Quarterly Research Briefing 04/12 (November 2012)

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Quarterly research briefing 04/12

Introduction

1. The purpose of this briefing note is to provide both the Board and all Commission employees with a short summary of significant research that has either been published recently, or is due to be published in the near future. This, and future, research briefings will be shared with the Responsible Gambling Strategy Board (RGSB) and the National Lottery Commission (NLC).

2. Copies of the full research documents featured in this briefing, or more detailed summaries, are available on request. Full citations of the studies featured in this briefing are provided annex.

Overview and key themes

3. There appears to be a continuing focus in recent research on gaming machines; (both in relation to structural features and limit-setting) and gambling involvement as a predictor of problem gambling. Also of particular interest this quarter are the National Lottery Commission’s research on underage gambling and the review of behavioural profiling of problem gamblers.

Recent/current research

Gambling Commission and National Lottery Commission research

4. Survey data on gambling participation, year to September 2012
   Gambling Commission (2012)

5. This report presents the findings of two separate, but complementary, sets of questions commissioned by the Gambling Commission in omnibus surveys conducted by ICM Research. The first set of questions measures participation in all types of gambling activity, including by remote means (n=4,000); the second set measures participation in remote forms of gambling (n=4,000). The annual figures in the report are produced by averaging the results of the previous four quarterly surveys. These reports are published on a quarterly basis.

Main findings

All gambling participation (including by remote means)

- 56.9% of the 4,000 adults surveyed said they had participated in at least one form of gambling in the previous four weeks. This figure of 56.9% compares with the 2011 calendar year figure of 57.3%, the 2010 calendar year figure of 55.5% and the 2009 calendar year figure of 55.2%.

- The most popular gambling activity was National Lottery tickets (47.5% of respondents), followed by National Lottery scratchcards (12.7%) and tickets for society or other good cause lotteries (9.7%). Betting on horse races, private betting with family, friends or colleagues, and gambling on fruit or slot machines were the next most popular activities (3.8%, 2.7% and 2.6% respectively).
Those participating in gambling were more likely to be male than female, and were more likely to be aged over 45.

Remote gambling participation

- 12.4% of the 4,000 adults surveyed said they had participated in at least one form of remote gambling in the previous four weeks\(^1\). Around half of these had participated just in National Lottery products.

- This figure of 12.4% compares with the 2011 calendar year figure of 12.4%, the 2010 calendar year figure of 11.1%, the 2009 calendar year figure of 10.5%, the 2008 calendar year figure of 9.7%, the 2007 calendar year figure of 8.8% and the 2006 calendar year figure of 7.2%.

- If those only playing National Lottery products remotely are excluded, 5.5% of respondents had participated in remote gambling in the year to September 2012, compared with the figure of 6.1% in 2011, 5.7% in 2010, 5.7% in 2009, 5.6% in 2008, 5.2% in 2007 and 5.1% in 2006.

- Remote gambling via a computer, laptop or handheld device was most popular (11.2% of all respondents), followed by gambling via mobile phone (3.4%) and interactive/digital TV (0.9%).

6. Underage gambling in England and Wales

Ipsos MORI (2012)

7. This study, commissioned by the National Lottery Commission, aims to measure current levels of underage gambling, and to examine how and where underage players buy National Lottery Tickets. The findings are based on the results of self-completion questionnaires, administered in schools, from a representative sample of 11-16 year olds (n=2,757). The survey compares results with previous studies examining the prevalence of underage gambling conducted in 2007, 2008 and 2011.

Main findings

- Eighteen percent of 11-15 year olds say they have gambled in the past week. This represents a return to gambling levels in 2008, and a decrease from the 2011 (when the figure was 23%).

- Between 2007-2012, rates of play on individual games have generally remained stable, while the proportion of 11-15 year olds playing fruit machines and placing private bets for money has fallen significantly.

- Rates of participation in online gambling are lower than rates of involvement in offline gambling, and are similar to previous years. Seven percent of children say they have some experience of playing online gambling games for money, but around half of this can be explained by children playing alongside parents with their permission.

- Thirteen percent of children say that they have played free online gambling games, this is most often through Facebook.

\(^1\) From March 2010 the remote gambling participation survey questions have been amended to ask respondents whether they have gambled in the ‘past four weeks’, as opposed to the ‘last month’ as in previous quarters. This was done to provide consistency with the all gambling participation questions.
• Seven percent of 11-15 year olds say that they have played National Lottery games in the past week. This level of play is lower than in 2007-2011.

• Most children who say that they have played the National Lottery (either online or offline) have done so with their parents and with parental supervision.

• The profile of children who have gambled in the past week is consistent with previous research, with children being more likely to gamble if they:
  - are male
  - are from a single parent household.
  - are from a household where neither parent works.
  - feel they are not doing well academically.

• The profile of children gambling on any single game is similar to those gambling on other games, and the majority of children playing any single game also play at least one other game. The authors argue that these findings suggest that there may be a ‘type’ of child attracted to gambling in general, rather than children being attracted to particular forms of gambling more than others.

• The authors argue that there are factors other than playing alongside parents that explain children’s participation in gambling, and that regulators need not necessarily focus on family play as an avenue into gambling.

Gaming machines


9. This study aims to test the theory that, given the choice between two available slot machines, gamblers will learn to bet more money on the machine with higher expected return (payback percentage) or higher win probability per spin (volatility). The sample comprised of students (n=52) who had played a gaming machine at least once in the previous 12 months. Participants were instructed to play on two PC-simulated electronic gaming machines that differed on payback percentage and volatility, with the option of freely switching between machines after a practice phase. The results indicated that participants were able to easily discriminate between machines and demonstrated a preference to play machines offering higher payback or volatility. The authors concluded that return rate parameters like payback percentage and volatility strongly influenced slot machine preference (in the absence of betting options like multi-line bets) though more research is needed to determine the effects of such betting options on player distribution of money between multiple gaming machines.
10. **The Impact of Jackpots on EGM Gambling Behavior: A Review**  
Rockloff and Hing (2012)

11. This paper reviews the available literature on how jackpots influence Electronic Gaming Machine (EGM) gambling behaviour. Most of the available evidence addresses the motivational effect of the mere presence of jackpots on play, as actual wins are relatively rare for individual gamblers. This review makes a distinction between rational, biased and irrational motivations that attract people to EGM jackpots. The available evidence suggests that EGM jackpots should generate additional consumption on EGMs compared to machines that do not have such ‘lottery-like’ features. The authors argue that rational motivations are likely to lead to consumer surplus\(^2\), whereas biased and irrational motivations for play are likely to contribute to excessive consumption. The authors highlight that there is evidence that excessive gambling consumption is strongly associated with gambling-related harm. The authors recommend that future research should examine how the structural features of different types of jackpots may differentially appeal to rational, biased and irrational gambling motivations. As jackpots are a common feature of EGM games, the authors assert that it is important to have a better understanding of how jackpot features influence play on machines.

12. **Facilitating Responsible Gambling: The Relative Effectiveness of Education-Based Animation and Monetary Limit Setting Pop-up Messages Among Electronic Gaming Machine Players**  
Wohl, Gainsbury, Stewart and Sztainert (2012)

13. This study assessed two responsible gambling tools that aim to increase gambler’s adherence to a preset monetary spending limit; an educational animation explaining how machines work, and a pop-up reminder informing gamblers their limit had been reached. The results showed that both the animation and pop-up limit reminder helped gamblers stay within their preset monetary limit, but there is no additive effect of exposure to both responsible gambling tools. The authors suggest this means that, for minimal disruption in play, a pop-up message reminding gamblers of their preset limit might be preferred over a lengthier educational animation.

Auer and Griffiths (2012)

15. This paper examines whether online gamblers’ voluntary setting of time and money limits has any positive impact on subsequent gambling behaviour and whether such measures are of help to problem gamblers. The authors analysed data collected from a representative random sample of players (n=100,000) who gambled on the *win2day* gambling website. During a 3 month period, all voluntary time and/or money limit setting behaviour\(^3\) by a subsample of online

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\(^2\) Consumer surplus is the difference between the maximum price a consumer is willing to pay and the actual price they do pay.

\(^3\) When opening an account at the *win2day* site, there is a mandatory requirement for all players to set time and cash-in limits (that cannot exceed 800 € per week).
gamblers (n=5,000) was tracked and analysed. From these 5,000 gamblers, the 10% most intense players were investigated further. The results indicate that voluntary spending limits had the highest significant effect on subsequent monetary spending among casino and lottery gamblers. Monetary spending among poker players significantly decreased after setting a voluntary time limit. The highest significant decrease in playing duration was among poker players after setting a voluntary playing duration limit. The authors argue that the results of this study demonstrated that voluntary limit setting had a specific and significant effect on the studied gamblers, and that voluntary limits appear to show an appropriate effect in the desired target group.

16. **Gambling motives and symptoms of problem gambling in frequent slots players** MacLaren, Harrigan, Dixon (2012)

17. This study examines the motives for gambling among patrons of slots venues who reported playing electronic gaming machines at least weekly (n=849). The analysis found that gamblers who frequently play slot machines are at elevated risk of pathological gambling if they play slots as a means of self-regulating their negative emotional states.

**Gambling involvement**

18. **Analyses of multiple types of online gambling within one provider: an extended evaluation framework of actual online gambling behaviour** Brosowski, Meyer & Hayer (2012)

19. The aim of this article is to build on previous publications of actual online gambling behaviour that neglected involvement across multiple types of gambling and did not provide levels of at-risk involvement. Behavioural data from subscribers (n=27,653) of an online gambling provider (bwin) was reanalysed across eight products over a period of seven months. The authors classed individuals in the sample as at-risk gamblers if they transgressed the following involvement thresholds provided by a previous study: (1) gambling more often than 2-3 times a month and (2) wagering more than 500-1000 Canadian Dollars per year. The authors then ran logistic regression models to predict at-risk gambling by gambling types and multiple involvement.

**Main findings**

- In sum, 47% of the sample transgressed at least one of the two more conservative thresholds (days or net wins/losses) and 9% of the sample exceeded both.

- Each additionally used gambling product increased the risk of transgressing involvement cut-offs by three to four times, but type-specific risks decreased strongly after adjusting for involvement in multiple gambling types.

- The only activities which remained significant risk factors after this adjustment were ‘Poker’ and ‘Live-action betting’.
• The authors suggest that these results show that it is necessary to conduct future online gambling research with particular regard to multiple gambling involvement, poker games, and activities with high event frequencies.

20. **Gambling Involvement and Increased Risk of Gambling Problems**
Phillips, Ogeil, Chow and Blaszczynski (2012)

21. Given the increased online availability of gambling this study considered whether problem gamblers demonstrated a tendency to engage in multiple forms of gambling and whether certain forms of gambling were more strongly related to problem gambling. In reanalyses of two surveys (sample 1, n = 464, sample 2, n = 1,141), significant relationships were found between the numbers of forms of gambling accessed and degree of gambling problem. Participation in online poker, playing cards and sports wagering were linked to problem gambling. The authors argue that access to multiple forms of gambling may pose difficulties for the tracking and control of gambling.

**Other**

22. **Behavioural profiling of problem gamblers: a summary and review**
Delfabbro, King & Griffiths (2012)

23. This study examines whether it is possible to identify problem gambling and/or risky behaviour in situ before gamblers formally seek assistance. The aims of this review are to consider whether there are valid and reliable indicators or behavioural profiles that might be used to potentially identify problem gamblers, and to assess the limitations and strengths of existing research studies in this area.

**Main findings**

• While there is general agreement concerning the range of indicators that could be used, the actual process of identification remains difficult in practice.

• Multiple indicators are usually required to make reliable identifications and the nature of indicators will vary depending on the mode of gambling (land-based vs. online).

• Venue staff usually have insufficient opportunity to obtain enough information to make judgments about a customer’s gambling behaviour.

• The authors highlight the potential value of combining behavioural information with electronically monitored gambling data as a possible future strategy for enhancing the effectiveness of identification processes.

• The authors suggest that, based on the limited evidence available, a ‘best practice’ model is likely to be one that comprises of several elements:
  
  o the ability to integrate indicator information obtained from direct observation with objective system data
  
  o flexible reporting protocols that allow more junior staff to take action where problematic behaviour is observed
the capacity to consolidate information about individual patrons over time and across multiple observers and periods of observation.

24. **Counting the Cost: Inquiry into the Costs of Problem Gambling**  
   Victorian Competition & Efficiency Commission (2012)

25. This inquiry, undertaken at the request of the Victorian Treasurer, examines the social and economic costs of problem gambling in Victoria. The Commission is investigating the costs of problem gambling to individuals, their families and friends, business, governments, and the wider community. This publication is a draft report, and further submissions are invited before the final report in December 2012.

**Main findings**

- There are a number of obstacles to quantifying the true social and economic costs of problem gambling, including:
  - significant data gaps, methodological issues, and a lack of consistency among data sources
  - many of the costs are intangible and difficult to value
  - problem gambling is often closely associated with other mental and physical issues, raising the issue of causality due to comorbidities.

- The Commission estimates that the social and economic costs of problem gambling in Victoria are likely to be between $1.5 billion and $2.7 billion in 2010-11.

- A relatively small proportion of the population (around 30,000 gamblers and their families) are bearing the majority of the costs.

- The vast majority of quantifiable costs come from two sources: costs associated with excess financial losses to problem gamblers ($1 billion- $1.4 billion); and intangible costs associated with impacts on mental wellbeing for problem gamblers ($400 million – $1.2 billion).

- A large proportion of the costs of problem gambling to government are indirect and result from the additional demands on the health and human services sectors.

- Based on their analysis, the Commission suggest the following priorities for research related to the social and economic costs of problem gambling:
  - improving the design and conduct of prevalence surveys
  - better identification of problem gamblers in the health, social welfare and justice systems through improved screening
  - evaluating the effectiveness of measures designed to reduce gambling-related harm (such as treatment programmes and regulatory measures).

26. **Affective forecasting in problem gamblers**  
   Willner-Reid, Smith, Bowden Jones & MacLeod (2012)

27. This study examines affective forecasting (the process of predicting emotional reactions to future events) and whether it is qualitatively different in a risk-taking population such as problem gamblers. Problem gamblers (n=25) and a control
group (n=29) were asked to predict how they would feel after completing a guessing task. As the authors hypothesized, individuals in the control group exaggerated how bad they would feel after losing at the task, whereas problem gamblers accurately predicted their reactions. The authors suggest that ‘impact bias’ (ie a tendency to overestimate the intensity of future reactions) could perform a protective function in motivating people to avoid risky behaviour. The authors argue that encouraging problem gamblers to focus on anticipated emotions may be a novel target for treatment interventions.
Annex – full citations


Ipsos MORI (2012) Underage gambling in England and Wales, research conducted on behalf of the National Lottery Commission.


