

## DO ADVERTISING AND PROMOTIONS FOR ONLINE GAMBLING INCREASE GAMBLING CONSUMPTION? AN EXPLORATORY STUDY

NERILEE HING, LORRAINE CHERNEY, ALEX  
BLASZCZYNSKI, SALLY M. GAINSBURY & DAN  
I. LUBMAN

### Bibliographic citation

Hing, N., Cherney, L., Blaszczynski, A., Gainsbury, S. M., & Lubman, D. I. (2014). *Do advertising and promotions for online gambling increase gambling consumption? An exploratory study*. *International Gambling Studies*, 14(3), 394–409.

Link to Published Version: <https://doi.org/10.1080/14459795.2014.903989>

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To cite this article: Nerilee Hing, Lorraine Cherney, Alex Blaszczynski, Sally M. Gainsbury & Dan I. Lubman (2014) Do advertising and promotions for online gambling increase gambling consumption? An exploratory study, *International Gambling Studies*, 14:3, 394-409, DOI: 10.1080/14459795.2014.903989

To link to this article: <https://doi.org/10.1080/14459795.2014.903989>



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Published online: 15 Apr 2014.



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## Do advertising and promotions for online gambling increase gambling consumption? An exploratory study

Nerilee Hing<sup>a\*</sup>, Lorraine Cherney<sup>a</sup>, Alex Blaszczynski<sup>b</sup>, Sally M. Gainsbury<sup>a</sup> and Dan I. Lubman<sup>c</sup>

<sup>a</sup>*Centre for Gambling Education and Research, Southern Cross University, Lismore, Australia;*

<sup>b</sup>*School of Psychology, University of Sydney, Darlington, Australia;* <sup>c</sup>*Turning Point Alcohol and Drug Centre, Eastern Health and Monash University, Fitzroy, Australia*

(Received 11 October 2013; accepted 26 February 2014)

It remains unclear if gambling advertising and promotion increase demand for, and consumption of, gambling, or only affect market share distributions without increasing total consumption. Although this has been investigated in relation to land-based gambling, studies have not examined how such marketing influences behavioural patterns of Internet gamblers. The aim of this study, therefore, was to explore ways in which advertising and promotion of Internet gambling may contribute to increased consumption of gambling. Qualitative interviews were conducted with 50 Internet gamblers drawn from the general population, and 31 treatment-seeking Internet gamblers. In-depth analysis of interview transcripts revealed limited reported effectiveness of advertising and promotions in converting non-gamblers to Internet gamblers. However, general population gamblers reported occasionally gambling more than intended (increased consumption) in response to free bet and deposit offers. A proportion of treatment-seekers reported increased gambling, particularly associated with bonus offers that required matched deposits and gambling before any winnings could be collected. Advertisements and promotions invoked urges to gamble among treatment-seeking gamblers, and appeared to some participants to be designed to target individuals who had taken steps to limit or cease gambling. Findings provide preliminary evidence of Internet gambling promotional activities increasing overall consumption amongst a subgroup of gamblers.

**Keywords:** advertising; Internet gambling; marketing; problem gambling; qualitative

### Introduction

Advertising has been defined as a paid, mediated form of communication from an identifiable source, designed to persuade the receiver to take some action, now or in the future (Richards & Curran, 2002). Seminal models of advertising identify the processes of attracting attention, raising interest in, creating a desire for, and prompting action for a product's purchase as integral elements of persuasive advertising (Russell, 1921). Promotions represent a shorter-term strategy than advertising, designed to attract attention through the offer of immediate incentives – for example, free samples, discounts or opportunities to win prizes. Both strategies aim to increase consumption by introducing new customers, retaining current customers or gaining a greater market segment share of customers.

Although the majority of recreational gamblers contain expenditure to affordable limits (Productivity Commission, 2010; Wardle et al., 2010; Williams, Volberg, & Stevens, 2012),

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\*Corresponding author. Email: [nerilee.hing@scu.edu.au](mailto:nerilee.hing@scu.edu.au)

concern is warranted at a public health level if it can be demonstrated that advertising and promotion lead to increased consumption and a consequent rise in the incidence and/or exacerbation of harms experienced by problem gamblers. Concern is further justified if it is established that such marketing strategies undermine problem gamblers' efforts and/or motivations to maintain behavioural control.

At present, two opposing arguments are being advanced to describe the effects of advertising and promotions on gambling consumption: that advertising increases demand and the overall consumption of gambling, or that advertising affects the distribution of market share but not consumption (Binde, 2007; Griffiths, 2005; Productivity Commission, 1999). However, to date there is a paucity of research describing the differential effects of gambling advertising on overall market demand, consumption and share. Most extant studies have focused on the econometrics of lottery advertising (Mizerski, Miller, Mizerski, & Lam, 2004; Mizerski & Mizerski, 2001), content analyses of advertisements in traditional media (Korn, 2005a; McMullan & Miller, 2008, 2009, 2010; Milner, Hing, Vitartas, & Lamont, 2013; Thomas, Lewis, Duong, & McLeod, 2012) and attitude to gambling and recall of gambling advertising (Amey, 2001; Carlson & Moore, 1998; Clotfelter & Cook, 1989; Lee, Lee Lemanski, & Jun, 2008). Studies have included focus groups with young people (Korn, 2005a), self-reported impacts of advertising among problem gamblers (Binde, 2009; Boughton & Brewster, 2002; Grant & Kim, 2001) and measured self-reported attitudes within the general population (Thomas, Lewis, McLeod, & Haycock, 2012). Research has examined the effects of gaming venue promotional incentives, such as free and discounted play coupons and complimentary hotel accommodation, on aggregate daily gaming volumes (Lucas, 2004; Lucas & Bowen, 2002; Lucas, Dunn, & Singh, 2005; Lucas & Santos, 2003; Suh, 2012; Tanford & Lucas, 2011), but with inconsistent findings across studies preventing firm conclusions (Suh, 2012).

Binde's (2007) review noted that studies have generally concluded that, although public concern about the nature and extent of gambling advertising exists, its impact on gambling consumption appears small compared to other influential factors. For problem gamblers, the effect appears to be variable, ranging from minimal (Binde, 2007) to moderate; for example, in one study, approximately half (46%) the sample reported that advertising had triggered gambling behaviours (Grant & Kim, 2001).

However, no research has examined the impact of Internet advertising and promotions on gambling and problematic gambling behaviours in Internet gamblers, despite heavy use of both of these marketing strategies by Internet gambling operators (McMullan, 2011; McMullan & Kervin, 2012; Milner et al., 2013; Thomas, Lewis, McLeod et al., 2012; Weibe, 2008). The objective of this study, therefore, was to explore whether and how advertising and promotion of Internet gambling contributes to increased consumption of gambling through (1) attracting new players; (2) increasing gambling by existing users; (3) triggering gambling by problem gamblers attempting to curtail their gambling; (4) attracting lapsed users; and (5) causing longer gambling sessions.

### **Gambling advertising research**

Internet gambling has grown exponentially, manifesting a 10–15% annual expenditure increase over the last 15 years (Gainsbury, 2012), with more than 2800 gambling websites currently available (Online Casino City, 2013). Concordant with this rate of expansion, the volume and expenditure of gambling advertising, including that for Internet gambling, has similarly escalated (Friend & Ladd, 2009; Korn, 2005a, 2005b; Messerlian & Derevensky, 2006; Monaghan, Derevensky, & Sklar, 2008). While current figures on overall Internet

gambling advertising spend are not available, Weibe (2008) cites figures from several Internet gambling operators of annual marketing budgets in the tens of millions of US dollars, with PartyGaming reporting expenditure of US\$48.6 million on customer acquisition and retention during the first half of 2008 alone. In this context, it is reasonable to anticipate that gambling advertising will increasingly migrate to the Internet to better target Internet gamblers and to compensate for tighter advertising restrictions through traditional media (Gardner, 2013).

Internet advertising uses multiple strategies to target, attract and retain customers. In a study of a random sample of 71 online poker sites, McMullan and Kervin (2012) found that dominant messages centred on virtual socialization through the sites, on poker as a ubiquitous rather than occasional practice, and on gambling as central to a winning way of life and an avenue to social and financial success, and that poker was a skilled activity rather than a mixed skill/chance game. McMullan (2011, pp. 2–3) notes that these messages

were communicated in a web marketing context of highly attractive incentives and inducements – deposit bonuses, reload bonuses, generous ‘refer a friend’ programs, affiliate programs, online retail stores, free demo practice sites, and of course online tournaments – which rather constantly and aggressively exposed consumers to gambling to gain their attention to play, to inspire likability in their products and to incite returns to gamble continuously.

As proposed by Weibe (2008), advertising strategies for Internet gambling can be construed as incorporating components of recruitment (gaining attention from potential targets), registration (eliciting paid memberships) and retention (retaining members gambling at the advertiser’s website). From her analysis of 40 large poker, casino and wagering sites, Weibe (2008) found that recruitment strategies included advertising on search engines and affiliate networks, pop-ups and banner displays on websites, traditional advertising through television, radio and print, event or team sponsorships and creative guerilla marketing tactics. Registration strategies included welcome bonuses, free games and give-aways. Retention was encouraged through bonus programmes (e.g. sign-up bonuses, referral bonuses, random draws) and reward systems (e.g. for making the largest deposit of the day, deposit credits, loyalty programmes, happy hour events).

Gambling is a mature market in many western countries, evidenced by relatively stable demand, stagnant sales growth and steady per capita expenditure, with most potential users already participants (Williams et al., 2012). Given such market maturity, growth opportunities tend to be restricted to between-sector competitions, resulting in a zero sum change in consumption. However, gambling operators must maintain their market (revenue) share and respond to competitors and revenue threats from recreational and problem gamblers ceasing, reducing or leaving the market, and age-related income (pensions) reductions in customer expenditure (Productivity Commission, 2010; Saugeres, Thomas, Moore, & Bates, 2012; Williams et al., 2012). Accordingly, commercial pressures dictate the need to attract, recruit and subsequently retain customers exposed to or engaging in emerging market segments. Internet gambling thus represents a potentially profitable per capita revenue source over longer time frames. Indeed, evidence suggests that most online gambling marketing, particularly for sports betting and poker, targets young single males with moderate to high incomes, and females for online casinos and bingo (Weibe, 2008).

Advertising and promotions targeting existing gamblers increase total gambling consumption through reward and loyalty programmes that promote additional play (Weibe, 2008). Unfortunately, these strategies also exert a similar effect on problem gambling, a sub-population contributing a disproportionate amount of revenue

(Productivity Commission, 2010; Wardle et al., 2010). Internet gambling promotions that extend gambling time through free bets and deposits and requiring recipients to play through bonus money several times before they can claim winnings (Weibe, 2008) represent further attempts to entice and increase consumption among existing users. The extent to which such effects occur remains unknown.

Disconcertingly, advertising and promotion may increase consumption levels by retaining problem gamblers by inadvertently undermining personal attempts to cease. To date, no research has established whether online gambling advertising has this effect, although preliminary research suggests this effect is likely to be experienced by some (Binde, 2009; Derevensky, Sklar, Gupta, & Messerlian, 2010; Grant & Kim, 2001).

Relapse is a common experience amongst recovering problem gamblers (Battersby et al., 2010; Hodgins & el-Guebaly, 2004). Advertising and promotion may thus have the potential to attract lapsed users of Internet gambling or abstinent gamblers into new, exciting and easily accessible online forms. No research has established the causal role of online gambling advertising on relapse.

Given these gaps in knowledge, this study explored ways that Internet gambling advertising and promotions contribute to gambling consumption. As there is a paucity of data and inherent difficulties of a quantitative investigation of the impact of gambling advertisements, we elected to pursue a qualitative interview approach with gamblers and problem gamblers, in accordance with Binde's (2007, p. 180) recommendations:

interview studies, are likely to produce knowledge about how people experience gambling advertising and about the mechanisms of advertising impact. If gambling advertising adds to problem gambling, people who have or have had gambling problems can tell at least something about the ways advertising has had a detrimental effect on their gambling habits.

## Methods

### *Recruitment and sampling*

Two Australian university ethics committees approved the study. Two purposive samples of Internet gamblers were recruited to help ensure that a wide range of experiences were captured to address the research objective. It was important to capture experiences of both problem and non-problem gamblers because the research objective focused on increased gambling consumption overall among gamblers with different problem severity. The first sample was drawn from 488 Australian participants listed on a database of individuals involved in previous studies consenting to receive invitations to participate in future studies. Emails to these participants yielded 150 potential eligible recruits meeting inclusion criteria: 18 years or over, had gambled using the Internet at least once during the previous 12 months and were not in treatment for a gambling problem.

From this sample, we selected a subgroup of 50 Internet gamblers to form an interview sample that represented different types of preferred Internet gambling activities and involvement. Selection was based on main Internet gambling activity and scores on the Problem Gambling Severity Index (PGSI; Ferris & Wynne, 2001).<sup>1</sup> More specifically, we sorted the 150 potential eligible recruits into 5 subsamples based on preferred Internet gambling activity ascertained from their earlier survey responses (lotteries/bingo/keno, sports betting, horse or dog wagering, poker, casino games/EGMs) and then attempted to sample 5 people in each subsample scoring 0–2 on the PGSI and 5 people scoring 3+ on the PGSI, also according to earlier survey responses. Where a subsample exceeded the required numbers, we selected every *n*th name on the list. Where a subsample did not contain the required numbers, we drew on a list of 'multiple' Internet gamblers who

preferred several forms of interactive gambling equally (based on earlier survey responses).

The second sample comprised 31 Australian Internet gamblers engaged in or seeking treatment for a gambling problem. The gambling helplines in 4 Australian jurisdictions recruited 7 participants, while advertisements on the websites of the national Gambling Help Online service and on Google yielded 23 recruits. One person was recruited through word of mouth.

## Participants

The general population sample comprised 46 men and 4 women, with a mean total sample age of 41.6 years (range 18–72 years, std dev. = 13.89). Table 1 shows the main form of Internet gambling and PGSI status of the general population sample.

The treatment sample comprised 25 men and 6 women, with a mean total sample age of 35.8 years (range = 18–62 years, std dev. = 11.20). Of the treatment sample, EGMs ( $n = 10$ ) and race betting ( $n = 10$ ) were the main gambling forms causing problems, followed by sports betting ( $n = 3$ ), poker ( $n = 2$ ) and casino table games ( $n = 2$ ). Four participants nominated more than one main type of problem gambling. Twenty-three participants reported usually engaging in the type of problem gambling online, while eight did so in land-based venues. The most problematic type of Internet gambling was race betting ( $n = 10$ ), followed by EGMs ( $n = 6$ ), sports betting ( $n = 4$ ), poker ( $n = 2$ ) and casino games excluding poker ( $n = 1$ ). Eight participants reported multiple forms of problematic Internet gambling. One participant had stopped gambling completely, 8 had decreased their Internet gambling due to treatment and/or their own efforts, 7 described more complex and fluctuating gambling patterns including binges, while 13 reported that their Internet gambling participation was still increasing. Three were unable to describe any Internet gambling patterns of behaviour.

## Procedure

All interviewees were emailed a participant information sheet and informed consent form, and were contacted to schedule a telephone interview. Interviews of 30–60 minutes were conducted between September 2012 and February 2013, were digitally recorded and transcribed verbatim by a professional service. Two qualified clinical psychologists conducted interviews with the treatment sample. An experienced gambling researcher who also had experience in conducting interviews with gamblers conducted interviews with the general population sample. All three interviewers were trained by another member of the research team, who clarified the overall study objective, the aims of each set of questions,

Table 1. Main form of Internet gambling and PGSI status of the general population sample.

Risk of gambling problems/ Preferred form of Internet gambling	PGSI Low (PGSI 0–2)	PGSI High (PGSI 3 + )	Total
Lotteries/Bingo/Keno	5	5	10
Sports betting	5	5	10
Horse or dog wagering	5	4	9
Poker	3	1	4
Casino games/EGMs	2	0	2
Multiple forms	5	10	15
Total	25	25	50



the use of prompts to optimize information collected, and potential questions participants might have. One research team member supervised the first interview conducted by each of the clinical psychologists, while the first few interviews conducted by all three researchers were reviewed by the research team to ensure their appropriateness.

Interviews were semi-structured, with prompts seeking to elicit participants' experiences relating to three broad relevant areas: (1) history of using both land-based and online gambling forms (e.g. Can you tell me about when you first started gambling and why? Can you tell me more about the first kind of online gambling you did? How have your gambling patterns changed since you first started gambling and what are they now? What influenced these changes?); (2) features of online gambling contributing to gambling problems (e.g. Can you tell me about how your online gambling causes any problems or harm for you or your family? Can you explain how having access to gambling online specifically contributes to this for you?); and (3) experiences around receiving and responding to online gambling advertising and promotions (e.g. What are your opinions and experiences around advertising and promotions used by online gambling operators? What influences you to gamble online rather than play at land-based venues?).

### Data analysis

NVivo software was used to assist interview data analysis. Once interview data had been allocated to the three broad interview areas identified above, a second stage of coding divided responses into five themes based on theoretical issues described earlier relating to five ways in which gambling advertising can potentially increase overall gambling consumption. Within these five themes, data were then progressively coded and allocated to each of the sub-themes within the main five themes. Table 2 shows the main themes and sub-themes extracted from the data and their link to the three broad categories of interview questions. Because of the semi-structured nature of the interviews, used to encourage

Table 2. Themes and sub-themes extracted from interview questions.

Focus of interview questions	
<ul style="list-style-type: none"> <li>• Participant history of using land-based and online gambling forms.</li> <li>• Features of online gambling contributing to gambling problems for participants.</li> <li>• Participant experiences of receiving and responding to advertising and promotions.</li> </ul>	
Themes	Sub-themes
Attracting new players	<ul style="list-style-type: none"> <li>• Shifting access from land-based to Internet modes.</li> <li>• Taking up additional gambling forms using the Internet.</li> <li>• Taking up gambling for the first time using the Internet.</li> </ul>
Increasing gambling by existing users	<ul style="list-style-type: none"> <li>• Respond to notifications about draws, bonuses, good odds, betting tips.</li> <li>• Prompts opening of betting accounts.</li> <li>• Makes gambling more interesting and attractive.</li> <li>• Induces gambling, chasing of losses, addiction.</li> </ul>
Triggering gambling by problem gamblers attempting to curtail gambling	<ul style="list-style-type: none"> <li>• Reminders to gamble.</li> <li>• Tempting and encouraging bonuses.</li> <li>• Free bets and deposits.</li> </ul>
Attracting lapsed users	<ul style="list-style-type: none"> <li>• Welcome back promotions and bonuses.</li> <li>• Promotions offered when self-excluded.</li> <li>• Promotions offered when trying to close accounts.</li> </ul>
Causing longer gambling sessions	<ul style="list-style-type: none"> <li>• Play through conditions of some promotions.</li> <li>• Difficulties with withdrawing winnings.</li> </ul>



in-depth and reasonably unhindered accounts of participants' experiences, responses to the three broad categories of interview questions informed all major themes.

Results are presented below. Participant quotations are tagged with G (general population sample) or T (treatment sample), participant ID number, preferred type of Internet gambling (at recruitment), PGSI High (score of 3 + ) or PGSI Low (score of 0–2) category of general population participants (at recruitment), gender and age. PGSI scores were not obtained for the treatment sample but all had recently received, were seeking or were receiving treatment at time of interview. While qualitative research does not seek to quantify results, specific descriptors reflect how common each reported experience was based on the proportion of participants who raised or discussed each theme and sub-theme. For both samples, 'small minority' refers to 1–20%, 'minority' to 20–40%, 'around half' to 40–60%, 'majority to 60–80% and 'large majority' to 80–100%.

## Results

### *Attracting new players*

Only a small minority of both the general population and treatment samples first gambled using the Internet. A large majority of the general population, but a minority of the treatment sample, became aware of Internet gambling through advertisements and promotions.

Where influenced by these advertisements and promotions at uptake of Internet gambling, participants shifted access from land-based to Internet; adopted additional forms through the Internet; or initiated their gambling using the Internet. Only the last two of these alternatives increase total gambling consumption.

### *Shifting access from land-based to Internet modes*

Some participants shifted from using land-based to Internet modes of gambling in response to advertising and promotions for Internet gambling. The most common avenue for discovering Internet gambling for the general population sample was through advertising at land-based gambling venues. For example, when visiting off-course betting outlets or newsagencies to purchase lottery tickets, respondents reported seeing advertisements for Internet gambling services. Other participants saw advertisements on gambling operator websites when checking results.

Among the small minority of the general population sample becoming aware of Internet gambling through television, radio or online advertisements or those in land-based gambling outlets, a proportion shifted to using the Internet for forms previously accessed by other means – for example, opening an online account as a new way to bet on lottery:

I looked at lotto results at [lottery operator website]; that I used to check my results, and then I realised that you could actually get lottery online that way.

(G#46 Lottery PGSI High Male 37 years)

Thus, advertisements were effective in prompting existing gamblers to shift to the Internet to access their current gambling activities. This effect was more apparent among the general population sample, with the treatment sample being aware of Internet gambling through mechanisms other than advertising, principally word of mouth or friends' recommendations. For example:

I heard about gambling online from a friend. She was winning quite a lot of money and I thought I might try it out. Just online casinos, like pokies or games and stuff like that. That was about five months ago and it's pretty much been every day since.

(T#16 EGMs Female 18 years)

*Taking up additional forms of gambling using the Internet*

Advertising and promotion of Internet gambling prompted a small minority of both samples to take up additional forms of gambling. For example, participants from the general population sample described taking up poker in response to television and online advertisements noticed while using the Internet for other purposes.

It was sort of by accident that I came across it. I was working on my computer and it said, 'Play poker online.' ... I put \$50 out of my credit card onto it right there and then. And I won \$200, but I didn't know how to get the money back out and I ended up spending it on roulette, online.  
(T#44 EGMs Female 44 yrsea)

*Taking up gambling for the first time using the Internet*

Only a small minority of the general population sample reported first gambling using the Internet. Three of these attributed the initial take-up to awareness and interest elicited by media advertising and coverage of gambling, with this advertising triggering immediate uptake of Internet gambling, as described below:

My first experience of gambling was Internet gambling. I heard it advertised on a radio station as it came on about a sports bet. It was a no lose situation that was sure to break even. So I started to gamble on that then ... I actually ended up winning. And then so I used the winnings to bet on something else. Just went from there ... but then I started finding other bet sites that were offering free bets as well ... At that time I end up losing \$150, for me that's half a week's wage. It's quite big ... Actually, it's terrible.  
(G#53 Multiple PGSI High Male 33 years)

In contrast, only a small minority of the treatment sample first gambled using the Internet and none attributed this uptake to advertising or promotions. For example, one treatment-seeker explained:

I'm massively into sports and a mate of mine said you can win money betting online on sports. He's probably the guy that introduced me to gambling.  
(T#21 Multiple Male 28 years)

*Increasing gambling by existing users*

Increased gambling by existing gamblers was evident amongst a small minority of the general population, and nearly one-half of the treatment sample. However, many in the latter group struggled to identify specific as opposed to multiple reasons for their increased gambling.

One respondent in the general population sample recounted purchasing extra lottery tickets due to email reminders about draws and promotions, while another reported being likely to purchase tickets if the advertising alerted him to a big draw he was unaware of. Additional online sports bets occurred in response to better odds displayed online, bets with money-back guarantees and matching bet amounts:

they send those things every now and then saying if you log into our website and you find these icons you can click on it and get two extra games ... because you're logged in there already, and ... because my credit card details are already there, I'll just go ahead and buy a few games anyway because I'm just there, so they kind of suck you in that way too. I've never found an icon to actually get a free game.

(G#46 Lottery PGSI High Male 37 years)

sometimes there are better odds advertised, especially on sports betting sites that actually would make you more inclined to bet on a market that you wouldn't normally do. Sometimes

there might be a match and they might say, 'Bet on this and if this happens then you get money back' or something. Something that I wouldn't normally bet on, but would be more inclined to bet on it due to the advertisement.

(G#20 Sports Betting PGSI Low Male 26 years)

One respondent in the general population sample discussed how social media communications from in-house tipsters from gambling operators led him to believe they had inside information on credible betting options that encouraged him to act on betting tips.

All of the treatment-seeking sample stated that their gambling had increased substantially since they first commenced gambling online. Nearly half the sample at least partially attributed this increase to advertising and particularly promotions. Some participants reported that they gambled more because the promotions made the activity more interesting and attractive. For example, one treatment-seeker explained:

[My gambling] has increased quite a lot. When I first started off I didn't think gambling online was all that good, but now that I've been a member for a couple of months, I get promotions and bonuses. It just makes it more interesting, I guess. It makes me want to gamble more ... Altogether it [my gambling] would be maybe 15 hours a week, 20 hours a week. (Interviewer: What would you say is the main influence on that change, that progression?) Just all the promotions I get, yes.

(T#16 EGMs Female 18 years)

Other treatment-seekers felt the promotions provided inducements to gamble for a period of time that was long enough to build their addiction to gambling, at which point the promotions offered declined. One respondent felt that the promotions encouraged people to open an account that, once opened, facilitated further Internet gambling, and another felt that they encouraged him to chase his losses:

they dangle carrots in front you and make you become familiar and addicted, and then they get you and withhold – I've been a real slave to it in this last six months. It's quite insidious.

(T#20 EGMs Female 47 years)

Basically they're designed for you to put your money in and then get you on the hook ... what it does to you is it puts you in the vortex. You're in the system then and you're going to start getting all the offers ... it's a trick. ... Once you've opened one [an account] you think, 'Oh, well the Melbourne Cup's coming up. I've got that account opened now I'll just do it through that.'

(T#4 Race Betting Male 49 years)

In summary, the promotions associated with Internet gambling appeared particularly effective in prompting increased gambling amongst the problem gamblers who were now seeking treatment. This was less apparent amongst the general population sample although some reported gambling more on occasions in direct response to this marketing, particularly those in the PGSI High group.

### ***Triggers gambling by problem gamblers who are attempting to curtail their gambling***

The treatment group provided numerous examples of being tempted by Internet promotions, with a proportion unable to resist triggered urges despite earlier decisions to curtail gambling. These promotions triggered gambling sessions by reminders, tempting and encouraging bonuses, and free bets and deposits. These participants disliked temptations provoked by these promotions that challenged their resolve to control behaviours:

I don't like it, I don't like it. I think there's too many ads on TV ... I dislike it because it's influencing you, giving you the idea to gamble ... reminding you to gamble, whereas if you didn't have that then you might have just forgotten about it, and you wouldn't have bothered.

(T#27 Race Betting Male 29 years)

I don't like the instant promotions ... it continually encourages you to come back for more ... They know that the majority of the people that have the revenue for them are the problem gamblers.

(T#5 Poker Male 39 years)

I was so in debt. I lost my house. They give you the incentives like here's another turn, \$50 or \$500 bet, if you lose three times, they pay you to get your money back. You never get your money back ... You look up something, anything, and up pops a window for a bet or you get pop-ups ... The temptation's always there.

(T#32 Sports Betting Male 43 years)

Statements made suggest that online gambling promotions represent a trigger for strong temptations, with these inducements for participants in the treatment group sufficiently strong to undermine resolutions to control behaviours. Internet gambling promotions were described as being 'deceptive', 'insidious' and a way to 'suck you in' by this group of participants.

### ***Attracting lapsed users***

Attracting lapsed users of gambling products also expands total gambling consumption. However, this was difficult to distinguish from the preceding theme because of difficulties of determining whether participants seeking treatment had stopped using Internet gambling entirely (were lapsed) or had managed to stop only temporarily. Thus, some overlap with the preceding theme is apparent.

Amongst the general population sample, only a small minority referred to this role of advertising and promotions for Internet gambling. For example, one participant described receiving emails since he had stopped gambling, welcoming him back:

If you don't place bets they send you emails to sort of welcome you back. I'm guessing they're just in it for the money.

(G#6 Sports Betting PGSI Low Male 29 years)

Attracting lapsed users was raised by more of the treatment sample, but only by a small minority, possibly because so few had actually stopped or significantly decreased their gambling, with some still engaging in gambling binges after attempts to quit. Nevertheless, their experiences provide examples of how online gambling operators attempt to attract back people. This occurred even when people had self-barred from gambling websites or tried to close their gambling account. Some participants found these communications very enticing, with some acting on the promotion offered:

If you haven't gambled for a while and then you get an email saying a free \$20 bet, it takes me back to their site and then it gets you back in. ... that drags you back to them.

(T#21 Multiple Male 28 years)

I think the promotion is to draw in the old people ... Draw them back ... Many, many times I've disconnected with the places like I've banned myself, but quite often I still receive emails from these organisations with offers and stuff.

(T#5 Poker Male 39 years)

It actually was really hard to cancel my TAB account. They kept sending me letters to encourage me to keep going ... It should have been easier.

(T#39 Sports betting Male 26 years)

### ***Causes longer gambling sessions/time spent gambling***

Online gambling promotions can increase overall gambling consumption by extending sessions and time spent gambling. While this extra consumption does not always involve

extra expenditure if free or matched deposits are used, it nevertheless involves extra time spent gambling and additional exposure to a potentially addictive activity.

A small minority of the general population sample discussed online gambling promotions as being positive, with some describing how they had prompted them to open accounts and gamble with multiple gambling operators, which extended time spent gambling:

I signed up to almost every Australian bookmaker just to get myself promotions. 'Deposit like \$30 or \$50 you get a \$100 free bet.' If you can win on that \$100 free bet, it's great. If not, then you just spend your money.

(G#51 Multiple PGSI High Male 18 years)

Others also reported how they take advantage of promotions as an 'add-on' to bets they would have placed anyway. The promotions reportedly did not act as an incentive to gamble additional money, but were seen as a bonus to the money that they already intended to gamble. These bonuses extended playing time because of the extra funds they had to gamble with:

some texts that I'd use occasionally they have promotional codes that you put some money in they will put some in as well ... I'm going to put some money in anyway and I may get a few dollars extra.

(G#42 Poker PGSI Low Male 46 years)

Participants from the treatment group provided specific examples of how play through conditions of particular promotions and difficulties with withdrawing winnings increased gambling time and expenditure:

They offer you bonuses ... subject to conditions of play though. So, if you've put in \$100 and they're giving you an extra free \$100 on top of that ... you can't even withdraw your initial \$100, because ... you've got play through requirements ... It's very difficult to get money and it would take days and days ... Out of all that money I spent, I never cashed in ... you end up using it because it takes days.

(T#44 EGMs Female 44 yrsea)

Respondents' statements indicated that some promotions increase gambling consumption through providing bonuses that inherently extend gambling time.

## Discussion

In this study, the role of advertising and promotion of online gambling in attracting new users to gambling products was found to be limited. Amongst the general population sample, only a small minority adopted gambling for the very first time in response to marketing efforts. While most had become aware of Internet gambling through advertising, the vast majority shifted from accessing preferred activities from non-Internet to Internet forms. This finding is consistent with Thomas, Lewis, McLeod, et al. (2012) who found that young men in particular were encouraged by online gambling advertising to switch from physical to online environments and to open accounts due to free bonuses offered.

A small minority of the general population sample were prompted by advertisements to participate in additional forms of gambling for the first time through the Internet. None of the treatment sample attributed their first uptake of gambling to advertising and promotion of Internet gambling, but a few took up additional gambling forms in response to this marketing. Most, however, had just converted their preferred means of access from non-Internet modes to the Internet to access gambling activities they already participated in. Overall, there was no strong evidence that advertising and promoting Internet gambling

converts many non-gamblers to Internet gamblers. Nevertheless, this finding may reflect existing high levels of gambling participation, with about 70% of Australians already participating in gambling each year (Productivity Commission, 2010).

The interview findings provided stronger evidence that advertising and promotion of Internet gambling increases gambling amongst existing gamblers. Several respondents in the general population sample recounted occasions when this marketing had prompted them to gamble more than originally intended. Stronger evidence was provided by the treatment sample, where Internet gambling promotions provided inducements that contributed to increased gambling over time. This is generally consistent with previous research findings that problem gamblers report more stimulation to gamble due to gambling advertisements than do non-problem gamblers (Binde, 2009; Grant & Kim, 2001). It also aligns with findings of an experimental online gambling study where the incidence of betting occasions had a stronger effect on retention than did satisfaction with the games (Jolley, Mizerski, & Olaru, 2006).

In the current study, promotions appeared to trigger gambling sessions amongst some problem gamblers, despite their earlier decision to curtail their gambling. As also found by Binde (2009) in the context of gambling advertisements in general, the promotions reminded problem gamblers about gambling, aroused urges to gamble and provided inducements to gamble. Further, a small minority of the treatment sample who had previously suspended their gambling relapsed in response to these advertisements. They provided examples of receiving promotional offers from gambling operators after barring themselves from their sites, communications to discourage them from closing accounts, and promotions encouraging them to chase losses. These marketing activities weakened some of this group's resolve to stop gambling. These findings generally align with Binde's (2009) study that found that the main negative self-perceived impact of gambling advertising was that it triggered gambling impulses amongst problem gamblers, increased already high gambling involvement and made it more difficult to adhere to a decision to stop or curtail their gambling.

Many Internet gambling promotions involve free or matching deposits, especially when people first start using a site. A minority of the general population sample maximized these bonuses, which increased their overall gambling consumption although not necessarily their gambling expenditure. However, the treatment sample provided many examples of how the play through conditions of particular promotions and the difficulty of withdrawing winnings increased both their gambling time and expenditure. Research suggests that any feature that increases consumption puts people at greater risk of gambling-related harm (Currie et al., 2006; Currie et al., 2008; Rockloff, 2012). Blaszczynski and Nower's (2002) Pathways Model would predict that the strengthened behavioural conditioning that occurs through extended play may increase the likelihood of later developing gambling problems. Notably, none of the general population sample described promotions with play through conditions that were clearly offered to some gamblers in treatment. As Internet gambling promotions can be tailored to a person's gambling history on a site, further research is needed to investigate how promotional offers received differ amongst people with different gambling histories.

This study's findings are somewhat at odds with those of the most similar previous study (Binde, 2009), where it was suggested that Internet gambling advertising aims primarily to attract customers from competitors rather than to induce new users to try a specific game, or old customers to gamble more. While the current study found that some participants shop around amongst competitors to find the best bonuses, it also highlighted the role of advertising in increasing overall gambling consumption. While previous studies



of gambling advertising have generally concluded that it has a marginal impact on gambling behaviour and problem gambling (Binde, 2007, 2009; Mizerski et al., 2004; Mizerski & Mizerski, 2001), the current results suggest that this impact may be different for Internet gambling. Research is needed to confirm this and to determine whether any differences are due to the nature and extent of the advertising, the nature of the online gambling environment or the characteristics of Internet gamblers.

Naturally, this study is subject to limitations. The sample was self-selecting and too small for results to be generalizable. As such, the results cannot quantify the differing responses of participants to Internet gambling advertising and promotion, but instead provide insights into how these marketing efforts can impact on gambling behaviour amongst gamblers both seeking and not seeking treatment. Although Internet gamblers are predominantly male (Gainsbury, Wood, Russell, Hing, & Blaszczynski, 2012; Wood & Williams, 2009), recruiting only 10 women for this study precludes insights into how women's responses to these advertisements may differ. The study was also limited by relying on retrospective self-reported data that is subject to the usual recall biases. Previous research has also found that problem gamblers, especially those in treatment, are more likely to notice gambling advertising (Binde, 2009).

Nevertheless, the strengths of this study are that it is the first empirical gambling advertising study to focus specifically on Internet gambling, and the first to include both problem gamblers in treatment and a general population sample to gauge how the impacts of Internet gambling advertising may differ between these two groups. The study provides some preliminary evidence that Internet gambling advertising and promotion do increase the overall consumption of gambling, although this is typically among existing gamblers, rather than inducing non-gamblers to start this activity. With the exponential growth of Internet gambling and the proliferation of associated marketing, unravelling and understanding its impacts are important research agendas for the future. Specific research questions that could be addressed include how Internet gambling advertisements and promotions impact differentially on non-gamblers, recreational gamblers and problem gamblers; the types of Internet gambling advertising and promotions that contribute to impaired control over gambling; how children and young people perceive and are persuaded by these marketing efforts; and how promotional strategies used by online gambling operators differentially target people with different gambling histories.

## **Funding**

This work was supported by Gambling Research Australia, a partnership between the Commonwealth, State and Territory Governments [grant number 107/10].

## **Note**

1. Because the PGSI was used, 'problem gambling' was used throughout this manuscript even though the more recent term is 'gambling disorder'.

## **Notes on contributors**

**Nerilee Hing** PhD is the Founding Director of Southern Cross University's Centre for Gambling Education and Research. Her research has included studies of problem gambling, responsible gambling, gambling amongst vulnerable populations, impacts of gambling, help-seeking for gambling problems, and gambling and new technologies.

**Lorraine Cherney** is currently undertaking a PhD on the regulation of electronic gaming machines in Queensland, at the Centre for Gambling Education and Research at Southern Cross University.



Prior to commencing her PhD, Lorraine held senior research and policy positions with the Queensland Office of Regulatory Policy and the Queensland Office of Liquor and Gambling Regulation.

**Alexander Blaszczynski** PhD is a Professor of Psychology and Director of the University of Sydney Gambling Treatment Clinic and Research. He has published extensively on the characteristics and treatment outcomes for gambling disorders, and is currently the Editor-in-Chief of *International Gambling Studies*. He has received several awards for his contributions to gambling research.

**Sally Gainsbury** is a clinical psychologist whose research into gambling has covered the areas of responsible gambling strategies, electronic gaming machines, warning signs, Internet gambling, and online treatment options. She is the editor of *International Gambling Studies*.

**Dan Lubman** has worked across mental health and addiction settings in both the UK and Australia. He is Director of Turning Point and Professor of Addiction Studies and Services at Monash University. His research is wide-ranging, and includes the development of targeted intervention programmes across multiple service settings.

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