

# Gaming VS Gambling: blurring the lines

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# What is gambling?

- ▶ Three components
  - ▶ Uncertain outcome
  - ▶ Consideration
    - ▶ Something of value
- ▶ Winner and loser



# DSM 5 Gambling Addiction Definition

1. Needs to gamble with increasing amounts of money in order to achieve the desired excitement.
2. Is restless or irritable when attempting to cut down or stop gambling.
3. Has made repeated unsuccessful efforts to control, cut back, or stop gambling.
4. Is often preoccupied with gambling (e.g., having persistent thoughts of reliving past gambling experiences, handicapping or planning the next venture, thinking of ways to get money with which to gamble).
5. Often gambles when feeling distressed (e.g., helpless, guilty, anxious, depressed).
6. After losing money gambling, often returns another day to get even (“chasing” one’s losses).
7. Lies to conceal the extent of involvement with gambling.
8. Has jeopardized or lost a significant relationship, job, or educational or career opportunity because of gambling.
9. Relies on others to provide money to relieve desperate financial situations caused by gambling.

# What is Social Gaming? Can we define it the same way

- ▶ Games usually found on social network site
- ▶ Can be downloaded to your computer or phone
- ▶ Determined to be a skill based game
- ▶ FUN!

# What is social gaming?

- ▶ game play (usually on social networks and/or mobile) that doesn't meet the legal definition of gambling by removing (at least temporarily) prize, chance and/or consideration.

# Lets play Lottery

- ▶ You buy a \$1 or \$2
- ▶ You wait until Tuesday or Wednesday
- ▶ You watch for the winning numbers
- ▶ You WIN!

# Not lets imagine You don't get paid!

- ▶ imagine running a lottery where you don't have to pay the winners....
- ▶ Social gaming asks for money to continue to pay but doesn't give you any payout... or does it?
- ▶ You get to keep playing.... Does that sound familiar?

# Examples of social gaming



# Let define escape gambling

- ▶ Gambles alone
- ▶ Gambles to relieve pain
- ▶ **Winning isn't primary motivation playing is**
- ▶ Social isolation during and because of gambling

**ABILITY TO WIN  
MONEY NOT  
ESSENTIAL!!!**

## **Gamblers enjoy a 'near miss' almost as much as a win**

- ▶ **Compulsive gamblers carry on making bets even when they are on a losing streak because a near miss rewards their brains almost as much as a win**

## Lets add action gambling to this mix

- ▶ Fantasy football, baseball, basketball
- ▶ Fan Duel Daily “skill” based wagering games
- ▶ Others?

# Why are they legal when sports betting is illegal in most states?

- ▶ At a US federal level, fantasy sports is defined and exempted by the [Unlawful Internet Gambling Enforcement Act](#) of 2006 (UIGEA). The bill specifically exempts fantasy sports games, educational games, or any online contest that "has an outcome that reflects the relative knowledge of the participants, or their skill at physical reaction or physical manipulation (but not chance), and, in the case of a fantasy or simulation sports game, has an outcome that is determined predominantly by accumulated statistical results of sporting events, including any non-participant's individual performances in such sporting events.



In September 2014, the company announced \$70 million in Series D funding. The round was led by Shamrock Capital Advisors with participation from NBC Sports Ventures and KKR. Previous investors Bullpen Capital, Pentech Ventures and Comcast Ventures also participated. [\[13\]](#)

On November 12, 2014, FanDuel announced a strategic partnership agreement with the [National Basketball Association](#) (NBA). As part of the deal the NBA gained an equity stake in FanDuel and will be promoting FanDuel as the “Official One-Day Fantasy Basketball Game” [\[14\]](#)

# Scorestreak

- ▶ Only residents of the United States and Canada, age 18 and over, are allowed to play.

**NOTICE:** ScoreStreak does **NOT ALLOW** residents of the following states to play paid entry games and/or deposit funds: Arizona, Illinois, Iowa, Louisiana, Montana, North Dakota, Tennessee, Vermont, Washington, and Quebec, Canada.

NFL

- ▶ NBA

MLB

Pick Any Player

No Salary Cap

Play Now! Free and  
Paid Games Available

# Draft Kings

- ▶ Play free or paid contests and win real money!
- ▶ Daily leagues - no season-long com
- ▶ Over \$200 million guaranteed in p
- ▶ DraftKings is based in the USA and



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# How does the gaming industry view this new phenomenon?

- ▶ What do you think the American Gaming association would say about social network gaming?

“Carefully designed to take advantage of state sweepstakes laws and to avoid state antigambling laws and gambling licensing restrictions, Internet sweepstakes cafes are estimated to earn more than \$10 billion a year with games that closely mimic the experience of traditional slot and video poker machines...Based on a random allocation of winning and losing entries, the customer may or may not win cash prizes through those games. According to the cafes that are reaping unregulated profits, this elaborate masquerade is not gambling, but a sweepstakes. According to every appellate court that has decided a case involving similar games, it is incontestably gambling.”

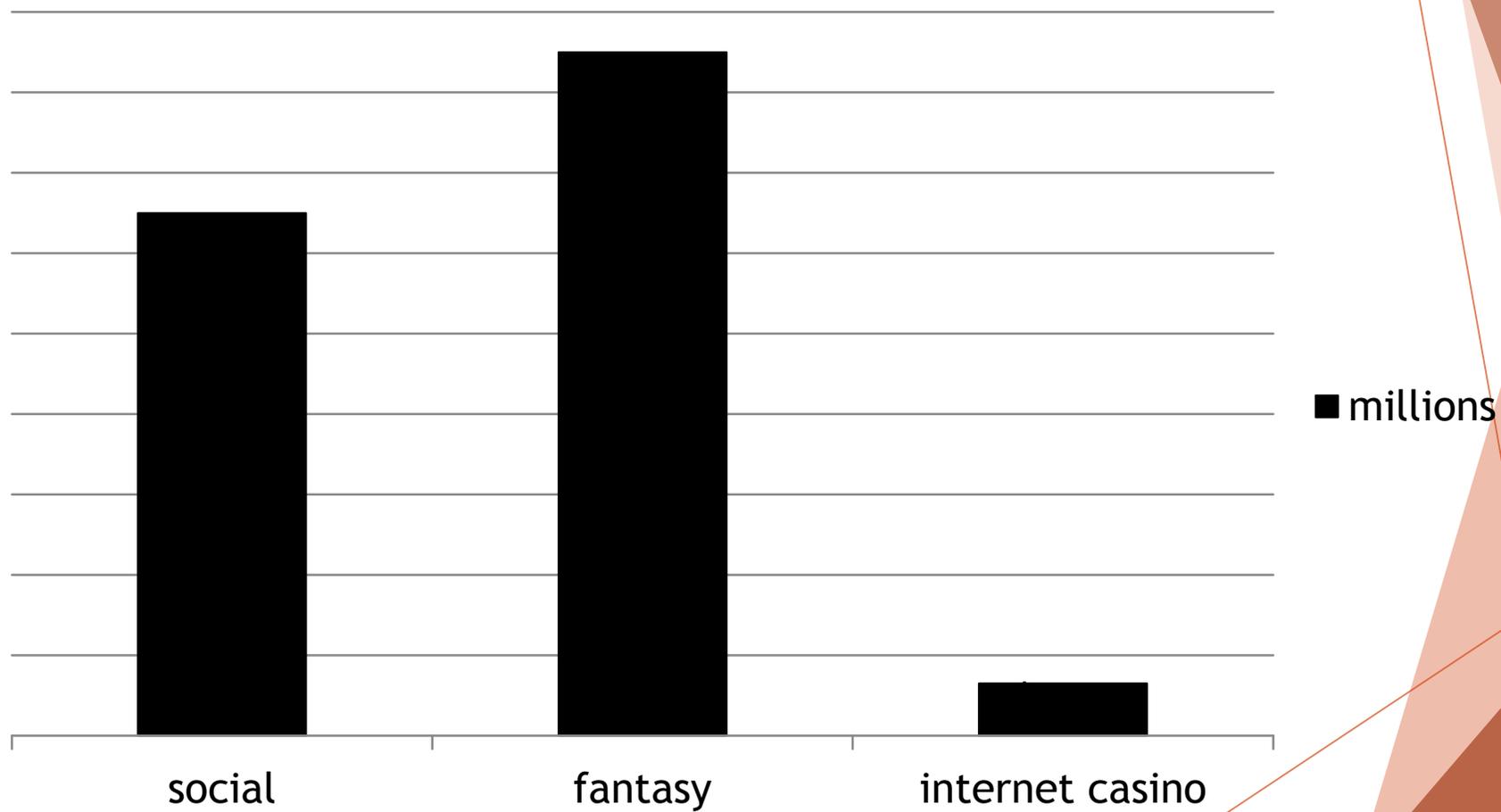
▶ American Gaming Association, 2014

# gamblification everywhere

“gamification uses characteristics like challenges, rewards, competitions, and moving to the next level based on performance skills or luck, in non-game contexts. it seems to work so well because:

- ▶ it enables users to measure their performance
- ▶ many individuals inherently love to compete
- ▶ it's engaging and interactive
- ▶ it's a more interesting and easier way to absorb and retain information”
- ▶ **it's addictive for some???**

# 2014 revenue estimates



# competition with lotteries as “good causes”

The screenshot shows the homepage of the 'Spin For Good' website. At the top left is the logo with three hearts and the text 'Spin For Good Win Big for Charity'. To the right are social media links for 'Like' (190), 'Send', 'Sign In', and 'Register'. A navigation menu includes 'HOME', 'HOW IT WORKS', 'FAQ', 'CHARITIES', 'ABOUT US', 'CONTACT US', and 'COMMUNITY'. The main content area features five vertical panels with icons and text: 'Play Games' (hand pointing), 'Have Fun' (heart), 'Win Big For Charity' (lottery box), and two panels with wings and hearts. The bottom of the page has a dark banner with the text 'Play games. Have fun. Win money for your favorite charity.' and a 'Get Started Now!' button.

Play *games*. Have *fun*. Win money for your favorite *charity*.

Get Started Now!

or learn more.

# underage permission

The screenshot shows the DoubleDown Casino interface. At the top, there is a 'GAME CARD' section with a profile picture of 'Keith W' and a balance of '\$1,000,000'. To the right, it says '1 NEWBIE' and '0 / 25'. A 'BUY CHIPS' button is visible. The main content is a yellow 'TERMS OF USE' pop-up window. A red circle highlights the text: '13. Modify, adapt, translate, reverse engineer, or disassemble any portion of the Services.' Another red circle highlights the 'Age' section, which states: 'The Services are intended for those 21 years of age. Without diminishing the foregoing, to access or participate in the Services, you must be a natural person, at least 13 years old, and if you are under the age of 18 you declare that you have the consent of a legal guardian. At our sole discretion, we may require proof that you meet this condition in connection with use of the Services. Failure to comply with this condition will result in the closing of your account and the loss of all Virtual Currency or Virtual Goods acquired through your use of the Services.' A third red circle highlights the 'Access; User Names and Passwords' section, which states: 'You may login to use the Services by using your Facebook account. By using your Facebook account to login to the Services, you affirmatively consent to our sharing of your actions and data with Facebook. You must be at least 13 years of age and have a valid, active Facebook account to use and access the Services. You are responsible for maintaining the confidentiality of any password you may use to access the Services, and agree not to transfer your password or user login information ("User Name"), or lend or otherwise transfer your use of or access to the Services, to any third party. You are fully responsible for all interaction with the Services that occurs in connection with your password or User Name. You agree to immediately notify us of any unauthorized use of your password or User Name or any other

# challenging assumptions

regulation will “kill” social gaming

- has greatly benefited gambling industry

social gaming operators are not obligated or required to be responsible.

- responsible gambling is good customer service, builds public support, mitigates individual harms and ensures sustainability

monetary prizes are an essential component of gambling addiction.

- for addicts, its not about the money

# What do you think?

- ▶ Do you have clients who are addicted?
- ▶ What are your thoughts on social gaming?
- ▶ What do we as a problem gambling group need to do to prepare if anything for social gaming



All forms of gambling don't look alike. But as this tree is different from the trees in our back yard it is still a tree. Don't be fooled by the newness and the "fun" these forms of gambling can and are destructive to gamblers and their families

Thank you for your time, energy and  
expertise working with gambling  
families

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