the nature of gambling that has driven the growth in participation across all age groups. This is the emergence, spread and widespread adoption of interactive gambling games on the Internet. Whereas much gambling was contained within specific spaces such as amusement arcades, betting shops, casinos and certain retail settings which required gamblers to make the effort to find and
visit these locations, today anyone can gamble from any location. Most especially though, the rise of online gambling means that gamblers can indulge their habit from inside their own homes or in their workplace. Gambling has, therefore, become much more available. This increased presence and accessibility of an ever-growing range of gambling activities in spaces that are especially likely to be populated by young people means that children and teenagers are increasingly exposed to gambling.

Teenagers have been found to feel bombarded by gambling advertising, especially on television. A survey of young people in the United Kingdom found that two-thirds of teens thought that television carried too much advertising for gambling. Only one in four felt that this advertising contained adequate warnings about the risks of gambling. The research confirmed, however, that some televised gambling advertisements were liked and perceived to make gambling look like a fun thing to do. Around one in two teens endorsed advertisements for brands such as Bet365 and Paddy Power as entertaining and enjoyable to watch (Hodge, 2018; Poulter, 2018).

One particularly interesting development in the context of youth interest in gambling has been the introduction of free-to-play simulated gambling games. Gambling activities have been integrated within video games. Leading online social media sites have also offered free simulated casino games, most of which were deemed to be suitable for children. One report stated that Apple offered 200 games of this sort, with a further 250 on Google and another 70 on Facebook (Parker, 2018). While these sites are designed to offer a form of entertainment and do not try to get the kids that play them to bet real money, they do introduce youngsters to different forms of gambling game and teach them about the principles of gambling.

Psychologists specialising in the study of gambling behaviour have begun to investigate the potential impact of simulated gambling games. One of the issues that has been examined is whether gambling simulations have potentially harmful or beneficial effects on young people in terms of the type of orientation towards gambling they might cultivate. One school of thought is that simulate gambling poses a risk to curious children and teenagers by increasing the likelihood that they will eventually gamble for real and become problem gamblers as adults. As a counter to this idea, another school of thought has argued that such games could be used to encourage the internalisation of self-control with regard to gambling. Lessons can be taught about the real probabilities of winning versus losing, the risks associated with ‘chasing losses’, and the realisation that, in the end, the ‘house’ generally wins far more often than the gambler (King & Delfabbro, 2016). We will return to the significance of online gambling and the risks posed by simulated gambling games later.

**Animation in Gambling Promotions**

Gambling organisations have used some of children’s favourite characters such as Peter Pan to promote online games (Stewart, 2017). In many of these cases, legislative loopholes have been used to adopt practices to advertise gambling that