Got Game? | Taking Stock of 50 Years of Research on Product-Related Risk and Looking Ahead Beyond 2020

Dr. Jonathan Parke
**Research grants from organisations with no industry connection:**

- Innovate UK
- Technology Strategy Board
- Economic and Social Research Council
- University funding awards

**Research grants from organisations with an industry connection:**

- Regulators and Charities (e.g., GambleAware, UK Gambling Commission, eCOGRA)
- Gambling Operators (e.g., Kindred, Svenska Spel)
- Trade Bodies (e.g., European Gaming and Betting Association)

**Consultancy in the form of training, education or advice to industry organisations (e.g., Camelot, IGT, SkyBet)**
Product-Related Risk | What is it?

Individual Differences among Consumers

Host

Gambling Environment

Product-related risk
Product-Related Risk | Categories & Characteristics

Withdrawal
- Withdrawal Penalties
- Withdrawal Delays
- Reverse Withdrawal

Payment
- Cashless
- Subscription
- Remote Loading
- Access to Additional Funds

Sensory
- Sound Effects
- Music
- Lights
- Colour
- Olfaction

Content
- Wilds
- Respns
- Near Miss
- Losses-Disguised-as-Wins
- Gamification
- Bonuses
- Skill v Chance
- Themes & Branding

Continuity/Speed
- Event Frequency
- Continuity Speed
- Bet Options
- Auto-play
- Feedback

Reward
- Cost of Pay
- RTP
- Win Size
- Win Distribution/Volatility
- Reinforcement Schedules

Other (Tickets, Tokens etc.)
- Mobile

Choice Architecture
- Various (e.g., nudges & holds)

- Subscription
- Gamble Buttons
- Multipliers
- Jackpot
- Win Size
Product-Related Risk | **Categories & Characteristics**

- Continuity/Speed
- Cash-out
- Event Frequency
- Bet Options
- Auto-play
- Feedback
- Payout Interval

**Product-Related Risk | Categories & Characteristics**
Product-Related Risk | Impacts

- Increase Cost
- Impair Decision-making
- Mood-modification
- Facilitate Chasing

- Continuity/Speed
  - Cash-out
  - Event Frequency
  - Bet Options
  - Auto-play
  - Feedback
  - Payout Interval

Product-Related Risk: Impacts
Product-Related Risk | **Harm Reduction**

- **Continuity/Speed**
  - Increase Cost
  - Impair Decision-making
  - Mood-modification
  - Facilitate Chasing

- **Restrictions and Controls on Cash-out**
- **Restrictions and Controls on Live Betting**

- **Event Frequency**
- **Bet Options**
- **Auto-play**
- **Cash-out**
- **Payout Interval**

- **Breaks-in-play**
- **Deposit Delays**

**Restrictions and Controls on speed features** (e.g., ‘Autoplay’ & ‘Turbo-mode’ etc.)
1. Identify challenges in doing product-related risk research
2. Identify challenges in applying product-related risk research
3. Propose that we know less than we think about product risk
4. Consider implications of these challenges and future directions
Challenges for Research | ‘Industrial Evolution’
Hard to keep up with industry game innovation
Disruption & Paradigm Shifts | Gamification of Gambling

Total trophies: 27

Quick fire
Play 5000 rounds in 24 hours.

Belt

Activity
Disruption & Paradigm Shifts | *Virtual Reality*
Disruption & Paradigm Shifts | Skill Gambling
Within Game Innovation | *Enhanced Sunk Costs*
Within Game Innovation | ‘Mystery Reels /Symbols’
Having a valid understanding of more established product risk features still poses a greater challenge however
Product-Related Risk | **Categories & Characteristics**

**Withdrawal**
- Withdrawal Penalties
- Withdrawal Delays
- Reverse Withdrawal

**Cost of Pay**
- Stake Size
- RTP
- Win Distribution/Volatility

**Continuity/Speed**
- Event Frequency
- Continuity/Speed
- Bet Options
- Auto-play
- Feedback

**Sensory**
- Sound Effects
- Music
- Lights
- Colour
- Olfaction

**Payment**
- Access to Additional Funds
- Cashless
- Subscription

**Content**
- Various (e.g., nudges & holds)
- Near Miss
- Gamification
- Losses Disguised as Wins

**Reward**
- Bonuses
- Skill v Chance
- Themes & Branding

- Jackpot
- Win Size
Example 1 | Cost of Play
Example 1 | Cost of Play

- Fast, continuous games
- Easily accessible
- Can modify mood
- Permits stakes up to £100 on some games

Fixed Odds Betting Terminals (FOBTs)
Example 1 | Cost of Play
An optimum long-term strategy for mitigating potential harm?
I.e., account for all cost-of-play parameters...

Why campaign to keep the average cost of play 30x higher on one of the most addictive products available?
[A stake-only approach to minimising player losses ignores the role of game speed, game volatility and return-to-player (RTP).]
Example 2 | *Losses-Disguised-as-Wins (LDWs)*
Challenging Existing Theory | **LDWs**

A win of lesser value than the initial stake usually accompanied by visual and auditory reinforcement (Dixon et al., 2010, 2018)

![Image of a slot machine with balance, stake, and win values](image)

Balance = £12.50  Stake = £2  Win = £0.50

Argued to be significant risk factor for EGM-related harm (Clark et al., 2009, Dixon et al., 2010, 2018; Dow-Schull, 2005)
Challenging Existing Theory | *LDWs*

Volatility/Uncertainty/Isolated Big Wins

![Graph showing Volatility/Uncertainty/Isolated Big Wins vs Number of Wins/LDWs](image)
Challenging Existing Theory | *LDWs*

Parke & Parke, 2017 (using real-world behavioural data from problem gamblers playing slots – supplied by Kindred/Maris Bonello)
LDWs | *More Complex Than We Think?*

- ‘Gateway’ Product?
- Higher Risk Product?
Other Challenges | Product Risk Research
Challenges for Research | **Virtue Signaling**

- Virtue signalling has the potential to be an effective but maladaptive influence in gambling studies.

- Virtue signaling is ‘*adopting prevailing vision on a social policy based on its apparent appropriateness and perceived virtue rather than evidence or rationale argument*’ (see Sowell, 1996);

- Moral policy position is considerably more powerful and easily adoptable than one focused on facts and striving for impact.
“We read this week that we have yet another suicide caused by gambling machines and so we can’t waste any more time [Policy X] must enacted to save lives”.
“Not having an evidence is no longer an acceptable excuse for inaction by the gambling industry”.
Challenges for Research Application | *Displacement*

**RETAIL**
- B3 AGCs
- B3 Bingo
- B1 Casinos

**REMOTE**
- Online Roulette
- Online Slots
- Online Rapid Sports Betting

**Displacement?**

Product Innovation including retail (e.g. virtual)
Challenges for Research Application | Displacement

Parke, Schofield & Williams, (Under Review)

Need Satisfaction in Gambling according to Product Preferences

- Challenge and Mastery
- Autonomy
- Relaxation and Escape
- Self-affirmation
- Excitement
- Affiliation
Ineffective and inefficient safer gambling policies require considerable resources which may divert attention, time and money away from potentially more effective, more efficient harm minimisation options.
<table>
<thead>
<tr>
<th>Harm Minimisation Strategy</th>
<th>Estimated Impact on Gambling-Related Harm</th>
<th>Speculative Impact on Player Enjoyment</th>
<th>Speculative Negative Impact on Industry</th>
<th>Summary Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Impact</td>
<td>Confidence level</td>
<td>Speculative</td>
<td>High</td>
</tr>
<tr>
<td>Isolated £2 Stake Reduction</td>
<td>Low</td>
<td>Moderate</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Restrictions on access to funds in gambling venues</td>
<td>High</td>
<td>High</td>
<td>Low-Moderate</td>
<td>High</td>
</tr>
</tbody>
</table>
Product-Related Risk | **Game Design Protocols**

Theory and Evidence regarding Product-Related Risk

- **GAM-GaRD**
- **ASTERIG**
- **Tools for Responsible Games (TRG)**
- **Serenigame (FDJ)**

**Measurement-Led Protocols**

- Regulation and Licensing Conditions
- Policy or Regulation-Led
- Trade Association Codes of Practices
- Corporate Policy

**Policy or Regulation-Led**

- Game Awareness in Player Protection (GAPP)
- Turner et al., 2018

**Education-Led Protocols**

**Safer Game Design?**
Product-Related Risk | Looking Ahead
Product-Related Risk | **Looking Ahead**

- Ecological validity of PRR research plays critical role

- Without industry collaboration learning about PRR will be limited
  - Agreement on ethical guidelines for industry collaboration is a priority

- Understand the pros and cons of ‘lived experience’ as evidence

- Kill the risk, kill the product?

- Exploring regulating how rather what we consume?

- Not just realism and impact but also complexity (Murch & Clark, 2016; Delfabbro, tomorrow!)
Looking Ahead | *Perception over Reality?*

- Beware over-simplistic, seemingly virtuous solutions to harm reduction

- Industry interests should not drive harm minimisation policies. Equally, however, disabling industry interests to satiate disaffected stakeholders does not necessarily imply protection of the vulnerable

- Misapplication of research and ‘political policies’ can:
  - Create complacency if the positive impacts have been overestimated
  - Divert attention, time and money away from potentially more effective, more efficient harm minimisation options
  - Disaffect stakeholders on all sides of debate
Thanks for Listening!

Let’s Discuss

E-mail> jonathan@sophro.uk.com
Twitter> @drjparke