SEIGMA

SOCIAL AND ECONOMIC IMPACTS OF GAMBLING IN MASSACHUSETTS

UNIVERSITY OF MASSACHUSETTS SCHOOL OF PUBLIC HEALTH AND HEALTH SCIENCES

Impacts of Advertising on Gambling Behavior in Massachusetts

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MGC Open Meeting

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Disclosure of Potential Conflict of Interest

- The SEIGMA study is funded by the Massachusetts Gaming Commission (MGC) and based at the University of Massachusetts Amherst.
- I also run a private consulting company, Gemini Research, that specializes in gambling research.
- I have had no affiliation with the gambling industry in the past 10 years.
- In the past 10 years, I have received research funding from government agencies in Connecticut, Massachusetts, New Jersey, Oregon, and Washington State as well as Australia, Britain, Canada, New Zealand, and Sweden.
- I have received honoraria and reimbursement for travel costs to present at conferences.

Overview of Presentation

- Background
  - Recent developments in gambling advertising
- Methods
  - Literature review (tobacco, alcohol, gambling)
- Advertising & gambling behavior in MA
  - Online panel data
  - Specific advertising questions
- Discussion & recommendations

Background

- Advertising has undergone profound changes since the advent of the Internet in 1990s
- Emergence of many forms of online marketing
  - Paid placements
  - Influencer marketing
  - Shareable social media content
- Spending on sports betting advertising
  - TV ($21.4 million in 2019; $314.6 million in 2022)
  - Online gambling ($1 billion in 2021; $1.9 billion in 2023)

Sports Betting Advertising

- As of May 2024, 38 states and DC offered sports betting
- Advertising restrictions
  - Ads must feature toll-free helpline number across different media
  - No targeting of underage, self-excluded
  - Otherwise, few restrictions (e.g., volume or placement)
- Voluntary industry guidelines proposed
  - American Gaming Association
  - Coalition for Responsible Sports Betting Advertising

Study Methods

- Review of extensive literature on impacts of advertising on behavior
  - Focus on tobacco, alcohol
  - Research on gambling and advertising included
- Primary data from SEIGMA
  - Online panel surveys (2014, 2022, 2023)
  - Not representative of population but useful in understanding changes over time

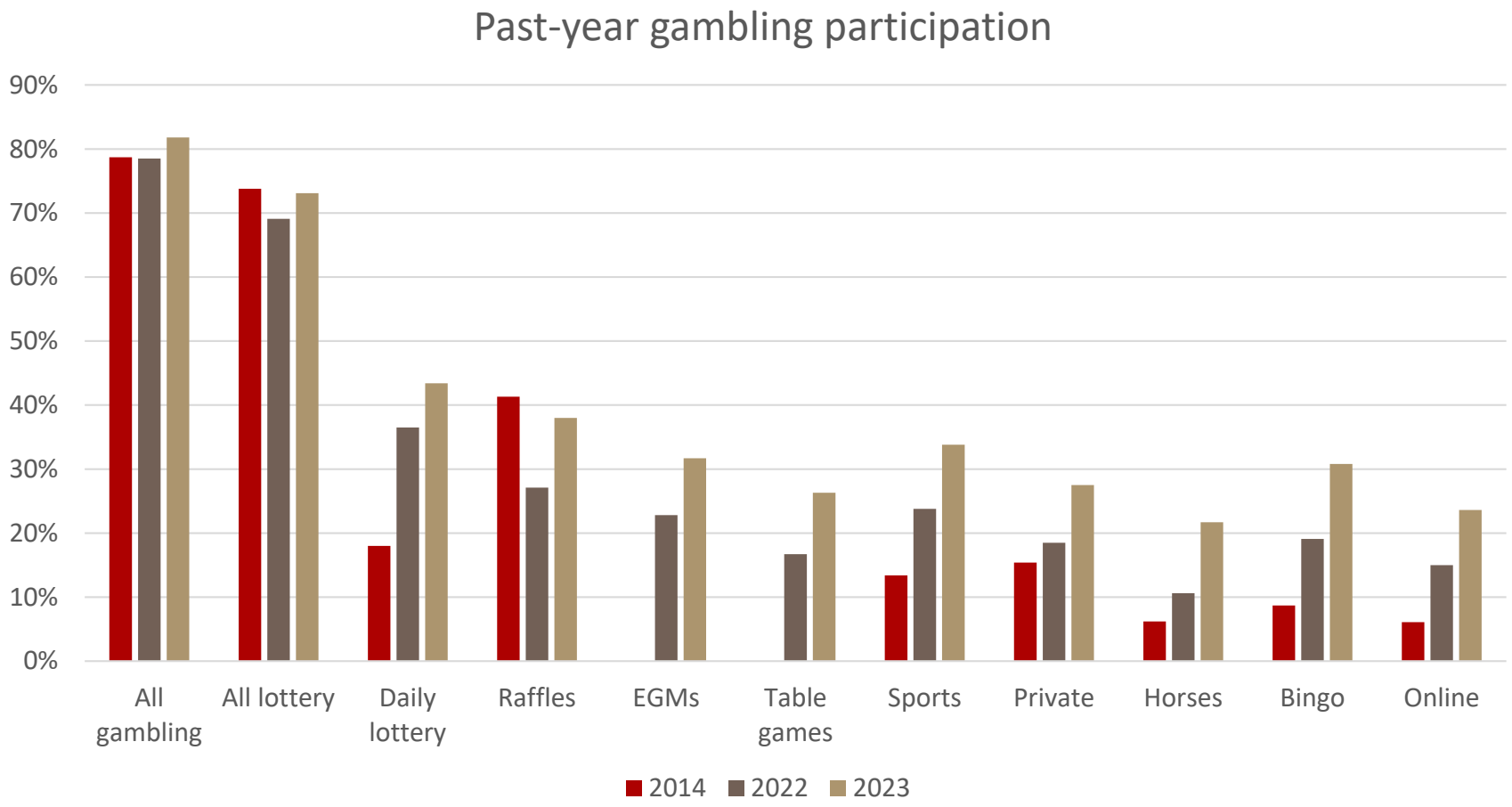
Online Panel Surveys

- Significant behavioral biases can be an advantage
  - Heavy gambling involvement is a reliable behavioral bias of online panel members
  - Able to obtain higher proportion of people experiencing gambling problems
- Online Panels Surveys in Massachusetts
  - 2014 (BOPS): Ipsos (n=5,046), over-sampled Western MA
  - 2022 (FOPS): Qualtrics (n=3,041)
  - 2023 (OPS23): Qualtrics (n=3,380)
    - Question about sports betting changed in 2022 to include fantasy sports, esports

Results: Literature Review

- Advertising has substantial impacts on attitudes and consumption of addictive products
- Generally emphasizes positive experiences of use, downplays potentially negative aspects
- Amount of positive advertising swamps advertising on risks or availability of help
- Rapid shift to digital channels, evolution of highly targeted approaches raises further concerns

Results: Online Panels



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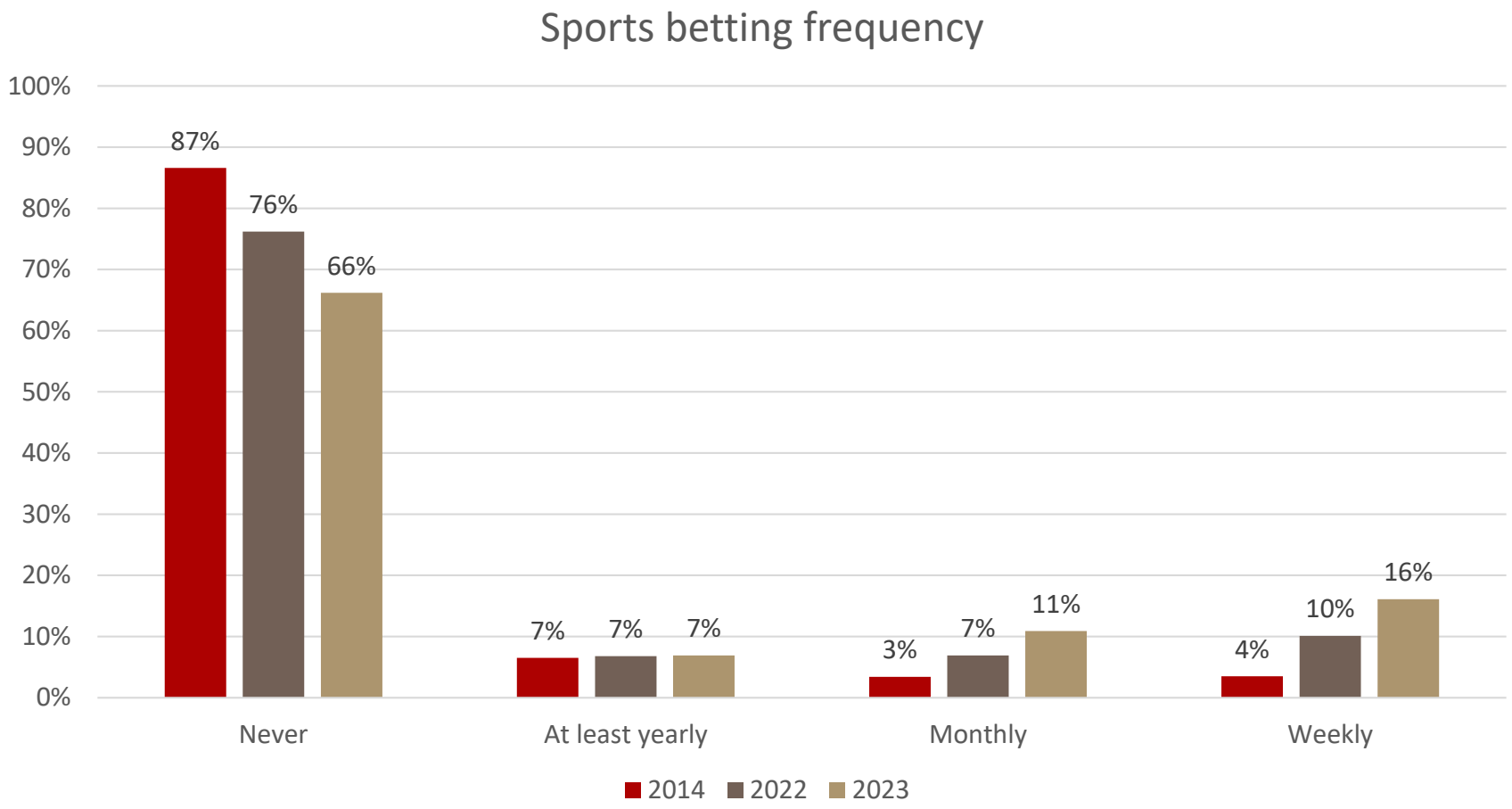
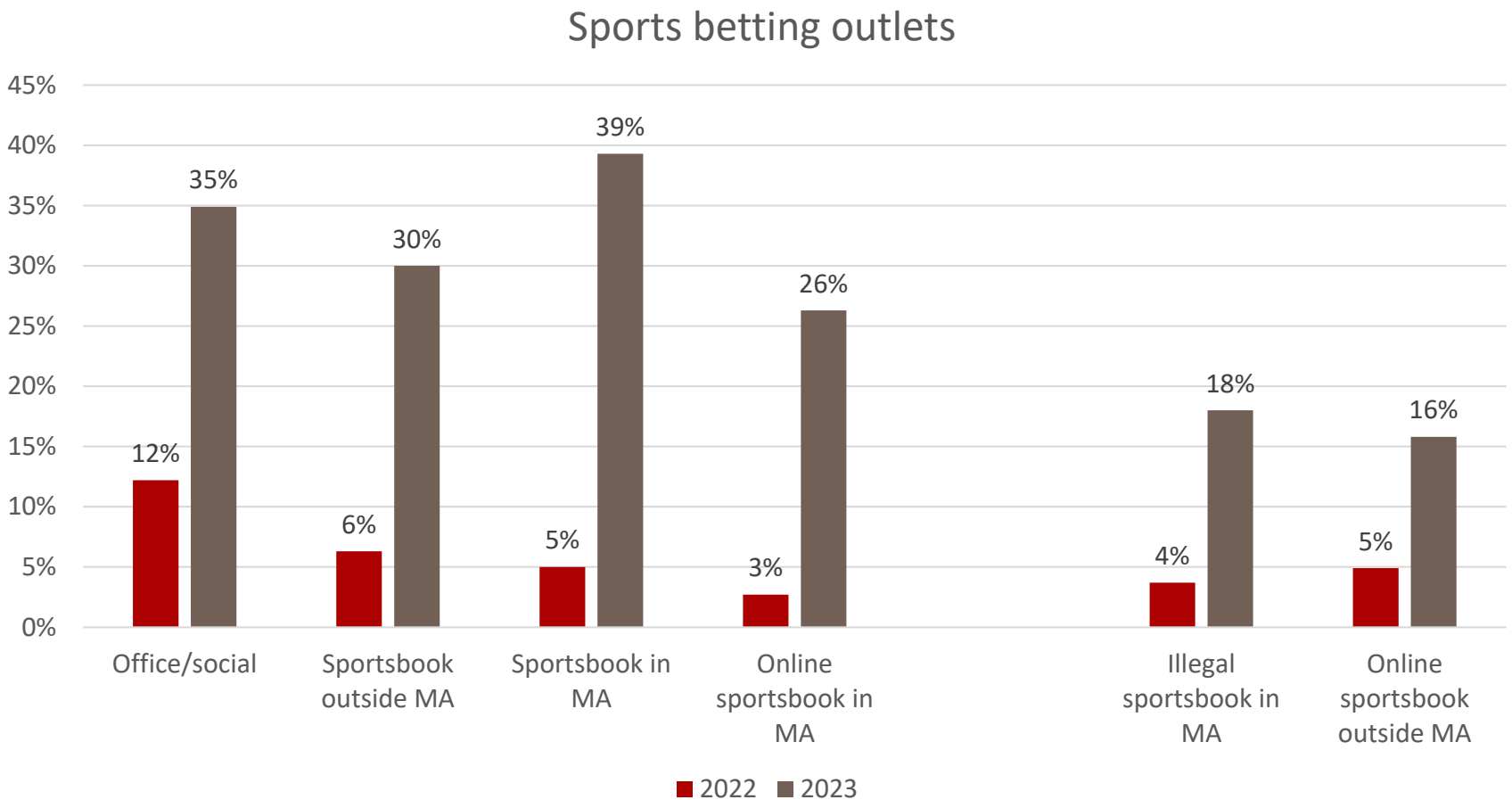


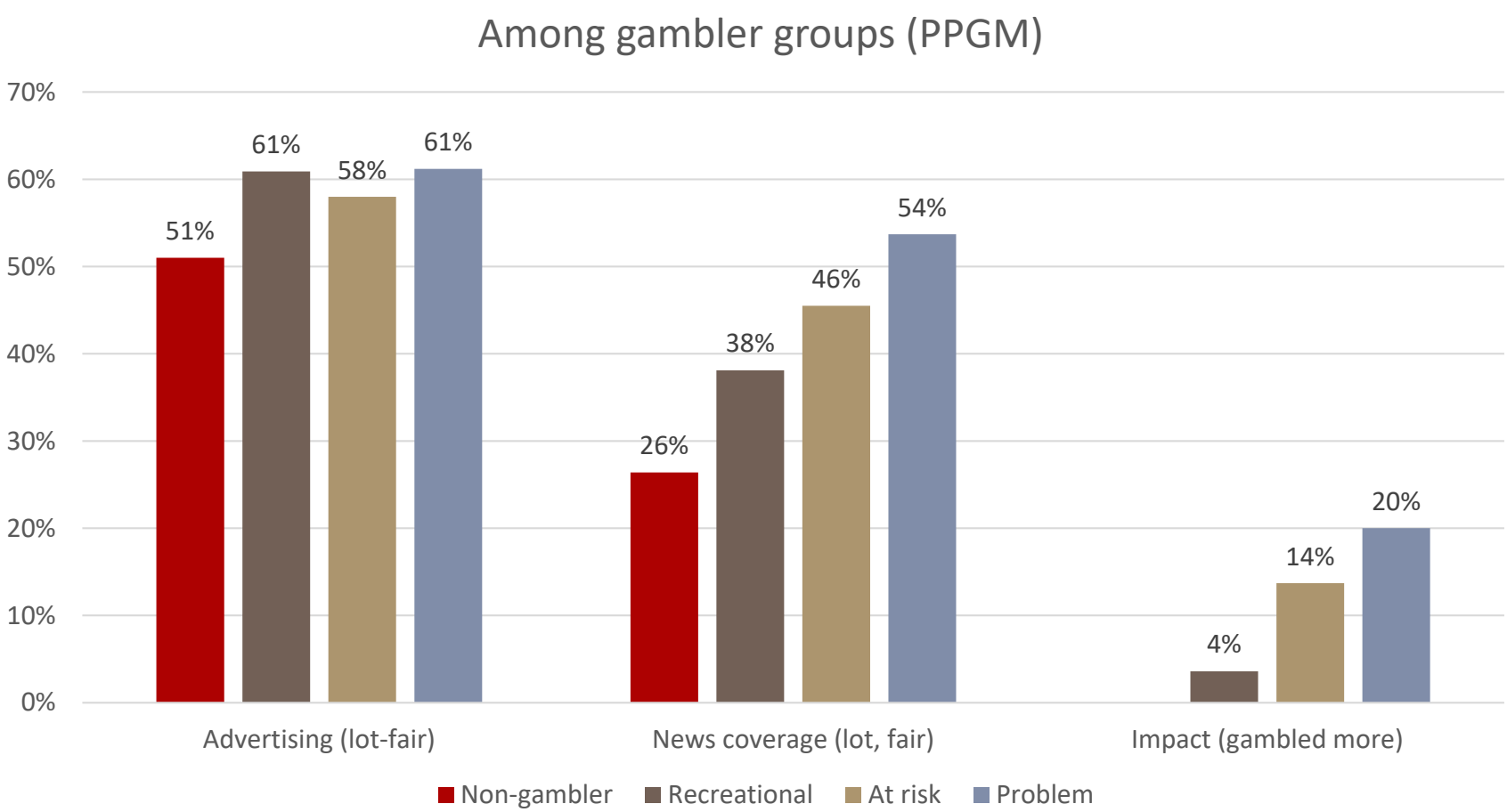
Results: Online Panels



Results: Online Panel 2023

How much advertising in past year?	A lot or a fair amount	58.7%
How much news coverage in past year?	A lot or a fair amount	39.3%
Impact on gambling behavior	No impact	77.8%
	Caused me to gamble less	15.1%
	Caused me to gamble more	7.1%
Caused you to gamble more?	General news stories	28.6%
	Promotional advertising	64.3%
	New England Casino Assoc.	32.0%
	Targeted promotion	26.6%

Results: Online Panel 2023



Recommendations

An MGC report on advertising and gambling made specific recommendations to strengthen current gambling advertising regulations in Massachusetts (Vander Linden et al., 2022). These included:

- Strengthening protections of underage populations;
- Restricting advertising campaigns that target vulnerable groups;
- Requiring inclusion of messages about where to obtain help in all advertising and marketing materials;
- Limiting the intensity and frequency of advertising;
- Ensuring that restrictions include digital media and third parties;
- Prohibiting false or misleading advertising;
- Restricting communications about inducements, bonuses and credits.

Recommendations

- Based on recent international review, we have several additional recommendations:
  - Limit advertising of higher-risk games;
  - Limit advertising focused on specific purposes (e.g., gambling as entertainment, gambling to support good causes);
  - Require that inducements not create a sense of urgency, be limited in value, and be offered only when customers are opening an account;
  - Restrict celebrity endorsements since these:
    - Tend to promote subsequent gambling involvement by young people;
    - Precipitate relapse in recovered addicts;
    - Counteract the effectiveness of public health messages advocating limited use.

Recommendations

- Finally, given rapid evolution of advertising beyond conventional formats to online marketing, we recommend monitoring emerging forms of gambling advertising:
  - Regularly obtain information on trends, tactics & engagement with gambling advertising, marketing & influencer promotion strategies;
  - Measure potential reach of gambling-related posts on social media platforms;
  - Assess prevalence & effectiveness of gambling prevention and treatment messages within the broader social media landscape.

Last but certainly not least

- Plan, fund and implement monitoring and surveillance of advertising and gambling behavior over time
  - Regularly obtain data on trends, tactics and engagement with gambling related advertising, marketing and influencer promotion strategies;
  - Measure potential reach of gambling related material on social media platforms;
  - Assess prevalence and effectiveness of prevention and treatment messages.

Thank you!

For more information:

www.umass.edu/seigma/reports

https://massgaming.com/about/research-agenda/