

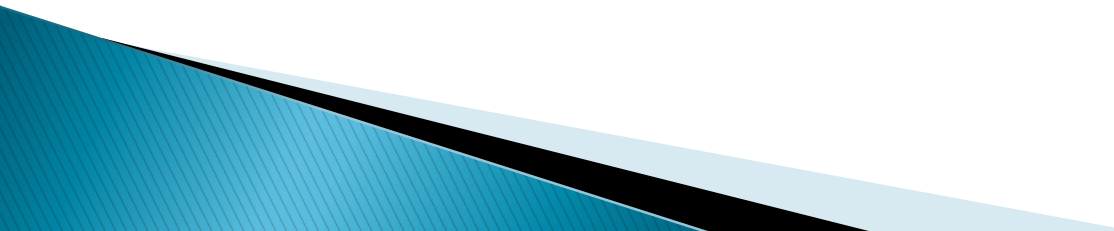
The limits and potentials of voluntary and mandatory precommitment technology

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Overview of Presentation

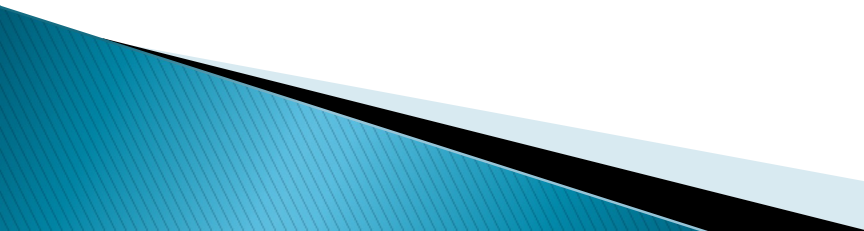
- ▶ Why pre-commitment? Significance of this technology and associated features
 - ▶ What is pre-commitment?
 - ▶ How implemented around the world
 - ▶ Voluntary vs. Mandatory models
 - ▶ Review and evidence
 - ▶ Uptake; retention; responses to technology by industry and people who gamble
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Overview (continued)

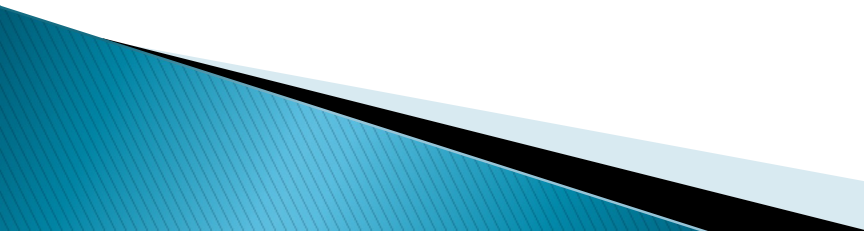
- ▶ Mandatory models and their effectiveness
- ▶ Challenges and risks
- ▶ Ideological and philosophical debates: player autonomy and choice vs. harm minimisation

Why pre-commitment?

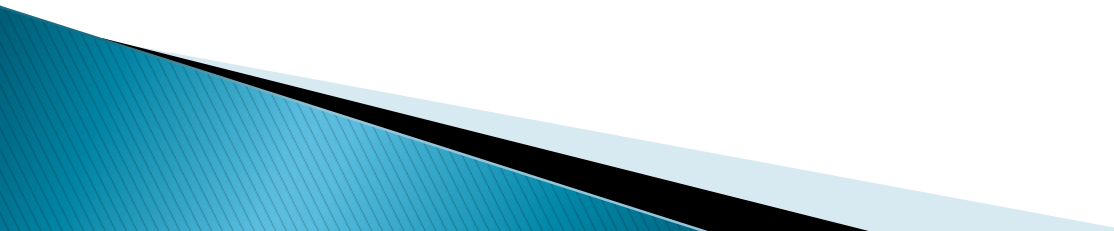
Why pre-commitment is considered important

- ▶ A loss of control over expenditure/ financial harm are central features of problem gambling
 - ▶ Public health interest in prevention at a larger population level
 - ▶ Primary and secondary intervention to stop problems/ harm BEFORE it develops
 - ▶ Way to mitigate product risk
 - ▶ Intervene at the venue/ site of gambling
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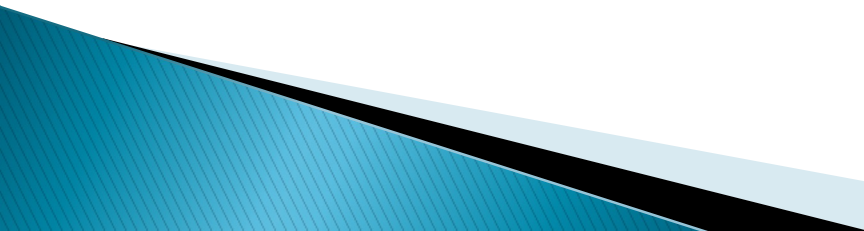
What is Pre-commitment?

- ▶ Refers to pre-emptive planning behaviours that are undertaken prior to gambling.
 - ▶ Usually involves setting monetary limits on expenditure or limits on the frequency or duration of gambling
 - ▶ Widely recommended in pencil and paper self-help guides AND in counselling/clinical interventions
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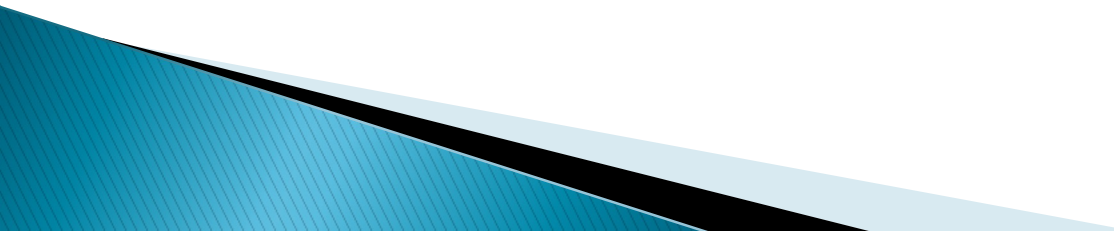
Other features

- ▶ Pre-commitment technology usually takes the form of a suite of measures/ package
 - ▶ Not only limit-setting
 - ▶ Often also includes: messaging; player-activity-statements;
 - ▶ Time-outs/ breaks in play
 - ▶ Self-exclusion features/ contact information for services
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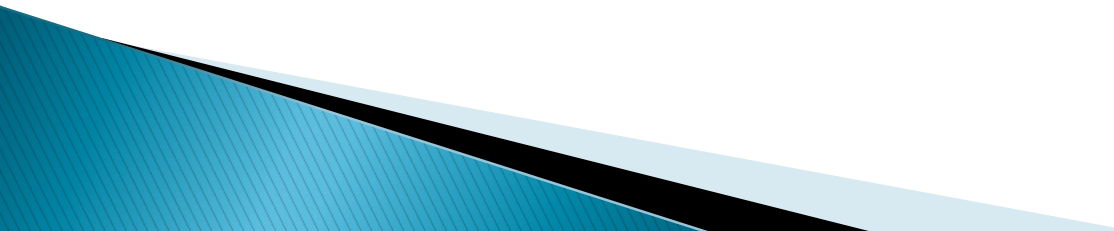
How implemented

- ▶ Many models have been used
 - ▶ Usually requires account-based or card-based gambling
 - ▶ PC settings put in place when people sign up
 - ▶ Can occur online/ face-to-face at venues/ at kiosks in venues/ Mobile
 - ▶ Does not always involve 'cashless' gaming (e.g., a person might use cash to play a machine, but have a loyalty card in use)
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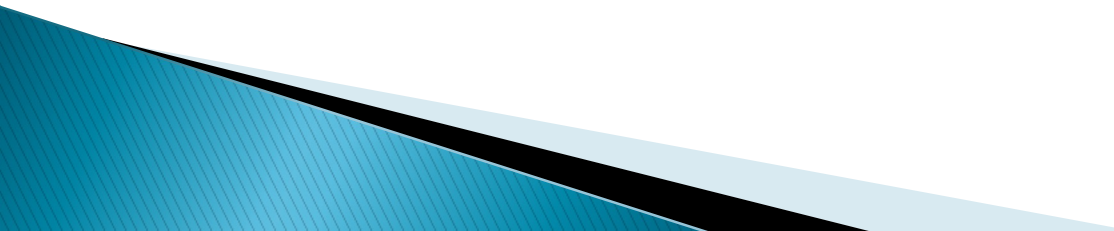
Observations

- ▶ Inspection of the trials show that some countries have implemented it into their gambling platforms from the outset
 - ▶ Others have just had PC as an ‘add-on’ features
 - ▶ People are already gambling and then: ‘Hey, would you be interested in trying this out? You can use your loyalty card’
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Technical requirements

- ▶ It usually requires gaming-machines to be centrally networked
 - ▶ Machines need to be able to have two-way communication
 - ▶ Challenges arise if there many different networks from State to State or if there are different industry providers
 - ▶ Best positioned are those with a single monopoly/ single network
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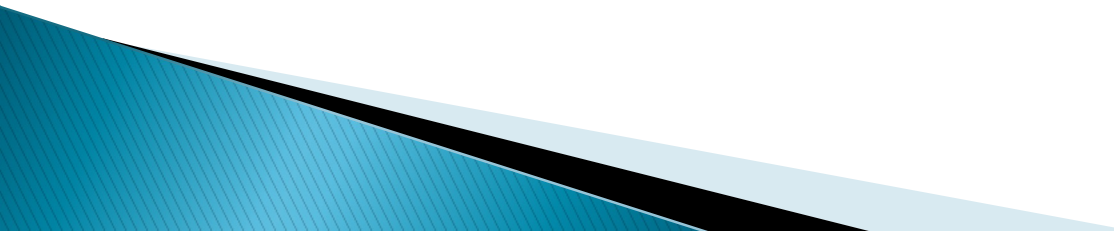
Voluntary vs. Mandatory systems



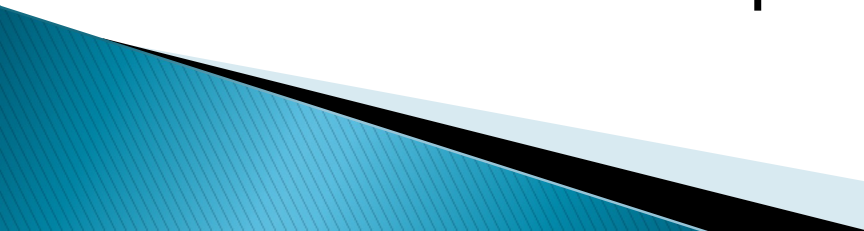
Control elements

- ▶ Three elements of control or enforcement:
 - ▶ Mandatory vs. voluntary use
 - ▶ Are the limits enforceable (hard) or avoidable (soft)
 - ▶ Limit setting are voluntary (soft) or set by law or industry rules (hard)

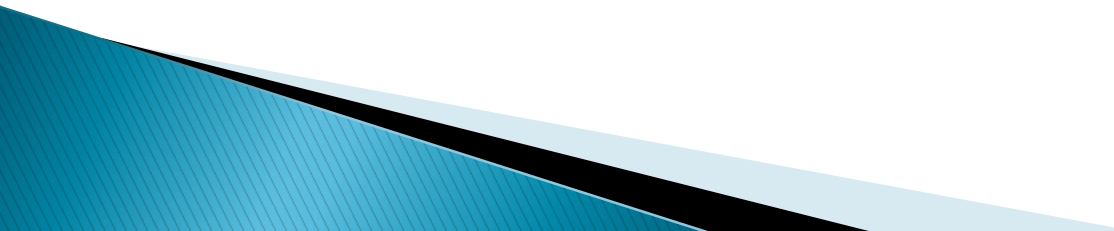
Voluntary systems

- ▶ **Level 1:** Voluntary use (you choose if you want to use it)
 - ▶ **Level 2:** Semi-voluntary: (you have to use it, but can set whatever limits you like)
 - ▶ **Level 3:** Semi-voluntary: (you have to use it, there are pre-set limits, but you can keep gambling after the limits are reached) OR take out your card or gamble using cash
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Mandatory systems

- ▶ A true mandatory system needs the following features:
 - ▶ You can only gamble one way (e.g., online using an account or at venues using a card)
 - ▶ The gambling is 'cashless'.
 - ▶ Limits are pre-set or you can set your own limits or settings within certain parameters
 - ▶ There is a hard limit: when you reach it, you cannot spend any more.
 - ▶ You cannot go to another activity or game with the same operator to gamble
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The politics of pre-commitment

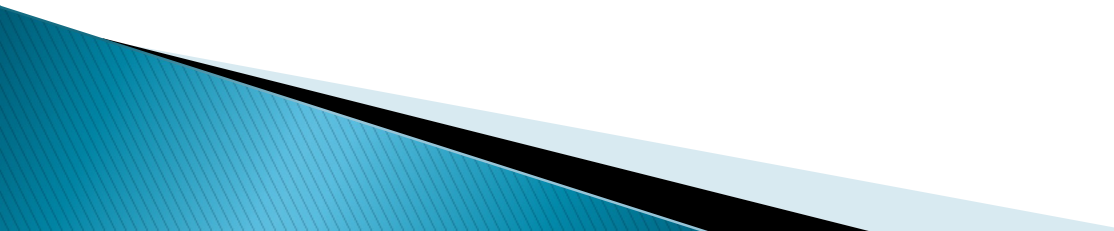
- ▶ Many industry groups dislike the idea of mandatory precommitment
 - ▶ Possible threat to revenue; concerns about privacy; threats to player freedom
 - ▶ Concern that it 'pathologises' recreational gambling
 - ▶ Has been politically controversial in Australia, particularly during the period 2010–12
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What does the evidence show?

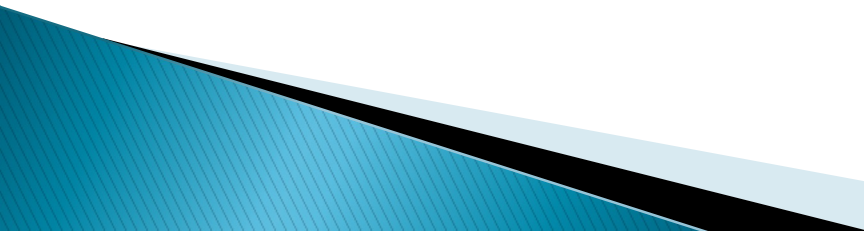
Exposure Draft: Mandatory Pre-commitment Trial

- ▶ **Review of the literature**
- ▶ Delfabbro, P. H., & King, D. L. (2020). The value of voluntary vs. mandatory responsible gambling limit-setting systems: A review of the evidence. *International Gambling Studies*, 21(2), 255–271.
- ▶ These issues are also partially covered in:
- ▶ Delfabbro, P.H. & Parke, J. (2023, submitted). Behavioural tracking and profiling studies involving objective data derived from online operators: A review of the evidence.

Land-based pre-commitment review

- ▶ Identified 19 published studies on voluntary pre-commitment and 5 on mandatory systems
 - ▶ 10 of the 19 featured online gambling
 - ▶ The mandatory ones (all based on Norwegian data) involved a mixture of online and land-based gambling
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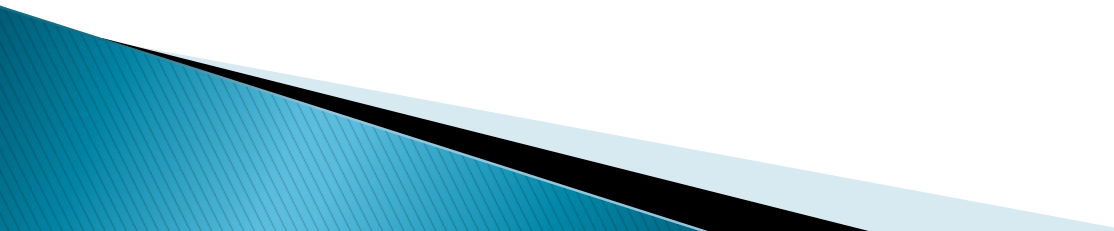
Small pool of studies

- ▶ 4 reports based on the Nova Scotia trial
 - ▶ A study in the UK by Natcen
 - ▶ 3 x reports by Schottler Consulting in Australia; Delfabbro (I did 2)
 - ▶ SACES (studied Victoria, Yourplay)
 - ▶ 1 Finnish study; Swedish analysis (Playscan)
 - ▶ 3 collaborations by Auer & Griffiths et al.
 - ▶ Online studies by Harvard Medical School
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Voluntary adoption/ retention

- ▶ Voluntary limit-setting rates (where people were not required to do it for the trial) are reported in 12 reports/ papers
- ▶ The uptake ranges between 0.5% of gamblers to 21% with a median of under 10%
- ▶ Retention rates after 6–12 months (e.g., Omnifacts Bristol, 2007; Delfabbro & Stevenson, 2012) are close to zero.

Case study: *Yourplay* in Victoria

- ▶ Voluntary PC system introduced to hotels, clubs and Crown Casino
 - ▶ Enables limit setting and other functions
 - ▶ Evaluated by the SA Centre for Economic Studies
 - ▶ Evaluation involved interviews, surveys, mystery shopping visits to venues
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Results of *Yourplay* study

- Yourplay card used median of 2 times / venue in 14 months
- Of 161 mystery shopper visits, 24 (15%) resulted in a limit being set
- .01% of turnover in Victoria 2017/18 involved *Yourplay*
- Venues often encouraged very high limits when people signed up (e.g., \$5000/ day as default)

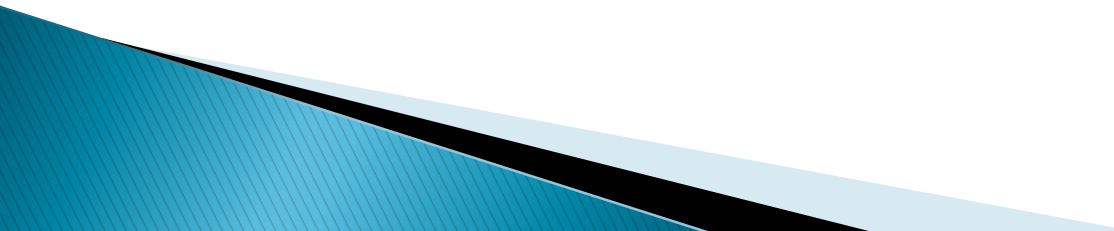
Positive results from voluntary PC studies

- ▶ People generally like the idea of limit-setting
- ▶ Bernard et al. (2006) in the Nova Scotia trial found that 76% of VLT player sample supported the technology
- ▶ Participants reported finding the player activity screens/ information to be useful; Delfabbro (2011); Schottler (2010); Bernard et al. (2007)
- ▶ Griffiths, Wood & Parke (2008) reported that 66% of Playscan users in Sweden reported being able to gamble more moderately

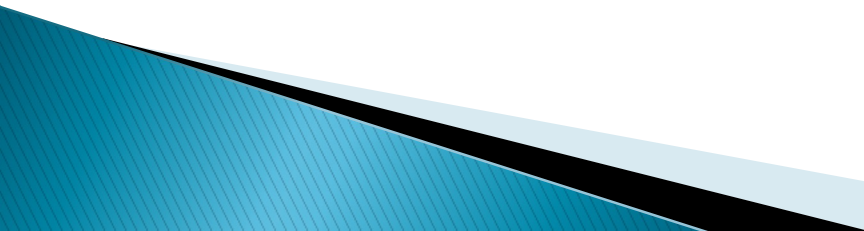
Positive results (continued)

- ▶ Schottler studies in Australia: there was a 37% reduction in revenue during the trial for users of the technology, but 71% of players said that it had no impact on their expenditure
- ▶ Auer et al. (2020) using European industry data observed that higher spending segments showed that voluntary limit setters were more likely to show lower expenditure a year later vs. non-limit setters

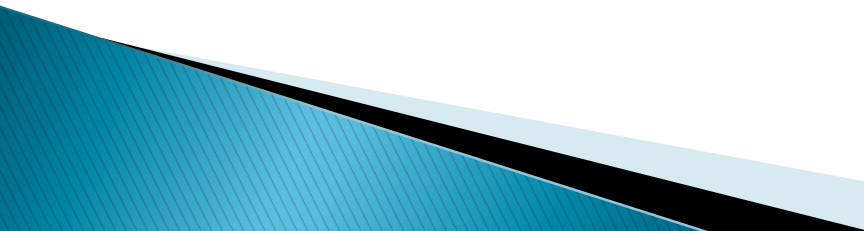
Challenges with voluntary systems



The public health challenge

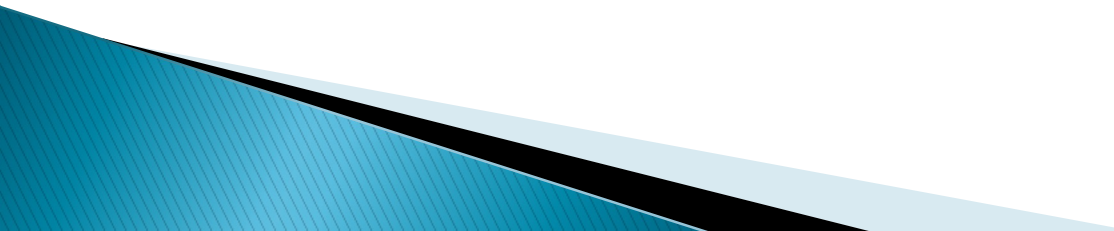
- ▶ Lower risk gamblers/ recreational gamblers: “I am not a problem gambler”
 - ▶ Most people are not at risk (not like the flu!) of gambling harm; most have little or no harm
 - ▶ According to Protection Motivation Theory or Stages of Change Models, there is no strong reason to set a limit
 - ▶ They evoke a ‘third person’ perspective: “it might be useful for other people, but not me”
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Public health challenges (continued)

- ▶ The features are more relevant to people with gambling problems
 - ▶ **However, if people have gambling problems they are often:**
 - ▶ More secretive; want privacy
 - ▶ Are in denial / Don't want to know
 - ▶ Are experiencing shame/ stigma
 - ▶ Co-morbidities (complex personalities/ mental health issues)
 - ▶ May believe that they can gamble their way out
 - ▶ They are difficult people to reach.
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Mandatory systems

Scandinavia top of the world?

- ▶ **Finland**: Viekhaus has daily and monthly loss limits
 - ▶ **Sweden**: Weekly deposit limits
 - ▶ **Denmark**: requirement for players to set deposit limits (daily/ weekly/monthly). Mandatory to have, but concerns about players being able to set high limits.
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Norwegian experience

- ▶ Norway has mandatory limits on gaming machines (Multix and Belago); Online casino games; live sports
- ▶ Sign up/ Provide ID (KYC process) and activity is tracked
- ▶ Hard day/ week and monthly limits which are then reset
- ▶ Limits have been updated/ reduced over time (online casino: monthly 10000 to 7500 to 5000 NOK)

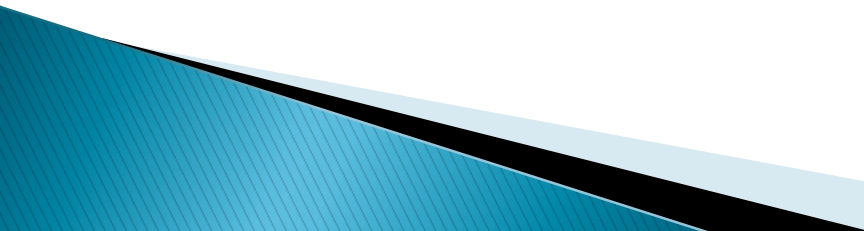
Evidence from operator

- ▶ Hoffman (2019): Norsk Tipping
- ▶ Of 790,000 players: only 4.3% reached 90% of the the global limit of 20,000 NOK in a month
- ▶ Survey of 571 players
- ▶ Most had positive views about the limits (85%)
- ▶ But only 40% saw it as relevant to them personally (third person effect?)
- ▶ Only about 10–11% reported gambling elsewhere if stopped.

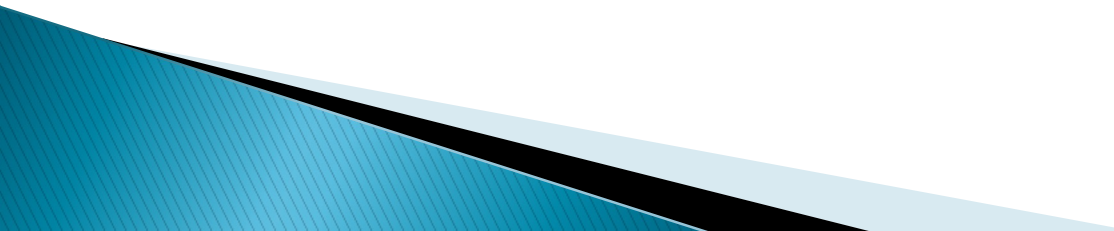
Evidence from articles

- ▶ **Auer et al. (2018) asked about what people think about mandatory limits**
- ▶ 2057 or 20% of active players
- ▶ On the whole 80% of players have a positive view (it doesn't affect them)
- ▶ However, only 49% of those who spent 15,000 NOK or more had positive views
- ▶ 53% of highest risk people believe it is relevant to them, but a lot do not believe this
- ▶ Over 50% of the lower expenditure groups also did not see it as relevant

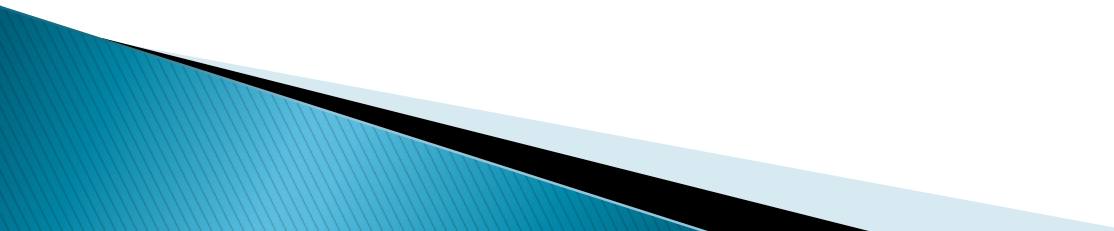
Play elsewhere if limit reached?

- ▶ Only 10% of players reported doing this
 - ▶ However, 37% of the highest risk group reported doing this.
 - ▶ Gambling Helpline data showed that only 5% of problems relate to Norsk Tipping gambling
 - ▶ 71% is offshore
 - ▶ High risk gamblers dropped expenditure by 15% in 3 months since limit introduced
 - ▶ Doesn't seem to affect profits
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Appraisal: Does it work?

- ▶ **The positives:**
 - ▶ Most people are not affected/ they spend below the limit anyway
 - ▶ Most people see it as useful and support it
 - ▶ It seems to lead to a reduction in expenditure
 - ▶ Fewer calls to the helpline seem to involve gambling subject to mandatory limits
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Words of caution

- ▶ Quite a significant proportion of the gamblers who reach their limit use offshore accounts
 - ▶ This is in the help-data as well.
 - ▶ We also have to note that the Qs were about 'actions when stopping'. Some people may have given up on NT products altogether and solely gamble on international sites?
 - ▶ A significant proportion of lower expenditure groups do not see it as relevant to THEM personally
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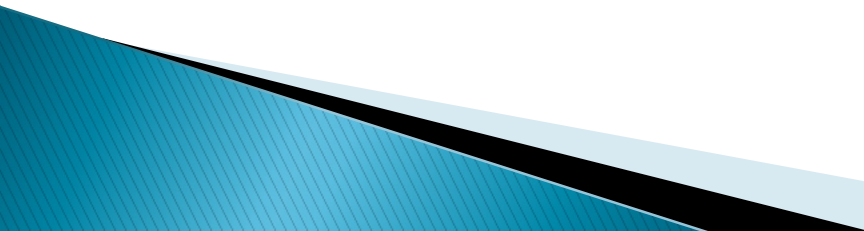
Increasing ease of anonymous online gambling

- ▶ VPNs can be used
- ▶ But blockchain / cryptocurrency-based gambling is possible
- ▶ Buy currency on centralized exchange– send to hot or cold wallet– link to gambling site
- ▶ Can gamble all over the world
- ▶ Main barrier: technical knowhow. Unlikely to be a problem now, but may increase in popularity in the future. Regulator Bitcoin/ 4-year Crypto cycles may influence uptake because of price fluctuations

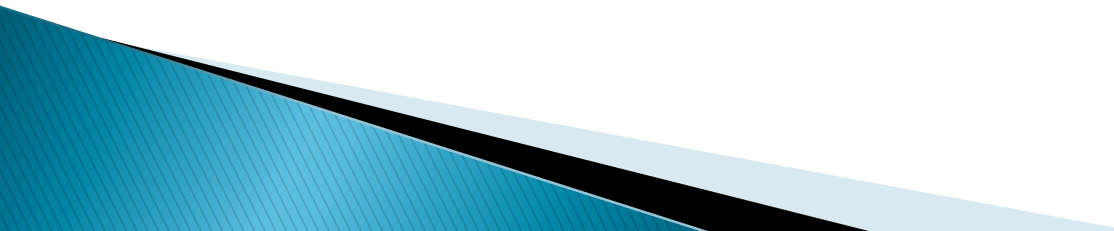
Payment/ Onramps to gambling sites

- ▶ There have been attempts to block payments into gambling sites for ‘blacklisted players’
- ▶ Also have to mention Central Bank Digital Currencies (CBDCs)
- ▶ Can the government decide on what activities people spend their money?
- ▶ My 2nd prediction is for ‘non-fiat’, blackmarket money to develop. Buying and selling of value-cash cards of various types.
- ▶ Already sites that enable trading of these into Bitcoin and back again.

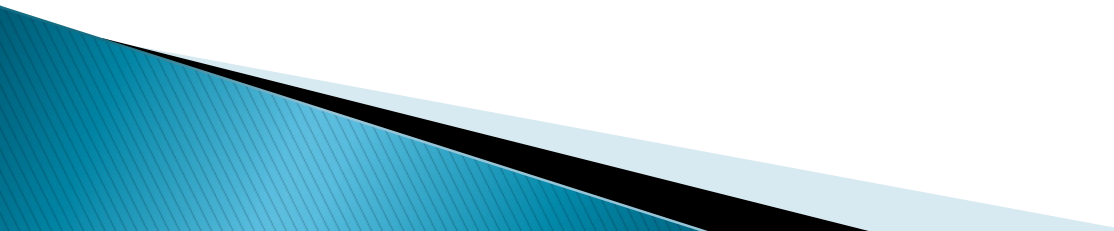
Should other countries introduce mandatory systems?

- ▶ Pure voluntary systems do not work: low utilization; high limits set
 - ▶ Mandatory systems work best with single monopoly operators
 - ▶ More difficult in large countries with States / Territories and their own laws
 - ▶ Not all countries will accept this level of State control. Australia is unusual: quite authoritarian (COVID response!), but has liberal laws on anything which makes a lot of money (e.g., gaming, mining)
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Other considerations

- ▶ Hybrid models based on behavioural economics/ choice architectures
 - ▶ Mandatory limits are set, but you have to do something to change them
 - ▶ Self-assessment, proof-of-income/ affordability debates
 - ▶ But is this making gambling something for the wealthy (social class-based activity)?
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Significance for Iceland

- ▶ Iceland, as a single country and with a relatively small population, has more potential to consider a Norwegian style system than other countries (e.g., US or Canada)
 - ▶ Soon we will have the panel for further discussion and debate.
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Questions

