

# New technology and gambling: The influence of the Internet on gambling problems

## Presented by

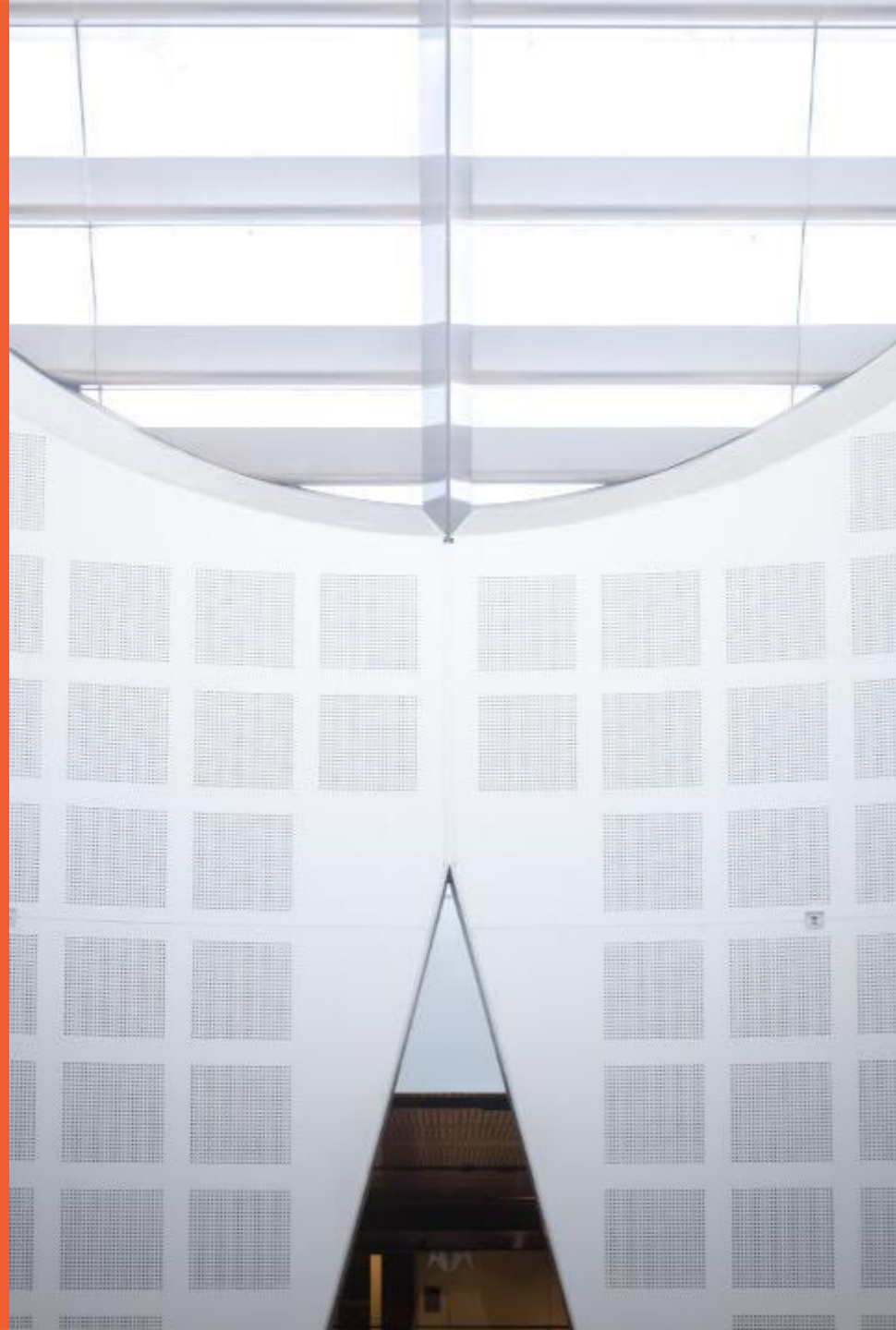
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30 May, 2017  
SNSUS Conference  
Odense, Denmark



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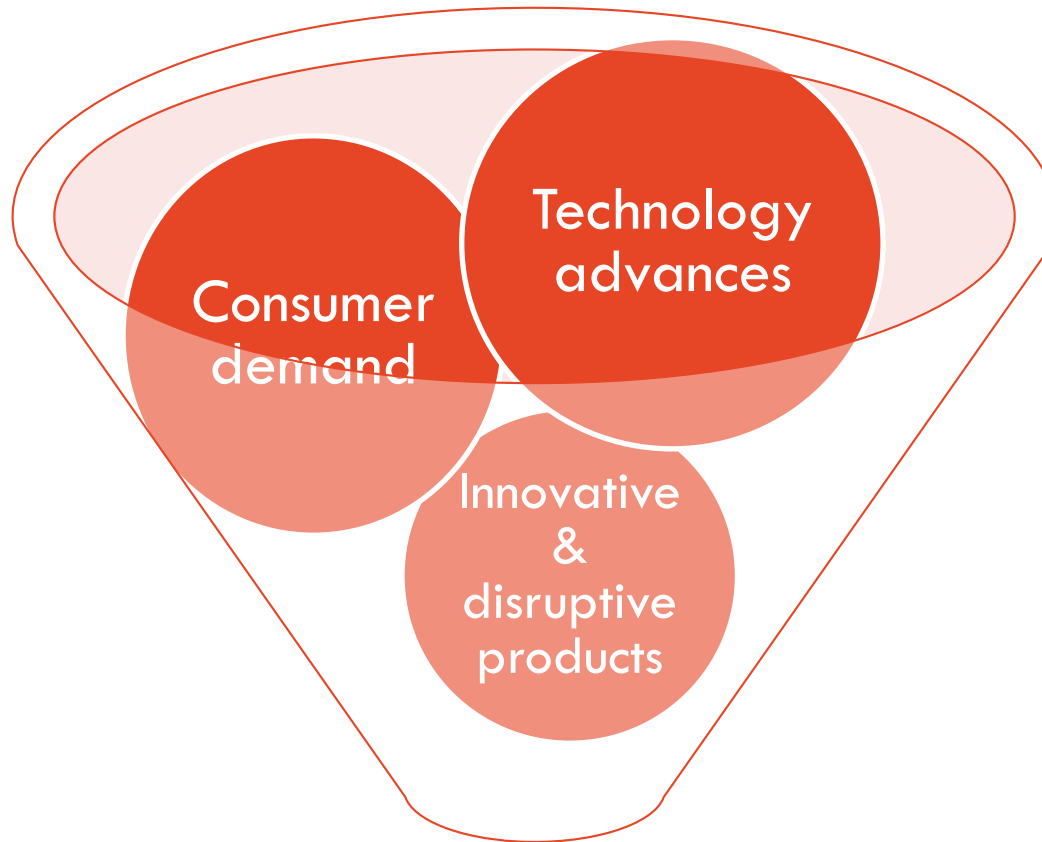


## Disclosures

### – Travel costs paid by SNSUS conference

- I have worked on research projects that have received funding from gambling industry bodies, government departments, and organisations that are funded indirectly from taxes and/or contributions from the gambling industry.
- I have worked directly as a consultant to provide expertise to guide responsible gambling initiatives for gambling industry bodies, government departments, and organisations that are funded indirectly from taxes and/or contributions from the gambling industry.
- I have accepted funding to cover travel and expenses to attend and present at meetings on topics with the aim of enhancing the provision of responsible gambling strategies.
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## An evolution of gambling



**Response needed by regulators,  
researchers, prevention, and  
treatment providers**

## The future of gambling is happening now

Augmented &  
Virtual Reality

Blockchain &  
Bitcoin

Skins & Esports  
Betting

Daily Fantasy  
Sports & Skilled  
Gambling

Secondary  
Lotteries

Social Media

## Rapid iteration and evolution of gambling needs a response

- Hybrid products – are they gambling?
- Who are the new gamblers?
- How do people access and engage with gambling?
- What are the risks?
- What marketing is appropriate?
- How to incorporate technology for prevention and treatment?
- Impact on regulation?



**Taking a step back:  
How has gambling evolved over  
time?**



# Gambling has occurred throughout history and across cultures



## Technology is changing gambling: Format

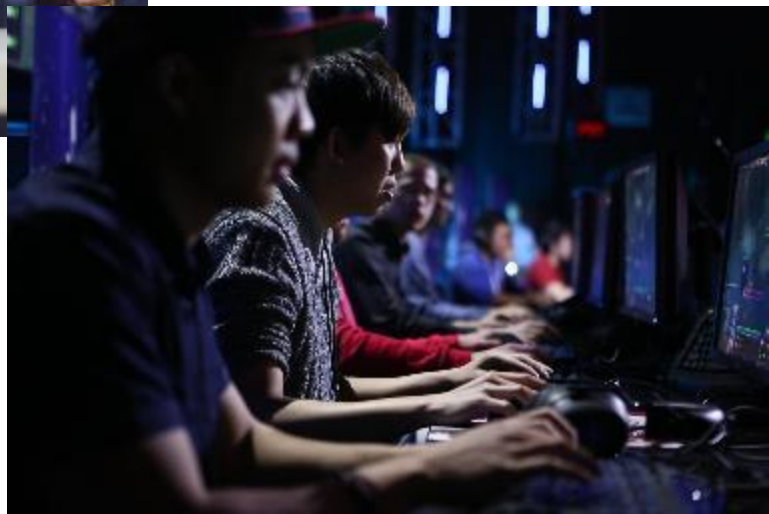




## Technology is changing gambling: Access



## Technology is changing gambling: Customers



**But, has gambling really change?  
The example of payment  
methods**



# Technology has impacted many aspects of gambling: Example, payment methods



## Technology updates, but game experience remains the same

- No cash/coins online
- But, sound of coins falling
- Images of coins/cash/tokens
- Reference to coins in virtual games



## Online gambling the same product – teched up



# Online poker = poker, online

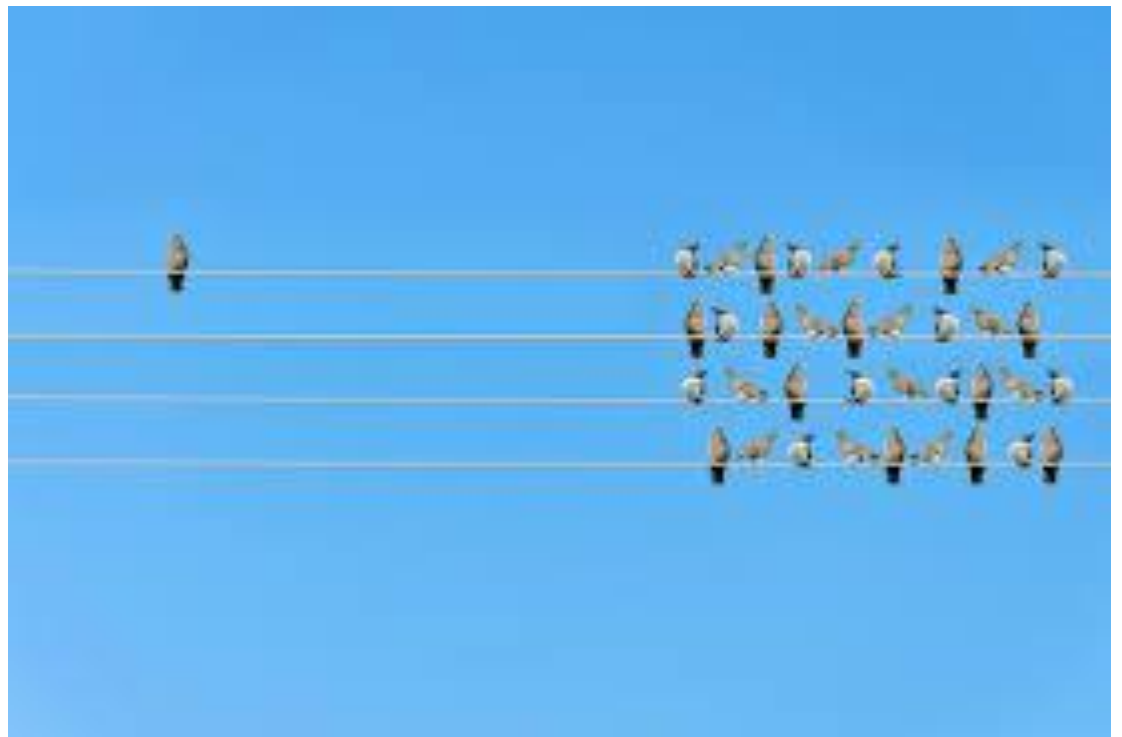


## Allows new experiences, but fundamentally the same product





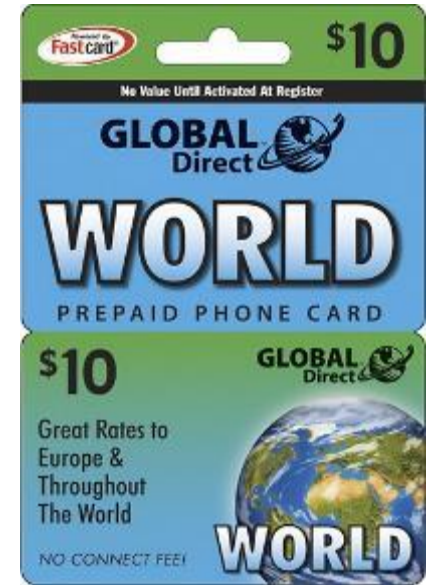
## Innovation and disruption in the gambling industry



# Disruptive innovation

- Efficient
- Worthwhile
- Creative
- Useful
- Simple
- Cheap
- Impactful
- Scalable

- New market
- New methods



## Internet gambling regulations are outdated

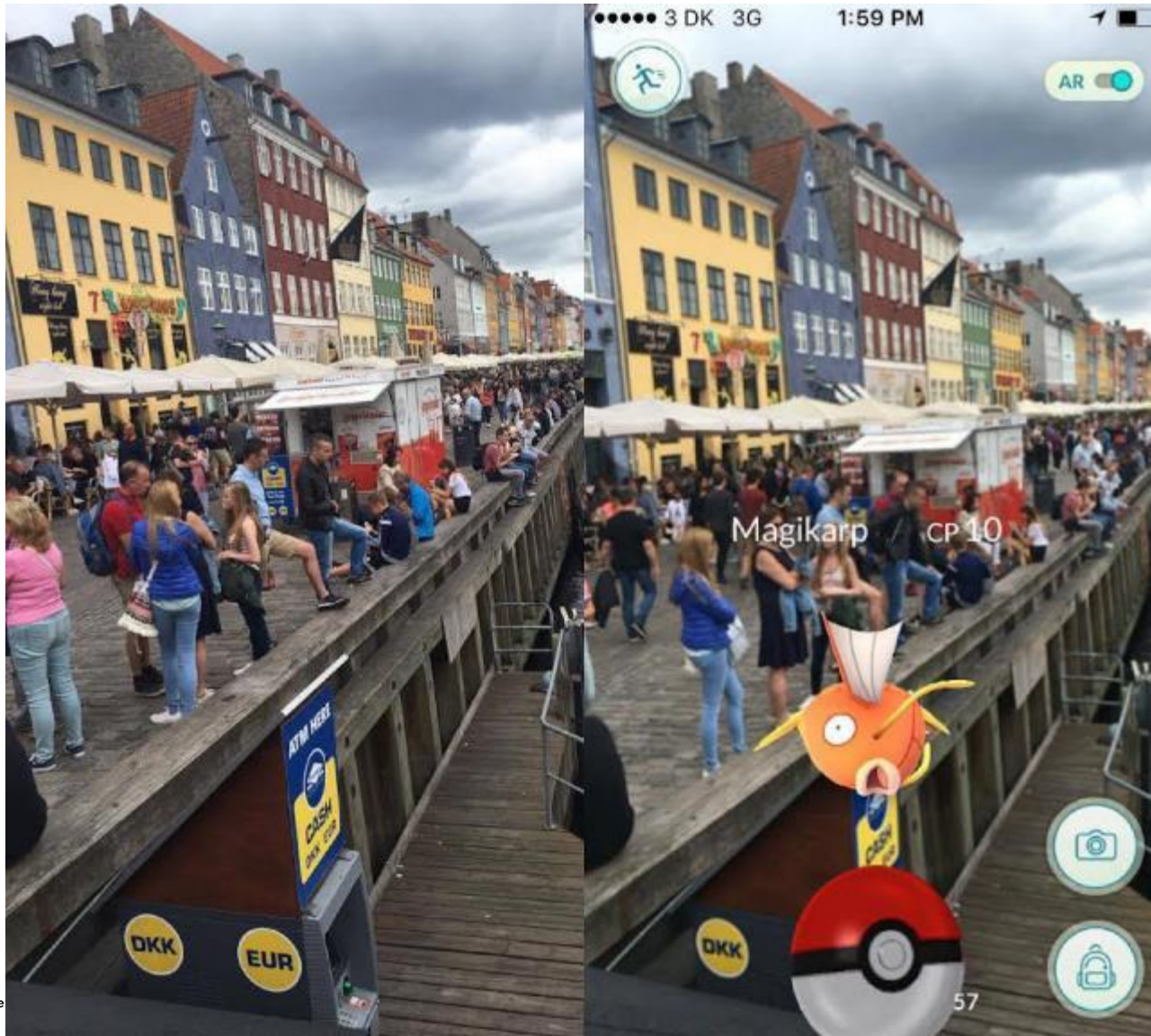
- Regulations lag behind innovation
- Prohibition, monopoly, restrictions
- + consumer demand
  - Innovation
  - Hybrid products
  - Disruption!



# Augmented reality

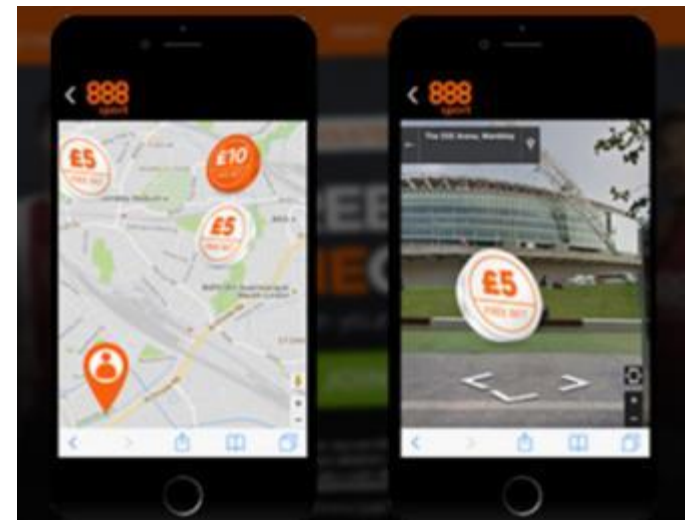


## Pokémon Go: 130 million downloads, \$10 Million per day



# Augmented reality merges digital content with real environment

- Utilises smartphone features (geolocation, camera, microphone etc)
- Betting options
- Info
- Results
- Promotions
- Notifications



## Virtual reality



## Virtual reality is beginning to reach the mass market

- Immersive, presence
- Equipment reaching mass market
- Casinos being developed & launched





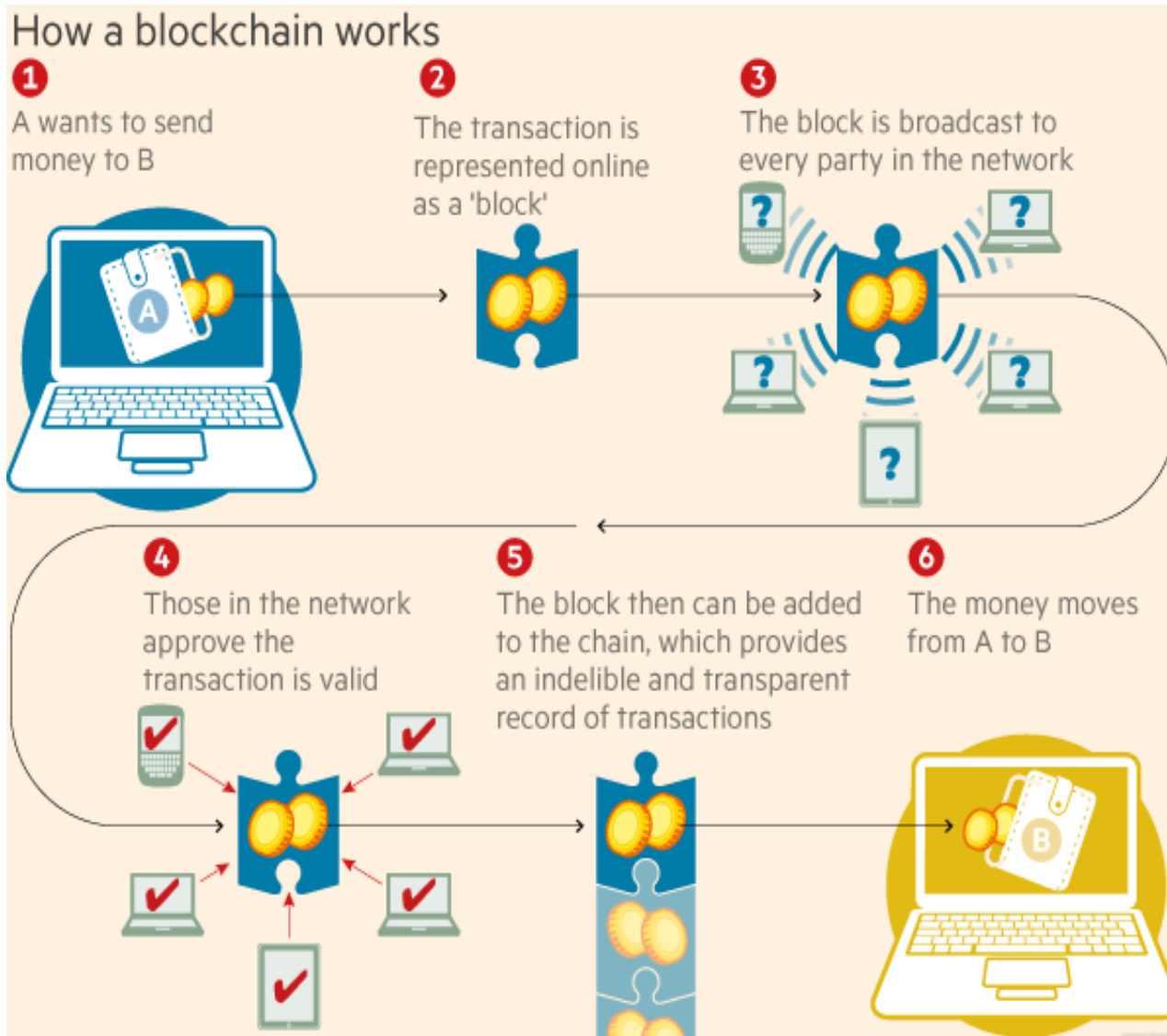
## Virtual reality gambling predicted to rise 800% in next 5 years



## Blockchain gambling



# Blockchain: Permanent, Secure, Anonymous, Transparent, Trustless, Validated, Decentralised



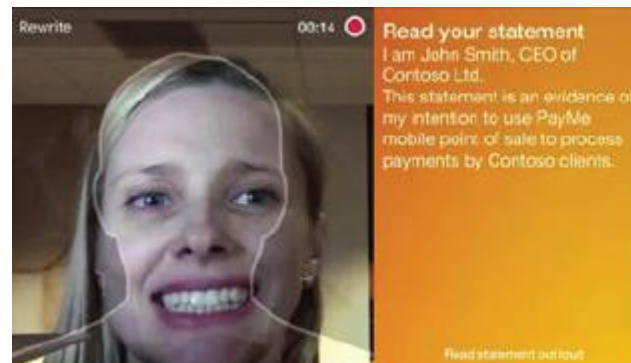
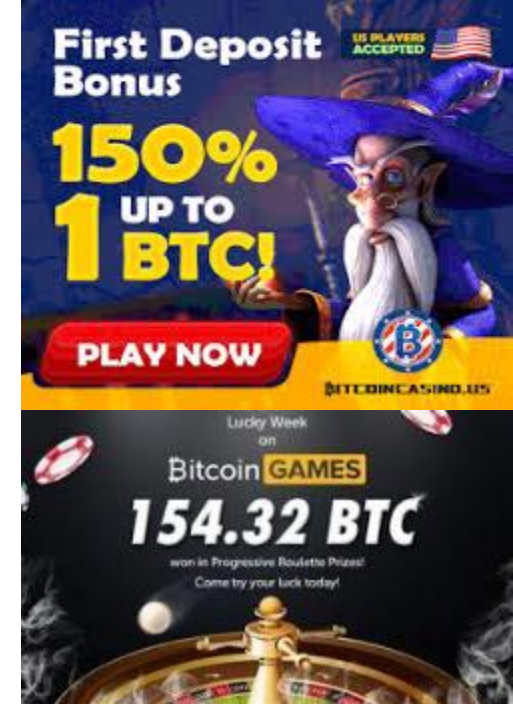
# Blocktrain automates trustless, anonymous transactions



Graphic: Deloitte University Press, DUPress.com

## Blockchain gambling

- Bitcoin as currency: 1 BTC = 1 2082DKK
- Customer identification
- Decentralised gambling
- Removes risk of fraud, cheating
- Facilitates anonymity
- Lower overheads
- Direct payment, no accounts or payment providers



# Skins betting

**CURRENT ROUND STATS**

**\$96.39**  
CURRENT JACKPOT

**8**  
PLAYERS

**ROUND COUNTDOWN**

**00:00**  
TIME LEFT

**19**

**YOUR STANDINGS**

**1**  
SKINS

**25.78%**  
CHANCE OF WIN

**\$24.85**  
TOTAL

[ADD SKINS](#)

ROUND OVER

**FINDING WINNER**

PLAYERS IN ROUND								
PLAYER	ITEMS ADDED	TOTAL	CHANCE					
DaddyGulchle	5 Items	\$0.28	0.40%					
David Doe	6 Items	\$26.57	27.37%	\$ 29.2	\$ 24.85	\$ 5.26	\$ 5.16	
Richard Marshall	1 Items	\$24.85	25.78%					
im asking my wind pants	1 Items	\$1.31	1.36%					
Paul Blain Meme Cap	2 Items	\$1.47	1.53%					
Acrain	2 Items	\$2.45	2.54%	\$ 5.17	\$ 4.68	\$ 4.7	\$ 4.7	
itsPerrytrading knife	1 Items	\$0.26	0.40%					

[PLAY](#)
[HOW IT WORKS](#)
[GAME HISTORY](#)
[SUPPORT](#)
[TERMS OF USE](#)
[PRIVACY POLICY](#)

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# Skins betting: Virtual items used for unregulated gambling

**HIGH ROLLER - 4 / 108**   **30 MAX - 34 / 92**   **DUEL ARENA**

**5331.26**  
CURRENT POTS WORTH

**969**  
PLAYERS

**Speedy 62** vs **King James**

**FLIPPING IN... 5.4**

**1183.11 - 50.83**   **1144.35 - 49.17**

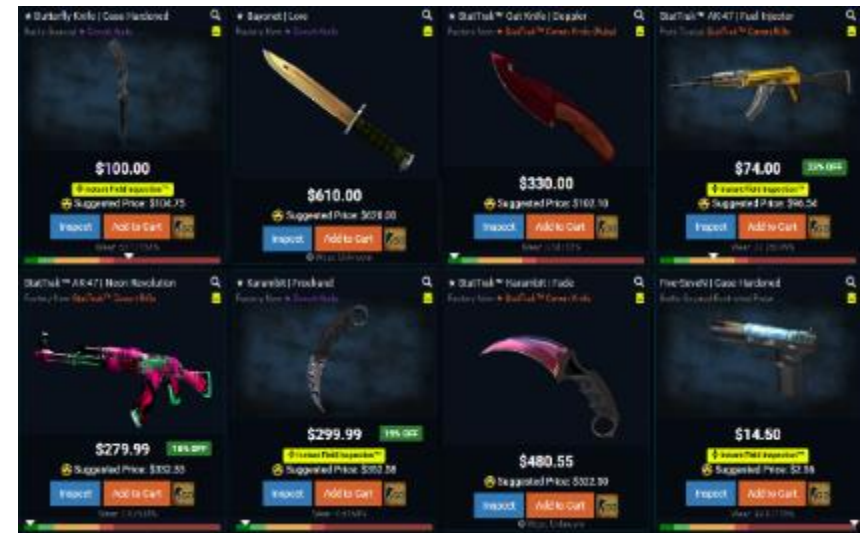
Item	Price	Owner
★ Bayonet   Ultraviolet (Minimal Wear)	168.91	Speedy 62
★ M9 Bayonet   Crimson Web (Well-Worn)	161.83	Speedy 62
★ Bayonet   Case Hardened (Field-Tested)	154.61	Speedy 62
★ Bayonet   Blue Steel (Field-Tested)	138.22	Speedy 62
★ Bayonet   Crimson Web (Field-Tested)	122.46	Speedy 62
★ M9 Bayonet   Stained (Well-Worn)	120.45	Speedy 62
★ StatTrak™ Butterfly Knife   Case Hardened (Minimal Wear)	296.59	King James
★ Butterfly Knife   Fade (Factory New)	287.6	King James
★ Karambit   Case Hardened (Field-Tested)	282.66	King James
★ StatTrak™ Bowie Knife   Crimson Web (Field-Tested)	277.5	King James

**Omgadonkie just subbed!**

**CREATE GAME**   **JOIN**   **JOIN**   **JOIN**

# Skins betting

- Wagered on esports, casino, or lottery-style games
- No regulation, no consumer protection, no verification of integrity/security
- \$7.4 billion worth of skins bet 2016
- Legal actions and regulatory response underway





## Esports betting



# Esports, Professional Gaming Tournaments: 213.8 million viewers, US\$696 million



## Esports betting

- A new gambling market
- \$5.5 billion wagered in 2016
  - 6.5 million esports bettors
  - most via skins
- 8.5% of UK adults



# Fantasy sports

**BUZZDRAFT**

HOME **NFL** MLB NHL NBA PLAYER PULSE LEADERBOARD STORE BLOG

100% LEGAL REAL MONEY  
**DAILY FANTASY SPORTS**  
Winners crowned Daily/Weekly  
Challenge real NFL Pros  
VIP Program up to 50% fees back!

TRY IT FOR FREE

100% legal game +9.9  
15  
3

**FEATURED GAMES** KICKOFF IN 12:31:56

**FREE SURVIVOR PICK'EM**  
+ 300 BONUS POINTS  
Free Roll! (max 1 entry per week)

**HIGH STAKES SALARY CAP**  
\$1000, \$500, \$200 + 500 BONUS POINTS  
\$100 register ONLY 2 entries left!

**HEADS UP GAME**  
\$200 WINNER TAKES ALL  
\$10 register ONLY 2 entries left!

ALL	2 Player	5 Player	10 Player	10 Player	Large < 50	Large > 50	Member Login
Challenge Name	Entry	Draft	Payout	Entries	Start		E-Mail or Username
FREE Salary Cap Football	FREE	Salary	Rpts	30	3pm	register	<input type="text"/>


## Daily Fantasy Sports betting







- A new type of betting, evolved from 'skill' competition
- Sports betting in restricted markets
- Consumer demand
- 56.8 million US players 2015 ( 37% increase from 2014)



## Secondary lotteries

### INTERNATIONAL LOTTERIES

Sort by: Jackpot 

 <p>US Power <b>\$223 million *</b></p> <p>1 day 20 hrs</p> <p><b>BET NOW</b></p>	 <p>El Gordo de Verano <b>\$177 million</b></p> <p>Sat 01 Jul, 20:30</p> <p><b>BET NOW</b></p>	 <p>EuroMillions <b>\$118 million</b></p> <p>13 hrs 27 mins</p> <p><b>BET NOW</b></p>
 <p>SuperEnalotto <b>\$61.8 million</b></p> <p>11 hrs 57 mins</p> <p><b>BET NOW</b></p>	 <p>WorldMillions <b>\$50 million</b></p> <p>2 days 11 hrs</p> <p><b>BET NOW</b></p>	 <p>EuroJackpot <b>\$47 million</b></p> <p>3 days 11 hrs</p> <p><b>BET NOW</b></p>

## Secondary lotteries

- Messenger – purchasing tickets on behalf
- Insurance – betting on outcome of draws
- Evolution of traditional (stagnant) product
- Little competition in lottery market
- Broad customer appeal
- Opening international markets



Prizes Paid Out

**US\$ 57,818,218**

2,962,770 World Wide Winners

[Read More](#)

Our Winners



Our Recent Winners

Василь М. - Ukraine  
France - Loto  
8 May 2017 / \$ 33

## Meet Our Winners

A Worldwide Millionaires Club



## Skilled gambling





## Skilled gambling: Video gaming machines

- Convergence of gaming and gambling
  - New product
  - New market
- Skill elements can influence payout
- Incorporate gaming themes

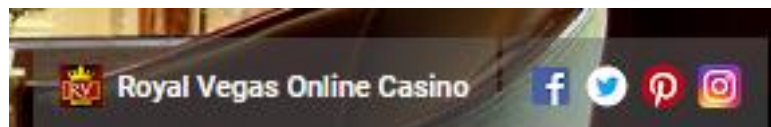
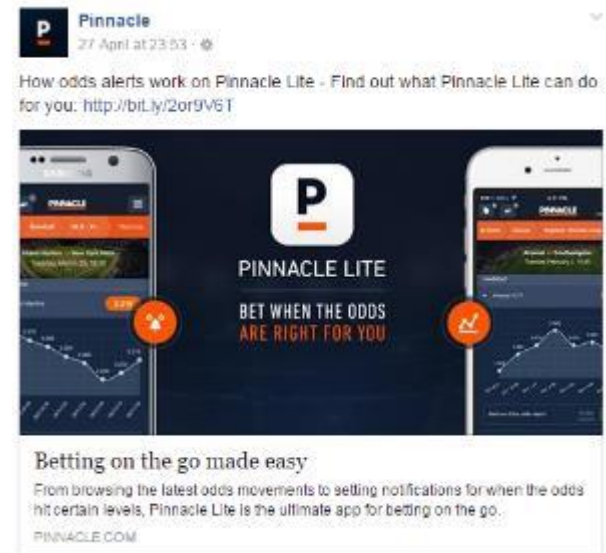


## Social media marketing



# Social media marketing – advertising evolved

- Social media marketing spend €3.2 billion (2017)
- Evolution of advertising → interaction & dialogue
- Enhanced role of consumer
- Reduced power of brands



# But, are all social media posts advertisements?

**BCLC** @BCLC · Feb 2  
What's your prediction for #GroundhogDay this year?

- 25% 6 more weeks of winter
- 4% Ground-who?
- 54% Spring. Hello Vitamin D!
- 17% I trust Wiarton Willie

24 votes · Final results

Consumer engagement

Current events

Customer service

**Meline Drake** I go back home to live. Share with my family and some close friends children's hospitals and other charities  
Like · Reply · 21 January at 06:33

**Lotto Max** That's so nice!  
Like · Reply · 21 January at 07:15

**Trish Babkirk** Pay debt then RV east  
Like · Reply · 21 January at 06:56

**Lotto Max** Awesome 😊 Where would your first stop be?  
Like · Reply · 21 January at 07:12

**Jeremy Bennett** How do you win with the extra numbers?  
Like · Reply · 22 January at 04:17

**Lotto Max** Hey, Jeremy - when LOTTO MAX goes into MAXMILLIONS mode, those are drawn separately. Compare the MAXMILLIONS winning #s to the selections on your ticket - you must match all 7 to win!  
Like · Reply · 22 January at 08:42

View more replies

**Ryan Wilson** I'm spending my last six bucks on a ticket. Lottery gods if you're listening, please let me win so I can help others and myself.  
Like · Reply · 1 · 15 January at 00:37

**Colin Vander Ploeg** Good luck. Remember me lol  
Like · Reply · 1 · 15 January at 02:48

**Ryan Wilson** Long lost family member huh  
Like · Reply · 15 January at 03:59

**Seerah Farooki** Aww  
Like · Reply · 15 January at 04:25

**Colin Vander Ploeg** Lol  
Like · Reply · 15 January at 16:11

**Mike Homer** Good luck Ryan. I hope you win something  
Like · Reply · 16 January at 02:41

**Ryan Wilson** Thanks Homer Simpson 😊  
Like · Reply · 16 January at 04:25

User-generated content

# Gambling companies can work around advertising restrictions on SNS

**Bob & Kim Stiles** - Suggested Post Like Page

We WON \$5,700.00 with the FREE \$30 they offered us to PLAY SLOTS! Hurry Limited Spots!



Click Here For \$30 Free!

TODAY- Play Slots- \$30 arcadefrontier.com  
We downloaded these super fun and easy games. And YES we WON. Start your New Year Right!

Like - Comment - Share 45 39 1 - Sponsored

**Betty Jane's - Games House** - Suggested Post

WIN \$101,537 🤑🤑🤑 Start playing pokies and after a few minutes you could win the jackpot! if you want to try it here's the site just click the link below:

<http://games-house.net> ← Click Here



FREE \$30 To Play Pokies and Bingo!

games-house.net  
TODAY ONLY! GET PAID \$30 TO PLAY POKIES! Australia and New Zealand ONLY! NO Credit Card Needed! w/e!

Learn More

Like - Comment - Share 25 51 2 - Sponsored

**Roxy Palace** @groxipalace1948

Congrats to Cuarenta 7, who won A11\$10,000 playing Mega Moolah! Good news is, there's still \$8,767,000 to be won!

[roxyplace.com](http://roxyplace.com)



**Bet Promotions** @BetPromotions4u · Nov 26

It's your lucky day!

[bit.ly/1HjJLXv](https://bit.ly/1HjJLXv)

#betting #gambling #europaleague #liverpool #klopp



LUCKY DAY? bet-at-home

# What is the impact of social media marketing?

Survey 1,338 Australian social networking site users

- 41% had seen SNS promotions for gambling companies
- Target audience most likely to engage: younger adults, males, greater gambling spend
- 75% reported no impact on gambling
- 13% reported an increase in gambling
  - Male
  - Younger
  - Higher education
  - Work full-time
  - Ethnically diverse
  - More involved gamblers
  - At-risk and problem gamblers



# Social media marketing does not include warnings

- 60% had never noticed responsible gambling messages on SNS

**Betfair Australia**  
13 January

Fancy a trip to the All England Lawn Tennis and Croquet Club?

Head to Betfair Australia for your chance to win a Wimbledon power trip!

Head to <http://www.betfair.com.au/wimbledon/> to opt in by placing a minimum \$10 multi on the Australian Open

T&C's apply.

**WIN A WIMBLEDON POWER TRIP**

With Betfair Multis.

**betfair**

POWER UP THE PURTER

T&C's Apply.

Like · Comment · Share

betfair.com.au

**Tatts.com**  
6 February

Grab your entry in tonight's Powerball draw for a chance to change it all with \$6,000,000! <http://bit.ly/1awm2D6>

**POWERBALL**  
THE POWERS TO CHANGE IT ALL!

**\$6 MILLION THIS THURSDAY**

Like · Comment · Share

89 people like this.

betfair.com.au

**Tatts.com** @tattscom · Hey!

Grab an entry for tonight's #OzLotto draw for your chance to take home \$10,000,000! [bit.ly/1mxhWM6](http://bit.ly/1mxhWM6)

**10 MILLION THIS TUESDAY**

Like · Comment · Share

View more photos and videos.

betfair.com.au

**Raiders Belconnen**  
6 February

At least \$1000 will be given away tonight in our members badge draw!

**RAIDERS Belconnen**

**THURSDAY MEMBERS BADGE DRAW**

**This Thursdays Jackpot Is:**

**\$3,000**

**DRAW TIMES**  
**6pm, 7pm, 8pm & 9pm**

If the members draw is not won, there will be a \$250 NEAREST TO PIN CASH PRIZE. AFTER EACH DRAW

**WHEN JACKPOT HITS \$10,000 IT MUST BE WON ON THAT NIGHT & THE NEAREST TO PINS WILL BE WORTH \$1000 EACH**

Like · Comment · Share

betfair.com.au

## Implications for regulation, prevention, and treatment



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## Rapid iteration and evolution of gambling needs a response

- Is it gambling?
  - Virtual items as currency
  - Role of skill
  - ‘Fair’ outcomes
  - Promotion, conversation



## Rapid iteration and evolution of gambling needs a response

- Is it gambling?
- Who are the new gamblers?
  - New cohort
  - Youth
  - Vulnerable populations



## Rapid iteration and evolution of gambling needs a response

- Is it gambling?
- Who are the new gamblers?
- How do people access and engage with gambling?
  - Unregulated sites
  - Anonymous currency
  - Crime



## Rapid iteration and evolution of gambling needs a response

- Is it gambling?
- Who are the new gamblers?
- How do people access and engage with gambling?
- What are the risks?
  - Immersion
  - Customer tracking
  - Event frequency
  - Illusions of control
  - Player understanding



## Rapid iteration and evolution of gambling needs a response

- Is it gambling?
- Who are the new gamblers?
- How do people access and engage with gambling?
- What are the risks?
- What marketing is appropriate?
  - What is marketing/branding?
  - Do regulations account for platforms?
  - Influence on consumers
  - Counter-advertising

IASbet.com  
16 May 2013

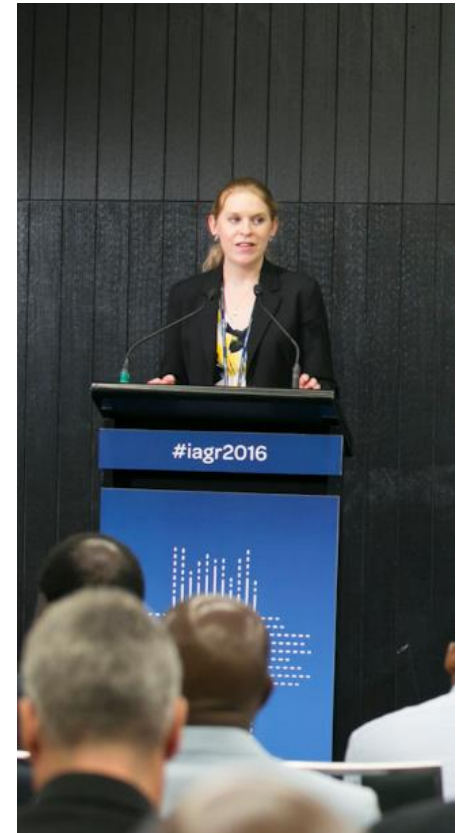
Do you 'like' drifting off to your happy place?

**WHERE WOULD YOU RATHER BE?**

Like · Comment · Share 3

## Rapid iteration and evolution of gambling needs a response

- Is it gambling?
- Who are the new gamblers?
- How do people access and engage with gambling?
- What are the risks?
- What marketing is appropriate?
- Impact on regulation?
  - Records
  - Existing operators
  - Research urgently needed



# Technology updates for prevention and treatment

## – Prevention

- Risky gambler identification
- Modified reality
- Personal messages






## – Treatment

- Updates for counsellors
- Virtual reality



# The future of gambling is not business as usual

- The past does not predict the future
- Need for forward thinking
- Innovation & disruption

Five-day forecast <a href="#">(Details)</a>				
Tomorrow Jul 15	Wednesday Jul 16	Thursday Jul 17	Friday Jul 18	Saturday Jul 19
				
Clear	Partly Cloudy	Showers / Clear	T-storms	T-storms
Hi: 32° Lo: 20°	Hi: 31° Lo: 19°	Hi: 32° Lo: 20°	Hi: 31° Lo: 21°	Hi: 32° Lo: 22°





**Thank you!**

**Dr Sally Gainsbury**

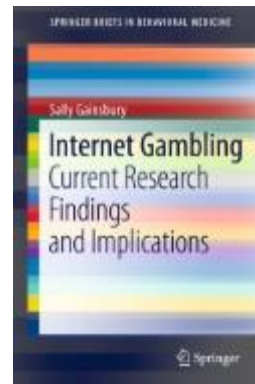
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