

*Bochum Conference  
on Gambling  
and Society |*

# International gambling market I

Professor Dr. Gerda Reith

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University  
of Glasgow

GRG

# Current Trends in Global Gambling

Professor Gerda Reith

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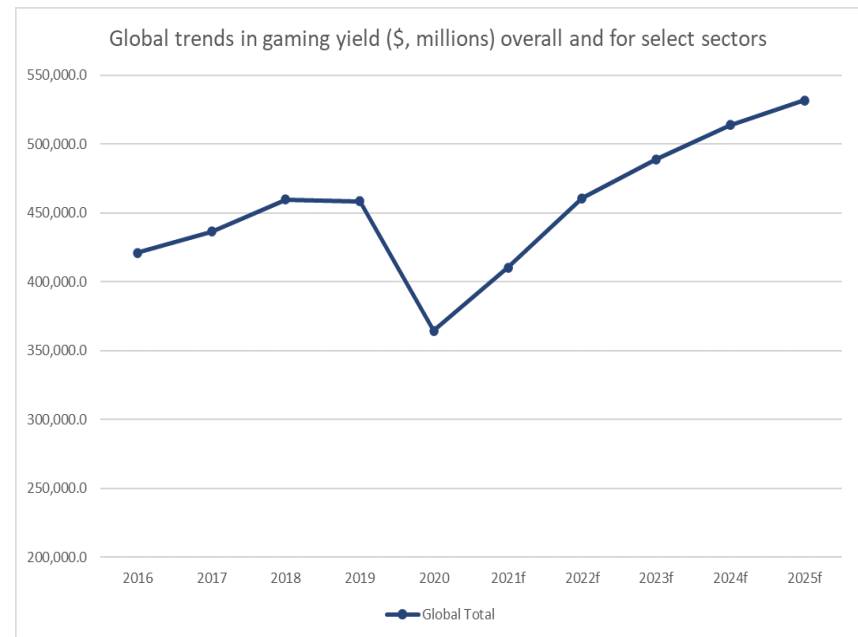
VIA VERITAS VITA

- In the past 5 years GR has been funded by the National Institute for Health Research, the British Academy, the Economic and Social Research Council, the Australian Research Council, the Medical Research Council
- GR is a commissioner on the Lancet Public Health Commission on Gambling, and the Howard League Commission on Crime and Gambling

- The commercial gambling industry and the commercial gambling ecosystem
  - Products and practices
- Global expansion
- Regulatory challenges



- Powerful global entity: \$450 billion p.a
- Oligopolistic structure
- Increasingly digital
- Increasingly global
- Produces harms and regulatory challenges



Source: GBGC, owned by Regulus

# The Commercial Gambling Ecosystem

Communications  
technologies

Game designers,  
programmers

Partnerships &  
sponsorships: sports,  
social media



Financial systems

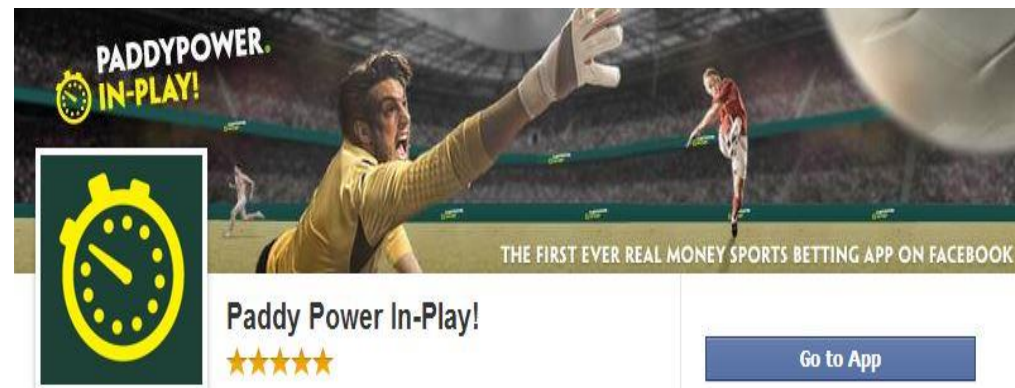
'Big Data',  
surveillance  
technologies

Personalisation;  
targeted marketing



- **Products**

- Repeated, continuous engagement - 'addiction by design' (Schull 2012)
  - E.g EGMs, casino table games, online products
- Mobile technologies increase availability and accessibility; 'casino in your pocket' (Torres and Goggin 2014)
- Immersive and interactive features



**PADDYPOWER.  
IN-PLAY!**

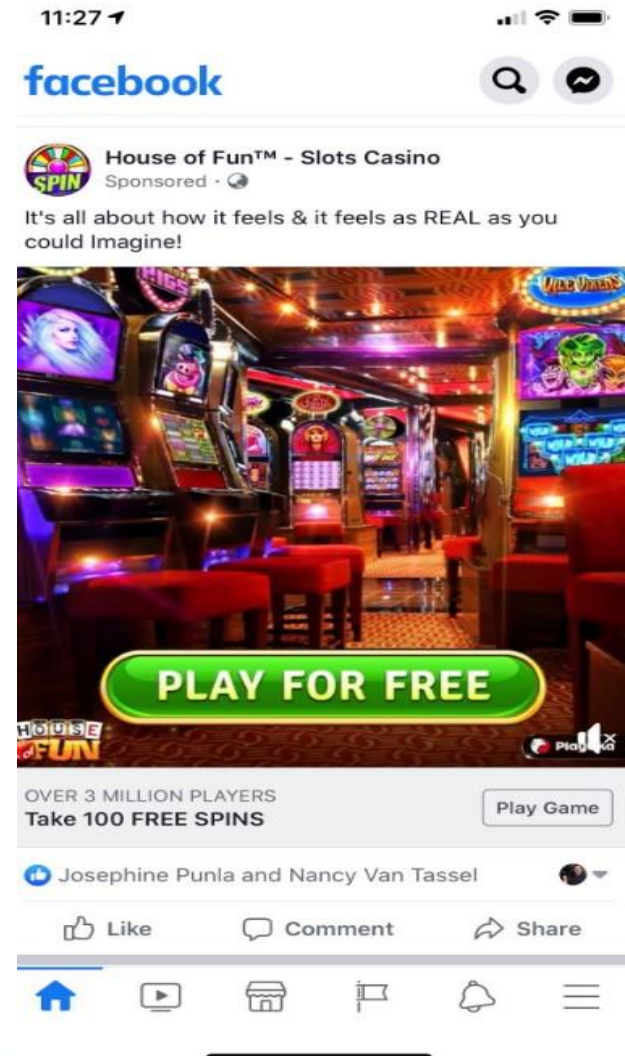
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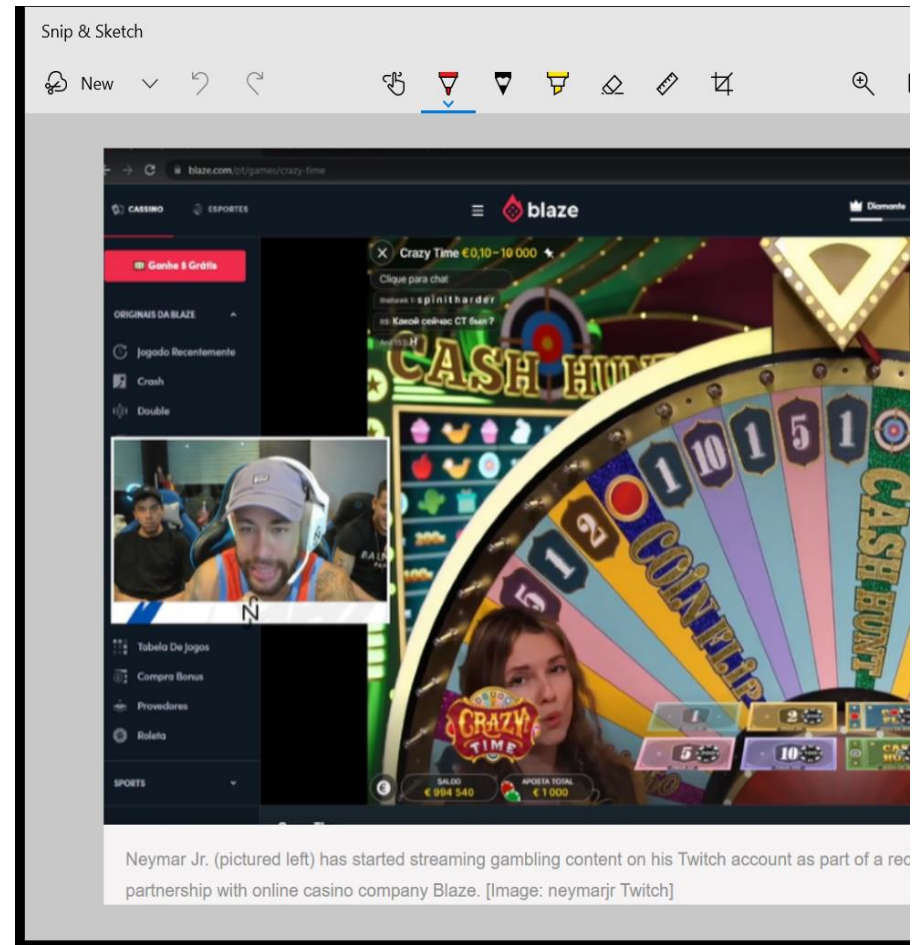
## Marketing

- Massive industry investment in advertising and marketing
- E.g 2018: British operators spent £1.5 billion (Regulus Partners 2018)
- 80% is online marketing:
  - Direct advertising, affiliates, social media platforms, celebrity influencers; ‘content marketing’



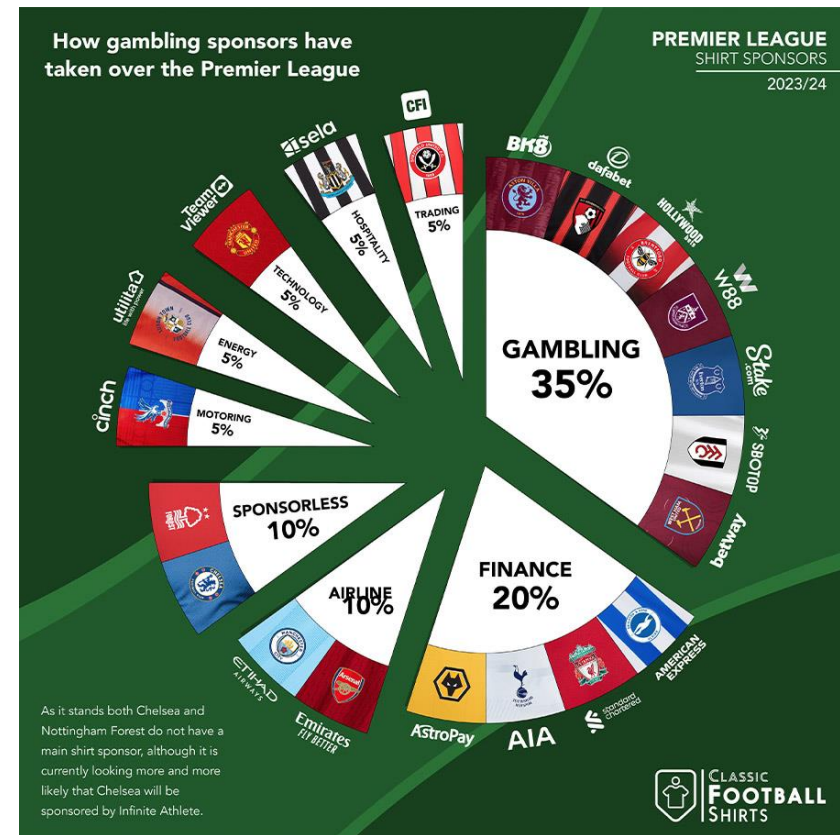


Neymar Jr live streaming \$1 million poker game on Twitch



## Sponsorship

- Commercial partnerships with sporting sector: 'gamblification of sport'
- Normalises gambling and influences cultural habits and values, esp amongst youth (Thomas et al 2018; Syvertsen et al 2022)



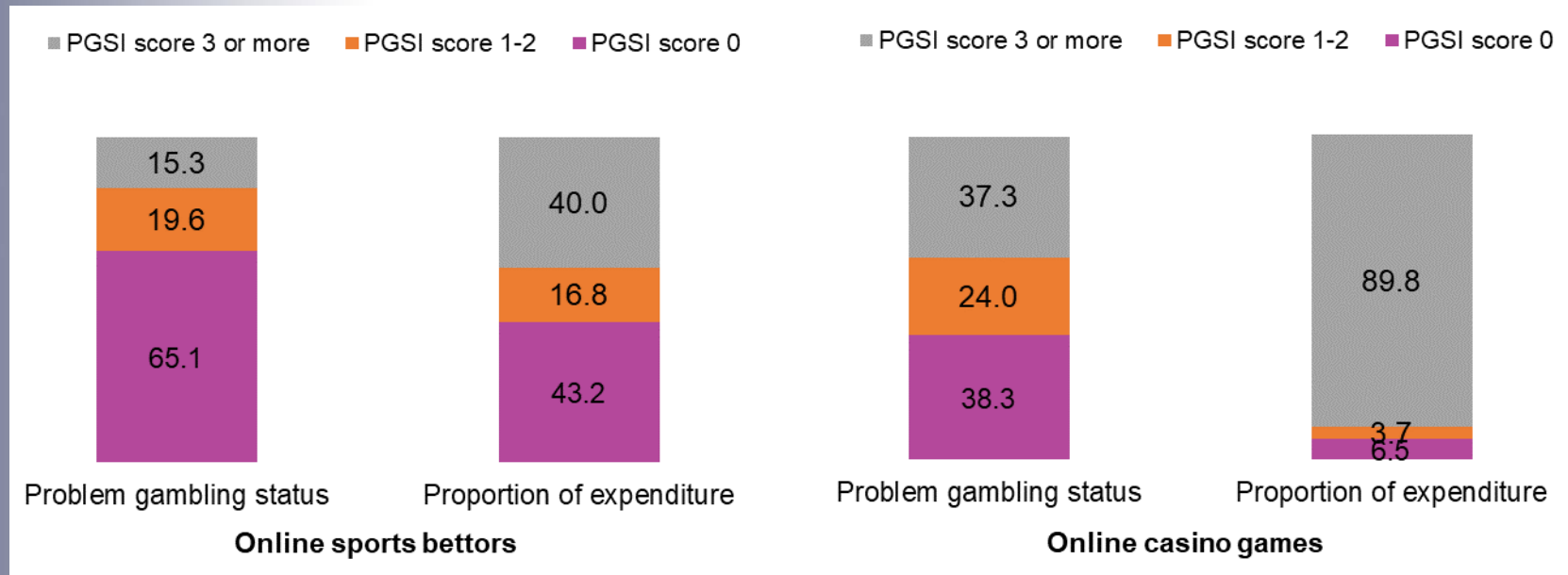
## Data and targeting

- Collection of player data → guides targeted marketing
- ‘Predictive personalization’: inducements, special offers, free bets
- ‘Dark patterns’, ‘nudges’ (Newall 2019) → manipulate behaviour towards gambling



- Relatively small % heavy gamblers produce majority of profits (~ 5% - 60%)
- Intense competition for customers
- Aggressive marketing; constant innovation → promotion of faster, 'harder' products
- Creates individual and social harms

# Expenditure and PG status



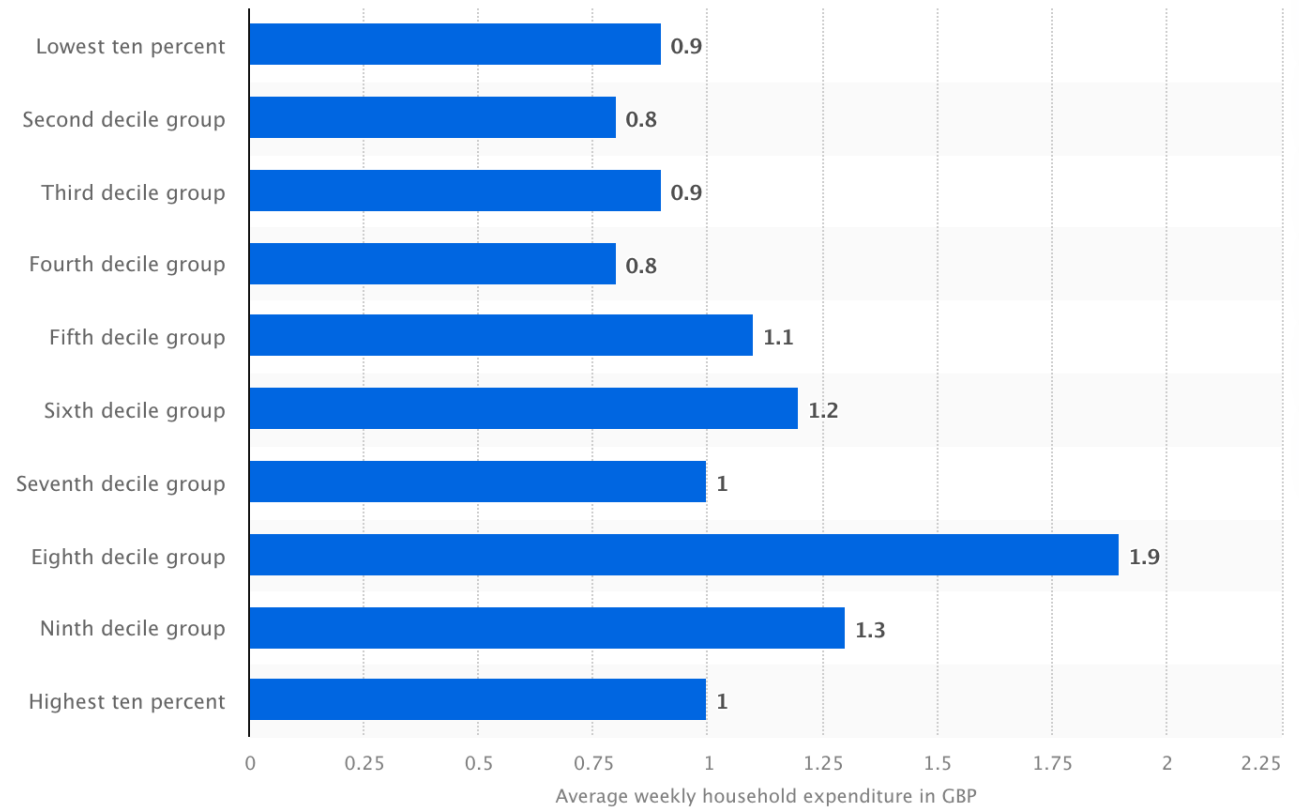
Heather Wardle, Alexey Kolesnikov, Ingo Fiedler, Nathan Critchlow & Kate Hunt (2023) Is the economic model of gambling dependent on problem gambling? Evidence from an online survey of regular sports bettors in Britain, *International Gambling Studies*, 23:1, 139-159, DOI: [10.1080/14459795.2022.2088823](https://doi.org/10.1080/14459795.2022.2088823)

- Poorest spend relatively most on gambling
- Regressive nature of expenditure (- though varies by product)





## Average weekly household expenditure on gambling payments in the UK in 2021, by gross income decile group



Source: Statista 2021

- Expansion of industry in search of both new and / or less regulated markets
  - U.S: loosening of sports betting restrictions (2018)
  - East Central Europe
  - South America
  - Asia
  - Sub Saharan Africa





Entain (formerly GVC Holdings). HQ: Isle of Man



- E.g Sub-Saharan Africa: 'the next big market'
- Young male demographics; love of sports
- Widespread poverty, unemployment
- Technological infrastructure → mobile and financial networks
  - 64% population have smartphones

*PremierBet in Llongwe, Malawi.  
Chris Bunn 2019*



9<sup>th</sup> ANNUAL  
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“Together, a perfect storm is brewing, piquing the interest of international online gambling operators”

*Africa Business Insider, July 4 2023*





- Targeting of young male demographics
- Marketing presents gambling as source of wealth and livelihood

Subsistence livelihoods and gambling  
*Llongwe, Malawi. Chris Bunn 2019*





- Underdeveloped regulatory infrastructure
- ‘Regulatory void’
- Increasing harms amongst vulnerable populations (Sichali et al 2022)

Kawangware suburb, Nairobi

How to regulate a constantly evolving digital product that transcends national boundaries

- No requirement for companies licensed in GB to apply regulatory restrictions elsewhere
- Potential for displacement of harms



Eg of Entain: licensed by GB  
Gambling Commission

- White label partnerships: companies not licensed by UK Gambling Commission forming partnerships with those who are
  - Operators who don't meet UK regulatory standards obtain 'back door' access to UK market

- Complex, shifting corporate structures; shifts to avoid regulation, taxation
  - Partnerships, sponsorship arrangements, third parties: complex ownership, licensing, regulatory arrangements

- Global industry requires global oversight
- Need regulation that can adapt to challenges of:
  - Cross-border, digital products and practices
  - Complex, shifting corporate structures



- Risk of partial regulation that simply displaces harms elsewhere





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Vielen Dank!

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