

Online Gambling FOCUS

Your quarterly guide to the key issues affecting Europe's online gambling sector

Taking a sustainability approach towards consumer protection



Introduction

We hope you all had a brilliant summer break. And what a great summer it was: the weather was superb and we all got to enjoy a fantastic World

Cup! Congratulations to France on winning a thrilling tournament which had plenty of goals, drama, and upsets. This all contributed to a terrific spectacle. The World Cup is prime time for the betting sector, it's our raw material and what we and many of our costumers – as sports enthusiasts - look forward to. But for some costumers it can be a difficult time, filled with the temptation to bet.

While our experience shows us that the vast majority of sports betting enthusiasts bet for fun, in a responsible manner and within their means, some do not. Problem gambling, with an estimated 1-2% of gamblers in the EU affected, is a justified concern that can badly affect players. All stakeholders have a responsibility and mutual interest to work closer together to help keep these players safe.

We are relaunching our quarterly EGBA News as Online Gambling Focus and in this first edition we are honoured to have Helen Rhodes, of the UK Gambling Commission, walk us through the safer gambling initiatives the regulator has introduced. Helen focusses on effective self-exclusion tools, an area where we think more cooperation would be beneficial. Clearly operators have a responsibility in all this, and Maris Bonello of Kindred Group, explains some of the tools being used by Kindred to detect and prevent problem gambling in their costumers and implement a more sustainable approach towards player protection

Maarten Haijer,
Secretary General, EGBA



Safer gambling – a focus on what works

By **Helen Rhodes**, Programme Director for Safer Gambling, UK Gambling Commission

Preventing harm has always been one of the main aims of the Gambling Commission. And that is why it remains as a key focus in our latest strategy – alongside protecting the interests of consumers, raising standards in the gambling market, optimising returns to good causes, and improving the way we regulate. We have continued to drive collaboration to improve the measures offered to costumers who are experiencing harm from gambling – including those who wish to stop gambling.



» In Britain we have required all non-remote operators to participate in multi-operator self-exclusion schemes, in addition to offering their own schemes. The multi-operator schemes were developed and managed by the industry and allow customers to exclude from multiple operators with a single request. The online sector are developing the online multi-operator scheme - Gamstop. This will allow customers to self-exclude in one place from all online gambling offered to consumers in Great Britain with a single request.

» We are increasingly driving a focus on upfront protections – the fence at the edge of the cliff, rather than the ambulance at the bottom.

When it is fully operational, it will be a requirement for all licensed operators to take part in the scheme. We will expect to see the industry develop further improvements to the scheme over time - including marketing suppression, and will be prepared to consult on the introduction of further requirements to enable those improvements if necessary. We recognise however that these more significant improvements will take time.

These also involve the actions that operators take to help customers – our recent guidance to online operators clarifies our expectations on how to conduct effective customer interaction - by identifying customers at risk, getting in touch with customers in a tailored and carefully managed way and then evaluating what the interaction has delivered.

These measures are significant steps forward for consumers – but they are often relevant only once a customer is already experiencing harm from their gambling. Therefore, we are increasingly driving a focus on upfront protections – the fence at the edge of the cliff, rather than the ambulance at the bottom. The form of these upfront protections can be an extension or improvement of existing measures.

For example, we encourage operators to think about how to give powers to consumers to manage their gambling – by encouraging the use of time or financial limits or taking short time-outs at risky times for them. Upfront

protections would also see the use of the innovation in the gambling sector for good. For example, we've set out our expectation that businesses consider how game design can be used to prevent harm.

We also want gambling businesses to invest the same amount of resources into data, technology and research into building better protections for consumers, as they do to creating new products, or advertising and marketing campaigns. And of course, there is an ongoing focus on information and education to help consumers understand the risks of gambling. The industry has responded with a range of initiatives - some of which look very promising. We will be watching and supporting the industry's commitments to collaborate on game design and use of technology and data to protect customers.

» We encourage operators to think about how to give powers to consumers to manage their gambling – by encouraging the use of time or financial limits or taking short time-outs at risky times for them.

The difficulty is that we need to be able to state what really works. This is the reason why we are emphasising so strongly the importance of evaluation. The ability to be open and honest about what works - and what doesn't - is the only way to make real progress. Our strategy is clear that we want a focus on 'what works' and we will drive and develop across the gambling landscape a culture of trialling and evaluating interventions. This means that businesses need to collaborate to trial projects and initiatives and build in the process of effective evaluation at the earliest stages.

And finally, the Commission remains committed to raising standards –by being clear about our expectations, encouraging industry work and progress, but also by taking action against those who don't play by the rules. Indeed, a number of operators have learned the hard way that we take these rules very seriously. Our recent enforcement report noted that in the last financial year operators paid more than £18m in penalty packages because of failures to follow our rules – and much of this related to licence conditions there to protect consumers.



» We also want gambling businesses to invest the same amount of resources into data, technology and research into building better protections for consumers, as they do to creating new products, or advertising and marketing campaigns.

Helen Rhodes, Programme Director for Safer Gambling,
UK Gambling Commission



Kindred has invested in providing a number of responsible gambling tools, such as the possibility of allowing the customer to set limits on depositing across their whole account or setting a limit on how much they can lose on a specific product group.

Maris Bonello, Head of Player Sustainability, Research & Integrity at Kindred Group

Consumer protection as a major pillar of sustainable gambling

By **Maris Bonello**, Head of Player Sustainability, Research & Integrity at Kindred Group

Kindred Group has been working on making consumer protection part and parcel of their strategy for years now. In 2012, the company decided to take consumer protection to another level. This led the company to investigate empirical research papers with the objective to determine if there is a chance of detecting the early signs of problem gambling in its customers.

Initially this was inspired by the research paper written by Haefeli, Lischer and Schwarz in 2011 which investigated communication indicators as a potential determinant of self-exclusion, which was seen as the proxy measure for problem gambling. Through the years, more research papers were consulted and what started as a pilot project within the Responsible Gambling department, is now a major pillar in Kindred's sustainability approach.

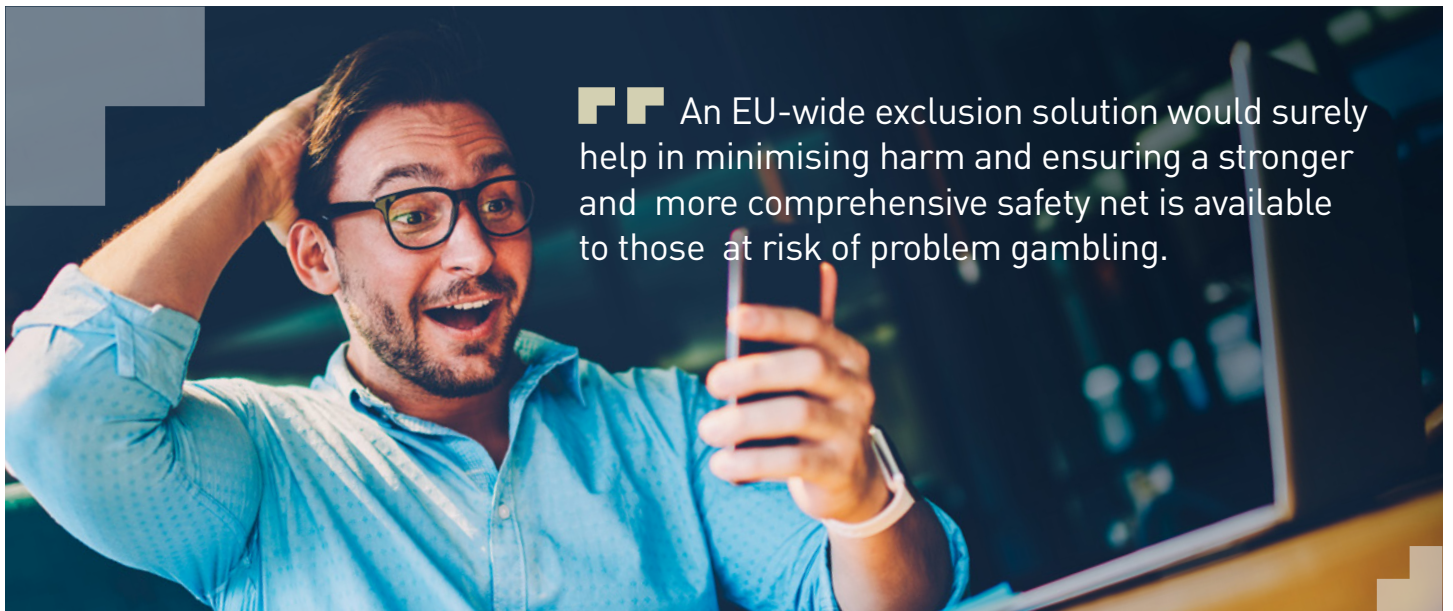
The project goes by the name of PS-EDS which stands for Player Safety – Early Detection System. This system works by monitoring and inserting the user data from each customer into a scoring system and flags if the customer's behaviour shows signs of potential problem gambling. If this occurs it will be automatically notified to the Responsible Gambling team, which is made up of highly-skilled individuals on the topic of harm minimisation and consumer protection. Once a customer is detected in the system, one of these highly-trained individuals will build a profile on this customer and evaluate appropriate protection-focused next steps. The customer might need to regulate his/her gambling or the company may advise the customer to take a break.

In order to ensure that the Responsible Gambling team can help and assist harm minimisation, Kindred has invested in providing a number of responsible gambling tools, such as the possibility of allowing the customer to set limits on depositing across their whole account or setting a limit on how much they can lose on a specific product group. Another responsible gambling tool includes reality checks which gives the option to customers to receive a time reminder or the possibility to have a break from a specific product group. Customers may choose to have a break, either for a short period like 24 hours, or for a longer period of six months. Kindred has also made it a point to offer these tools online so that the consumer is free to install these tools with privacy and at their own initiative and, without needing to contact customer service.

Customers may choose to have a break, either for a short period like 24 hours, or for a longer period of six months.

Furthermore, in certain jurisdictions where cross operator self-exclusion is not available, Kindred offers free Betfilter or Gamban licenses to its customer's who are at risk of problem gambling. These licenses can be used by the customer to block themselves from accessing online gambling websites or apps from their desktop and/or mobile. In fact, at Kindred we are advocates of cross-sharing solutions and an EU-wide exclusion solution would surely help in minimising harm and ensuring a stronger and more comprehensive safety net is available to those at risk of problem gambling.





■ ■ An EU-wide exclusion solution would surely help in minimising harm and ensuring a stronger and more comprehensive safety net is available to those at risk of problem gambling.



■ ■ In certain jurisdictions where cross operator self-exclusion is not available, Kindred offers free Betfilter or Gamban licenses to its customer's who are at risk of problem gambling. These licenses can be used by the customer to block themselves from accessing online gambling websites or apps from their desktop and/or mobile.

Another major focus area which supports these initiatives is Kindred's contribution and partnership with academic research. Not only is there an internal research team dedicated to data analysis within the legal and compliance department, but this team is made up of highly skilled data analysts led by a PhD student focusing on responsible gambling under the guidance of renowned professor Mark Griffiths. Other initiatives include the ground-breaking research with Professor Jonathan and Adrian Parke in collaboration with Gamble Aware in the UK, in which a new perspective was taken in analysing gambling harm indicators. Another initiative around consumer protection and research

is our collaboration with City University in London and BetBuddy in sponsoring the Artificial Intelligence PhD program with a focus on money laundering prevention. To ensure transparency and knowledge-sharing, all research completed is published and made publicly-available.

At Kindred we understand how important it is to collaborate with different stakeholders and experts, such as governing bodies, operators, suppliers, treatment centres and researchers, and to support this collaboration we launched a yearly, free-to-attend Sustainable Gambling Conference* to facilitate debate and the exchange of ideas, information and best practice around the topic of problem gambling. This year will be the conference's third year and we are looking forward to making it an annual must-attend event for stakeholders.

■ ■ At Kindred we understand how important it is to collaborate with different stakeholders and experts, such as governing bodies, operators, suppliers, treatment centres and researchers.

* Kindred's Sustainable Gambling Conference will be held on 16 October 2018 in Stockholm.

EGBA | European Gaming & Betting Association

The European Gaming and Betting Association (EGBA) is the Brussels-based trade association representing the leading online gaming and betting operators established, licensed and regulated within the EU. EGBA works together with national and EU authorities and other stakeholders towards a well-regulated market that provides a high level of consumer protection and takes into account the reality of the digital economy and consumer demand.

European Gaming and Betting Association
50 rue Gray
1040 Brussels
Belgium

T: +32 2 554 0890

E: egba@egba.eu

egba.eu