

The Gambling Research Center of the University of Hohenheim

NEWSLETTER June 2019 (3/2019)

POLITICS AND LAW

News from European Gambling Regulation

While in Germany, the state parliaments are beginning to deal with the Third Amendment of the German Interstate Treaty on Gambling and its minimal but certainly positive changes, there is again a whole range of news from our European neighbours.

In Ireland, a working group is currently creating a national gambling supervisory authority responsible for all types of gambling. The authority will be based on the British and Maltese authorities and have a plethora of competences. In the wake of this, gambling legislation is currently undergoing revision and modernisation. However, further details regarding the content or date of entry into force of the new regulatory regime are still open.

Scandinavia is also facing great changes. Sweden established a commission to examine whether gambling advertising should be totally or partially banned to combat the growing addiction to gambling. The commission will also review bonus offers. The former monopolist (Svenska Spel) already announced in advance that it would discontinue all advertising activities for its own online products. Since the government is not convinced of the providers' efforts to protect gamblers, "dangerous" gambling products must also be defused. It was further announced that the Swedish supervisory authorities had concluded a cooperation agreement with the Malta Gaming Authority (MGA) to exchange information and coordinate regulatory policies.

In general, the interconnection of the various European regulatory authorities seems to be on the agenda at present. In early May, representatives of the supervisory authorities of Great Britain, France, Germany, Portugal, and Spain convened in Madrid to discuss a wide range of topics.

The Danish gambling supervisory authority is currently examining bonus offers from providers. It has issued a warning and asked gambling providers to present bonus terms to customers in a transparent manner. These are particularly misleading if customers first have to pay a certain

amount to receive the bonuses. Consumer protection is to be improved through a new voluntary Code of Conduct, which will come into force on 1 July 2019. The parties agree to limit their marketing activities in various places. The list of blocked gambling websites in Denmark continues to grow. Interestingly, a number of so-called “skin-betting” websites are now also included, as these would mainly appeal to young people.

Norway continues to fight illegal gambling as well. The supervisory authority recently blocked a number of foreign unlicensed providers and is now working more intensively to stop payments for illegal games of chance. The authority’s continuous efforts appear to be fruitful as the proportion of Norwegian gamblers among unlicensed providers seems to be declining.

Newly Licensed Slot Machines Evade German Gambling Ordinance

In his short contribution, Gerhard Meyer shows how the current generation of slot machines circumvents the requirements of the German Gambling Ordinance (e.g. prohibition of points games). Meyer shows in detail how slot machine manufacturers circumvent the ban on points games by defining the rebooking process from cash to bank storage (formerly points storage) as a game and applying the legal requirements only to the transfer. The rebooking is done with only minimal deviations, so that gamblers are left with the impression that the value points also represent monetary values.

Circumventing the statutory requirements allows for higher winnings (“substantial assets”) than those stipulated by legislators and thus increases the incentive to gamble. Concluding the paper, Meyer gives concrete suggestions to improve gambler protection and to mitigate the effects of the new generation of devices (memory erasure, prohibition of feature transfer, etc.). In the same vein, he demands that this be addressed before the next evaluation date in 2021.

In our opinion, PTB should be given greater responsibility as a control authority.

Sources:

[Gewerbearchiv](#)

New Gaming Act in Lower Saxony

Lower Saxony’s gambling regulations are to be revised. Currently, the associations are participating. The amendment aims to strengthen gambler protection (introduction of a nationwide exclusion scheme) on the one hand, and to adapt the previous selection procedure regarding arcades on the other. So far, the supervisory authorities have selected the relevant arcades

randomly. However, the Higher Administrative Court dismissed this practice. The aim is to replace it with a fairer and more legally compliant solution based on comprehensible criteria (no positioning of two slot machines next to each other, distance from restaurants and schools, and smoking ban).

Sources:

State Chancellery of Lower Saxony

NEWSFLASH

German Centre for the Control of Drug Abuse (DHS) publishes 2019 Yearbook on Addiction

The 2019 Yearbook by the German Centre for the Control of Drug Abuse (DHS) provides current figures regarding consumption of legal and illegal drugs as well as addictive behaviour. According to this source, the legal German gambling market achieved a revenue of 46.3 billion euros in 2017 which is 2.5 per cent more year on year. Slot machines in arcades and pubs made up 58 per cent of revenues.

More information and sources:

[DHS Yearbook on Addiction](#)

Broadcaster Bans Gambling Advertising on TV

The Spanish regional broadcaster Euskal Irrati Telebista (EITB) declared to stop advertising gambling on its platforms (radio, television, internet). Advertising for lotteries and sports betting will not be affected. Possibly, the broadcaster is anticipating potentially stricter advertising guidelines in Spain.

ASA Imposes Prohibition Order

The British Advertising Standards Authority (ASA) issued prohibition orders against the football club “Totenham Hotspurs” and the company “Paddy Power” for violating the Advertising Directives.

Further details:

[Advertising Standards Authority \(ASA\)](#)

German Federal Cartel Office Targets Comparison Portals

The Federal Cartel Office wants to scrutinise comparison portals more closely in future. A recent study showed that many portals have not presented the results neutrally. This would also

be very useful with regard to sports betting and illegal online casinos. In these fields, there are seemingly no serious comparison offers at all, but only affiliate marketing websites.

Further details:
[Federal Cartel Office](#)

GVC Demands Advertising Ban in Great Britain Despite “Whistle-to-Whistle” Advertising Ban

The gambling company GVC recently called on the entire industry to refrain from advertising sports betting on TV. In the future, the company will only advertise “Responsible Gambling” and will also renounce jersey sponsoring contracts. This is part of the company’s new strategy to strengthen consumer protection measures beyond the legal requirements. Presumably, it intends to anticipate stricter regulation.

Meanwhile, the UK gambling industry’s voluntary commitment to ban advertising during live sporting events will take effect in August 2019 and will also cover repeats of sporting events.

Further details:
[Financial Times](#)

Permitted: Courts Allow Slot Machines and Sports Betting Terminals in Pubs

Current jurisdiction (Higher Regional Court of Munich and Frankfurt) allows pubs to operate both slot machines and sports betting terminals at the same time. The reason for this is the lack of a concrete prohibition standard, since the separation rule only applies to arcades.

Further details:
[ISA Guide](#)

Providers Violate Geolocation

The Supervisory Authority of the State of New Jersey sanctioned a gambling provider for allowing gamblers from outside the state to gamble on its websites. Such an approach would certainly also be worth considering in Germany (e.g. Schleswig-Holstein). However, providers currently seem to refer customers from outside the state to their .com presence.

Further details:
[Division of Gaming Enforcement](#)

RESEARCH

Publications presented in this section merely represent the views of their respective authors. Publications were chosen to provide recipients with insights into the current scientific discourse. We intend to neutrally summarise current scientific publications.

Study Investigates Gambling Behaviour of Youth

Two studies, which we would like to present here, examine the gambling behaviour of young people. First, a cross-sectional study (n = 13,284 between 14 and 17.9 years) was carried out in seven European countries. It revealed that 3.6 per cent of respondents and 28.1 per cent of young people gambling online and/or offline were at risk or exhibited problematic gambling behaviour. In this group, the following were represented with above-average frequency: male youths, youths aged 16 to 17.9, youths with low-educated parents, and only children. In addition, the risk increased when young people had started using the internet at an early age, performed badly at school, used the internet more frequently (six to seven days a week), and used it problematically (PIU). The level of parental control, on the other hand, had no effect. The second study dealt with the question of whether and, if so, what relationship there is between the attitude of young people towards their future and their gambling intensity. A total of 11,661 pupils aged 15 to 18 were interviewed in Sweden. It turned out that gambling was most prevalent among young people who rated their future prospects as “much better” or “much worse” than those of their classmates. In contrast, risky gambling was most common among young people who expected a “much worse” future. The authors conclude that young people expecting a pessimistic future are more strongly searching for immediate satisfaction of their needs.

Sources:

- **Gambling Involvement and Problem Gambling Correlates Among European Adolescents: Results from the European Network for Addictive Behavior Study**
- **Future Orientation, Gambling and Risk Gambling among Youth: a Study of Adolescents in Stockholm**

Reaching Out to Big Losers: A Randomized Controlled Trial of Brief Motivational Contact Providing Gambling Expenditure Feedback

This study focused on the effects of personalised feedback on gambling intensity of frequent gamblers from Norway. The authors contacted customers of the state-run Norsk Tipping, who had suffered particularly high gambling losses during the past 12 months. They were contacted by telephone or letter. The aim was to encourage customers to reflect on their gambling behaviour. Some of these customers then received another call or letter. In contrast, the comparison group was not contacted.

In the following 12 weeks, the number of people called or contacted decreased by 29 per cent (telephone contact) and 15 per cent (letter contact) respectively, compared with three per cent in the control group. The follow-up contact, on the other hand, only reduced gambling for those individuals who had expressed interest in a follow-up discussion or letter when they had been contacted for the first time. The authors conclude that addressing frequent gamblers through gambling companies is an effective method to protect gamblers - provided, of course, that it is possible to address customers directly in the respective country.

Sources:

Psychology of Addictive Behaviors

Intimate Partner Violence in Treatment Seeking Gamblers

Recently, scientific publications have increasingly focused on the connection between problematic gambling behaviour and violent behaviour towards the life partner. In this UK study, the authors interviewed 204 clients of the National Problem Gambling Clinic on their gambling behaviour, violent behaviour (controlling, intimidating and threatening behaviour, physical violence, and abuse) towards their partner, depression, anxiety disorders, alcohol abuse and debt. They also collected socio-demographic data.

Around one fifth of the respondents considered violence against their partner to be an issue. A total of 12.3 per cent turned violent themselves and 14.1 per cent had experienced violence. Persons with more problematic gambling behaviour had experienced violence more frequently. The values were also higher for clients with anxiety disorders and/or depression. Due to the high values, it would be desirable to screen all clients for violent behaviour in the partnership.

Sources:

Journal of Family Violence

Preliminary Findings on Cryptocurrency Trading Among Regular Gamblers: A New Risk for Problem Gambling?

Are people who use crypto currencies often problem gamblers? The authors of this US study interviewed 876 people via Mechanical Turk (an online marketplace for occasional jobs) who participated in gambling at least once a month last year.

People who used crypto currencies also increasingly placed sports bets, participated in daily fantasy sports, traded risky shares and displayed more problematic gambling behaviour (measured by means of the Gambling Severity Index PGSI). For people who played offline, this connection was not given.

The authors point out that trading in crypto currencies could be attractive for frequent gamblers - so to speak as an extension of their “portfolio” by another risky behaviour.

Sources:

Addictive Behaviors

Gambling Spending and its Concentration on Problem Gamblers

In their study, Fiedler et al. examine whether a large proportion of gambling expenditure can be attributed to a small group of “high-rollers” with problematic gambling behaviour.

On the basis of survey data in France, Québec, and Germany (PAGE study), they check this using the GINI coefficient as a measure of expenditure concentration. Their study shows a strongly positive correlation between the GINI coefficient and the share of revenue accounted for by gamblers with problematic gambling behaviour. In all three areas investigated, problematic gamblers spent far more on games of chance than gamblers without problematic gambling behaviour. The investigation also reveals differences in the different types of games. In France, gamblers with problematic gambling histories (PSGI ≥ 3) account for the lowest share of revenue in lotteries and the highest share in table games, poker, and sports betting. In Québec, on the other hand, the share of revenue accounted for by gamblers with problematic gambling histories is highest among slot machines (76.3%). Unfortunately, there is no such data available for Germany.

The authors recommend using the GINI coefficient as a risk indicator to assess social risks in gambling markets.

Sources:

Journal of Business Research

ABOUT THE GAMBLING RESEARCH CENTER

“Multidisciplinary Observations of the Complex Phenomenon of Gambling.”



In honour of the 65th birthday of Prof. Dr. Tilman Becker, Managing Director of the Gambling Research Center, the staff of the Gambling Research Center, Andrea Wöhr and Marius Wuketich, dedicated an academic commemorative publication at Springer VS to him. The piece was already published in spring 2019.

A total of 27 contributions by 38 authors from various scientific and practical fields produced a comprehensive overview that explores copious currently relevant discussions in the field of gambling and unites its various perspectives. Excerpt from the blurb: “Hardly any other topic attracts as much controversy as

games of chance. Legal questions mix with economic perspectives, psychological-medical considerations with moral-ethical discussions and social aspects with political aspects. The articles address these complex debates from research and practice and shed light on them from a multidisciplinary perspective. The work is divided into the sections “General Contributions to Gambling”, “Economics”, “Law and Regulation” as well as “Gambling Behaviour and Problem Gambling”. Thereby, the volume provides a comprehensive overview of current scientific and practical problems in gambling research”.

Link:

[Springer VS](#)

Colloquium for Young Scientist of Games of Chance

The Gambling Research Center at the University of Hohenheim, in cooperation with the Department of Gambling Research at the University of Hamburg, is launching a new interdisciplinary event series for young scientists on research topics related to the phenomenon of gambling. The event titled “Young Scientists Colloquium Gambling” will take place for the first time on 23 September 2019 at the University of Hohenheim. Students and researchers (up to and including postdocs) from all departments can present their current and future research projects, may they be theses or entire research projects. They receive constructive feedback in a pleasant atmosphere and can establish contacts.

Additional information:

[Gambling Research Center](#)

Publications The Relationship between Self-Limitation and Gambling Behavior among German Gambling Arcade Visitors

In Germany, there has been no formalised self-limitation solution for slot machines in arcades. Nevertheless, many gamblers use self-initiated limits as a voluntary control strategy. This paper uses a sample of 503 arcade visitors to analyse the differences in gambling behaviour between those who impose limits on themselves and those who do not. The results show that unwanted behaviour, such as visiting several arcades successively, occurs significantly less frequently in the group with limits. In addition, the gambling parameters examined, such as average spending per arcade visit, are significantly lower for gamblers with limits. The results of this pilot study are very promising. They can stimulate discussion about the potential advantages of a formalised self-limitation scheme for arcades in Germany.

Link to the Study:

[Journal of Gambling Studies](#)

DATES

27 June 2019

14th Annual Conference on Sports Betting and Gambling 2019

Organisers: FORUM Institut für Management GmbH

Event location: Frankfurt/Offenbach

27 June 2019

10th Bayerischer Fachkongress Glücksspiel

Organisers: Bayerische Akademie für Sucht- und Gesundheitsfragen

BAS Unternehmersgesellschaft (limited liability)

Event location: Munich

11-13 September 2019

IMGL 2019 Autumn Conference

Organisers: IMGL

Event location: Munich (Charles Hotel)

16-18 September 2019

Deutscher Suchtkongress

Organisers: German Society of Addiction Psychology, German Society for Addiction Research and Addiction Therapy

Event location: Mainz

24 and 25 September 2019

5th German Gambling Regulation Day

Organisers: ZfWG, Benesch Winkler

Event location: Frankfurt (Deutscher Fachverlag, Mainzer Landstraße 251, 60326 Frankfurt am Main)

Legal Notice

Thank you for your interest.

We look forward to recommendations regarding current publications and events.

The Gambling Research Center Team

Visit us online, contact us directly, or visit us on social media.

Web: gluecksspiel.uni-hohenheim.de

Email: gluecksspiel@uni-hohenheim.de

Follow us on Facebook.

Follow us on Twitter.

Postal address:

University of Hohenheim
Gambling Research Center (502)
Schwerzstraße 46
70593 Stuttgart

Phone:

+49 (0)711 459 - 23898 / 22122

Editors:

Tilman Becker, Marius Wuketich, and Andrea Wöhr

If you want to support our work, you can become a member of our sponsorship association or make a donation. For more information, please see the following website:

Sponsorship Association
