

# Gaming and Gambling on the Central Coast

**Candy Crush**, Angry Birds, Farmville, Words with Friends, The Simpsons, Temple Run, The Sims, FIFA Ultimate Team, Bingo Blitz, Slotomania, Texas Holdem, World of Warcraft, League of Legends, Call of Duty, Grand Theft Auto, Clash of Clans... The list is endless. As gaming on the Internet has exploded, a huge range of gambling-like activities have emerged within video games and on smartphone apps and social networking sites. The boundaries between gambling and video-gaming are becoming increasingly blurred, and researchers believe that teenagers who regularly play video games and apps are more likely to develop gambling habits in adulthood.

Central Coast Gambling Help conducted a survey on the gaming and gambling behaviours, experiences and attitudes of parents and young people between the age of 12-25 on the Central Coast of NSW. 87.5% of young people surveyed play video games, 14.6% indicated they play more than 40 hours per week and of these 69% gambled between \$10 and \$200 per month. This indicated a clear relationship between video game playing and the adoption of gambling once young people are of a legal age to gamble.

## Introduction

Simulated gambling is the fastest growing area in gaming, with casino-style games such as Mega slot, Heart of Vegas, TropWorld Casino and Slotomania accounting for four of the top five android gaming apps<sup>1</sup>. These games look and sound just like real gambling, but because no real money is wagered or won and the player is playing with points or virtual coins, simulated gambling is not classified as real gambling.

Simulated gambling apps are readily available to children and adolescents via Facebook, the App Store and Google Play. But unlike films and video games, apps are not rated by an independent ratings board, making it very difficult for parents to identify whether apps feature gambling or not<sup>2</sup>.

Some games, such as Slotomania, Bingo Blitz and Texas Holdem feature wholly simulated gambling activities that are identical to the standard format of real gambling. But many video games include in-game gambling elements. These games offer a "freemium" experience, meaning the game is free but players can fork out real money for extended features, bonus levels and more fake coins to play with.

In Fluff Friends Rescue, for example, players can build and run their very own pet rescue. In-game they can clean, heal, and feed adorable pets and choose from a never-ending selection of playpens, activities, and decorations. Much like other freemium games the idea behind Fluff Friends Rescue is to earn credits, buy and build better facilities to help earn more credits, and then spend those credits to access more advanced structures, etc... Players can buy food, decorations, habitats, etc. with "munny" a type of virtual currency earned through buying credit with real cash (10 Gold for \$1.00) or through various activities such as pet racing. Pet racing costs 1 credit per race and winnings can be up to 4,000 credits. While there is no money changing hands, young children are learning the mechanics, principles and excitement of gambling<sup>3</sup>.

Some free-to-purchase apps aggressively encourage in-app purchases, constantly prompting the player to spend money. On the face of it, Farmville appears to be a fairly innocuous game but there are similarities between the playing of the game and gambling. In March 2010, the British press reported the case of a 12 year old boy who emptied his own savings account of £288 playing Farmville and then spent £625 on his mother's credit card without his parents' knowledge.<sup>4</sup> The family was forced to pay the money and the company who created the game simply advised the boy's parents to use password protection.

Even games that don't feature in-app purchases or simulated gambling often have advertisements that link to simulated gambling websites and games. The University of Adelaide's Dr Daniel King surveyed 1,200 Australian teenagers and found that one-in-10 had played gambling applications on Facebook and one-in-20 had played gambling apps on smartphones.<sup>5</sup> About 40 per cent of teenagers who played online or digital gambling games reported a future intention to gamble with money.

Much like other social games including Candy Crush, Words with Friends or Angry Birds, simulated gambling games increase their reach via the user's own social networks, as they constantly ask the player to invite their contacts to play. Simulated gambling, advertisements, in-app purchases and invites to play mean that young people are bombarded with pressures to play.

However, the potential risks of young people engaging in simulated gambling include:

- Greater familiarity with gambling and acceptance of gambling as a 'normal' entertainment activity;
- The development of gambling strategies and the ability to practice these strategies without need of money
- The development of positive gambling beliefs and thoughts of 'winning big' associated with gambling;
- Exposure to the excitement of gambling wins, including bonuses and jackpots;
- False expectations about how gambling operates and an inflated sense of its profitability.<sup>6</sup>

It seems these days it is just one step from playing simulated gambling games to gambling online. In theory, gambling websites should have stringent age-verification procedures in place to prevent underage people from gambling online. These include asking for name, date of birth, address and payment details, or in some instances passport or identity card numbers. However some young people deliberately set out to work around the verification processes, whether lying about their age or providing false personal information, and some gambling sites are not so stringent in their verification approaches, meaning that young people can fairly quickly and easily get online if they are so inclined.

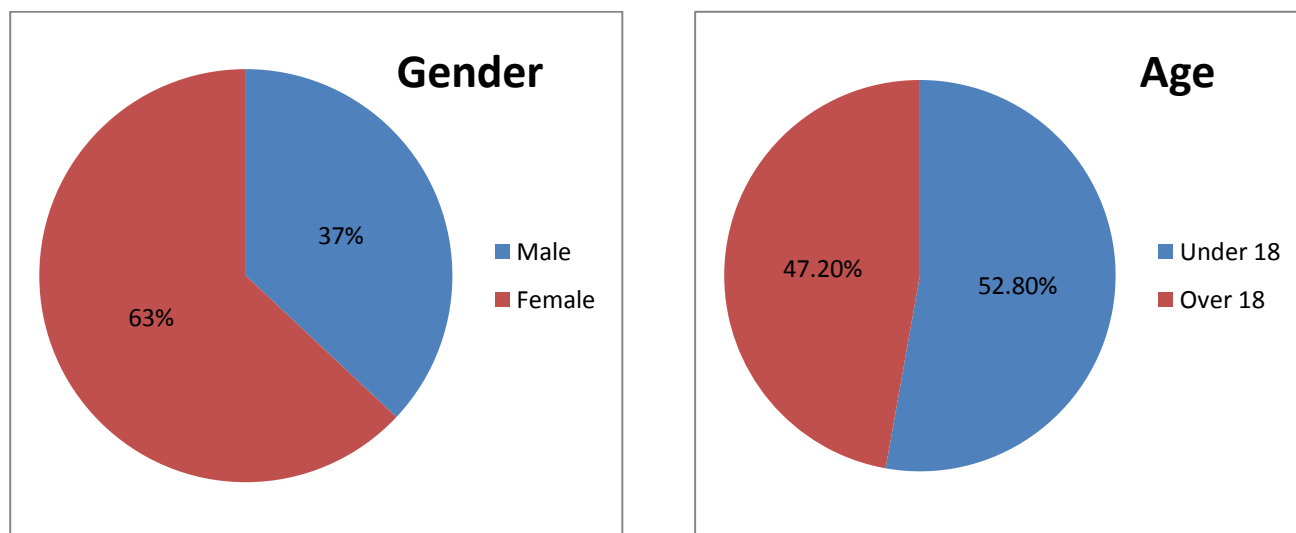
Factors that contribute to a young person gambling include the presence of a gambling subculture, peer pressure and parental modelling, as well as early big wins leading to confidence or misplaced beliefs about the likelihood of winning.

Given the growing concern over young people being so heavily exposed to gambling and simulated gambling games, and the potential for these games to groom young people to gamble as adults, Central Coast Gambling Help conducted a survey of young people and their parents living in the Gosford and Wyong LGAs to determine local behaviours and attitudes towards gaming and gambling.

## Method:

Counsellors from UCMH Counselling Services, Gambling Solutions and Wesley Mission distributed two surveys to schools, TAFEs and youth services on the Central Coast of NSW. There was a young people's survey consisting of 13 questions and a Parent's survey consisting of 12 questions.

## Results:

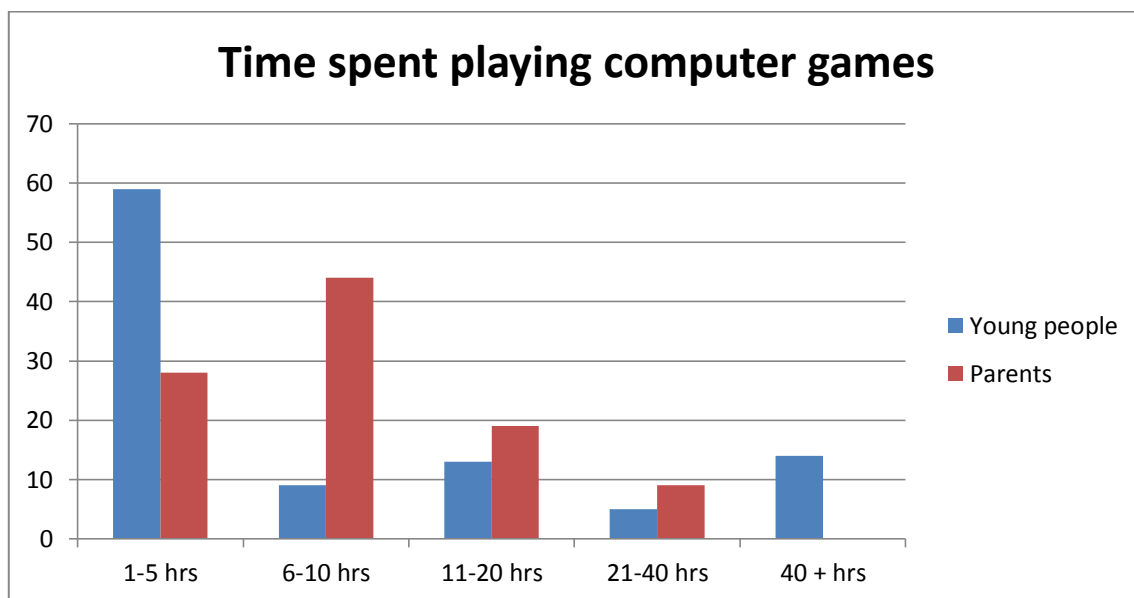


A total of 128 young people between the ages of 12-25 responded to the Youth survey. More females than males completed the questions but there was a fairly even split between over and under 18s. A total of 32 parents responded to the Parent's survey. Parents were asked to respond only regarding their school aged children. 62.5 % of parents surveyed had at least one child who had also respond to the youth survey.

Young people were asked to list their favourite games, including apps that they play. The top 100 games mentioned (listed in alphabetical order) can be viewed in Appendix A. 12.5% of young people

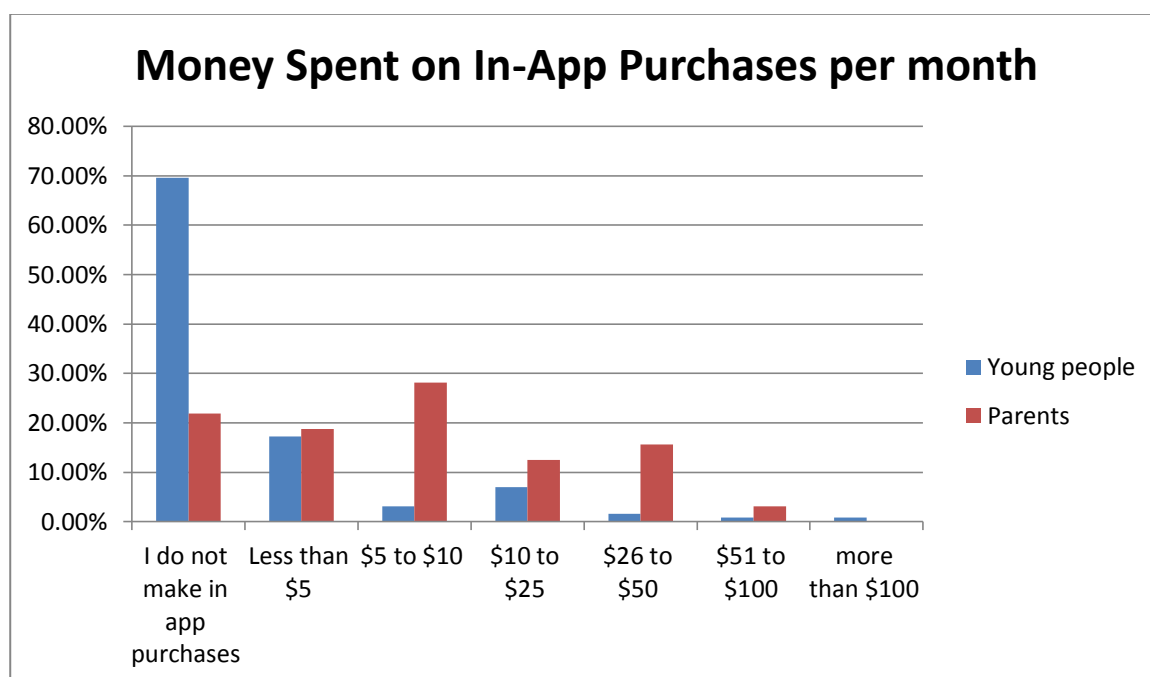
surveyed said they did not play games and 4% said they played too many games to list. The most popular game mentioned was candy crush at 17%. A total of 19% of those surveyed mentioned playing simulated gambling games such as Slotomania, Slots and Zenga Poker.

In question two young people were asked “How much time per week would you spend playing computer games and apps?” While Parents were asked, “Approximately how much time per week would your child spend playing computer games and apps?”



The majority of young people indicated that they spend up to 5 hours a week playing computer games and apps. Parents indicated that their children might play more regularly with a majority stating their children spend 6-10 hours per week playing games. 12.5% of young people stated they play 11 to 20 hours per week, while 14.6% game for more than 40 hours per week.

Young people were asked how much money per month they spend on in-app purchases, while parents were asked how much their child or they buying on behalf of their child have spent on in-app purchases.

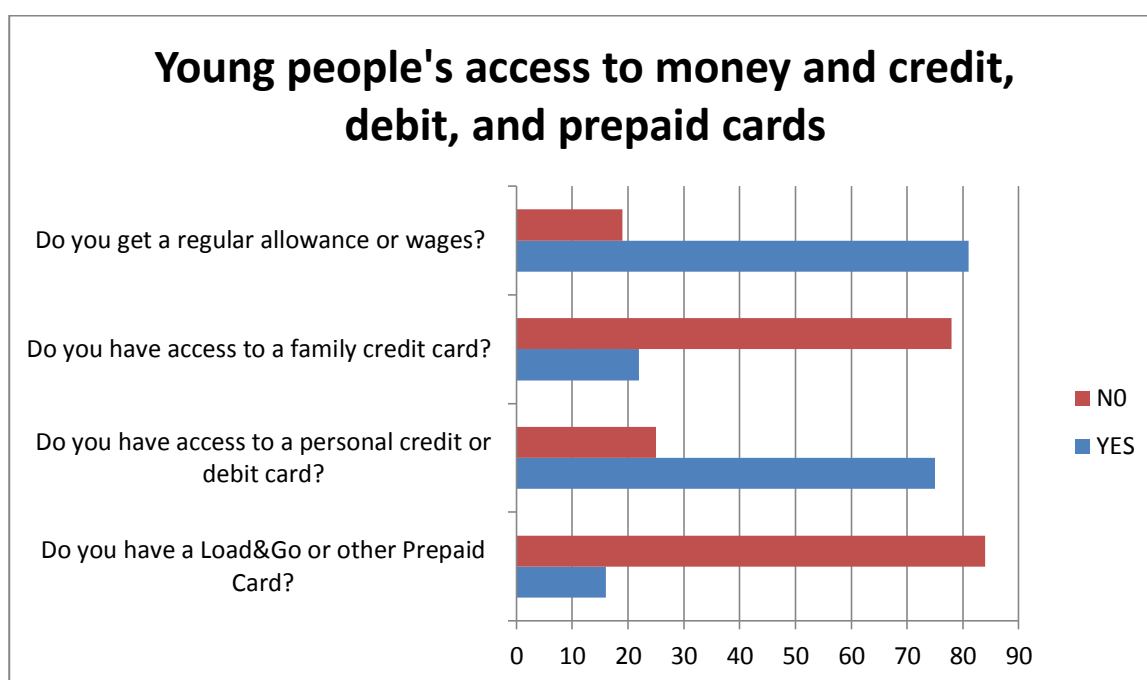


The majority of young people indicated that they don't make in-app purchases, while the majority of parents indicated they spend \$5-\$10 on in-app purchases for their child. One young person indicated that he spends over \$100 per month on in-app purchases.

Parents were then asked if they monitor their children's gaming and online activities, including time spent on smartphones, tablets and computers. The majority of parents indicated that they monitored their children's activity and enforced rules about how long they were allowed to play on computers. Approximately 9% of parents did not monitor or set limits or controls on their children's use of computers.

Have you done any of the following activities in relation to your child/ren's computer use?	Responses
Monitored your child's online activity?	65.63%
Placed a computer in a common space where family is usually present?	34.38%
Enforced rules about the length of time allowed online?	46.88%
Set controls on the computer to limit visiting inappropriate sites?	15.63%
Set limits to restrict participation in social networking sites?	15.63%
Installed an anti-gambling software program?	3.13%
None of the above	9.38%

Young people were asked how they access money and if they have access to debit or credit cards. 81% of young people surveyed received a regular allowance or wages. 22% of young people had access to a family credit card and 75% had access to their own credit or debit card. As some prepaid cards can also be used to pay for in-app purchases and to gamble the survey enquired about their use and found that 16% of young people had access to a prepaid card.

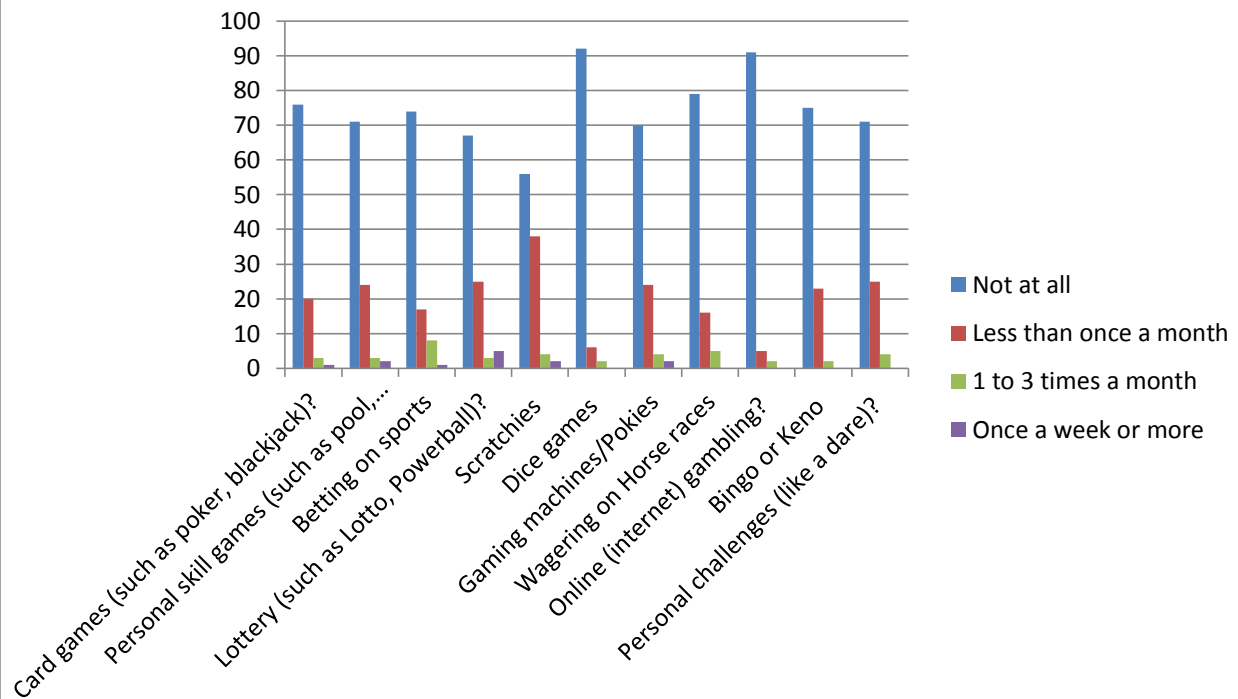


Having assessed gaming behaviours the surveys went on to assess gambling behaviours and attitudes. Young people were asked if they had ever bet or gambled for money or valuables via card games, personal skill games such as pool, darts, coin tossing, video games, betting on sports, lottery (such as lotto, Powerball), scratchies, dice games, gaming machines/pokies, wagering on horse races, online (internet) gambling, bingo or keno and personal challenges (like a dare).

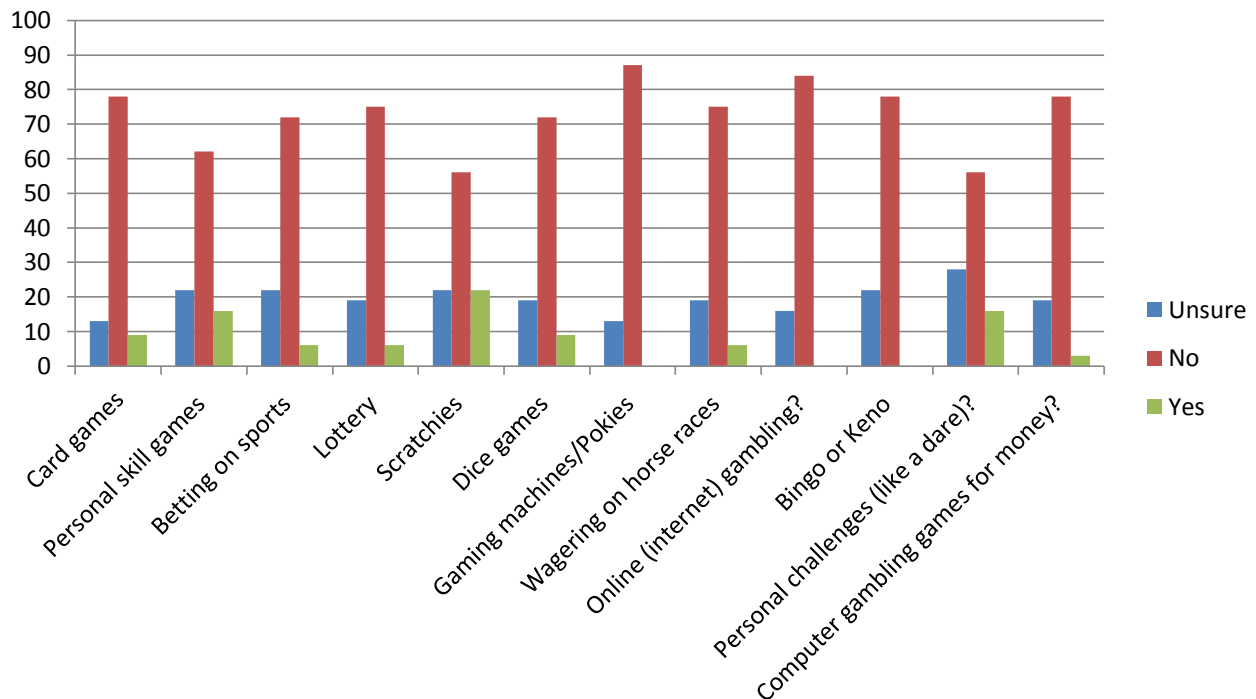
The majority of young people surveyed said they did not gamble. 44% of young people surveyed play scratchies, 33% play lotteries, 30% play pokies, 26% bet on sports and 21% wager on horses.

Parents were asked "What type of gambling activities do you believe your child has participated in where there was an exchange of money or valuables (such as phones, jewellery or other possessions)? " Parents did not believe their children had gambled on poker machines or online. 22% of parents believed their child had bought scratchies and 6% of parents believed their child had bet on sports and horses.

## Young People's Gambling Behaviours

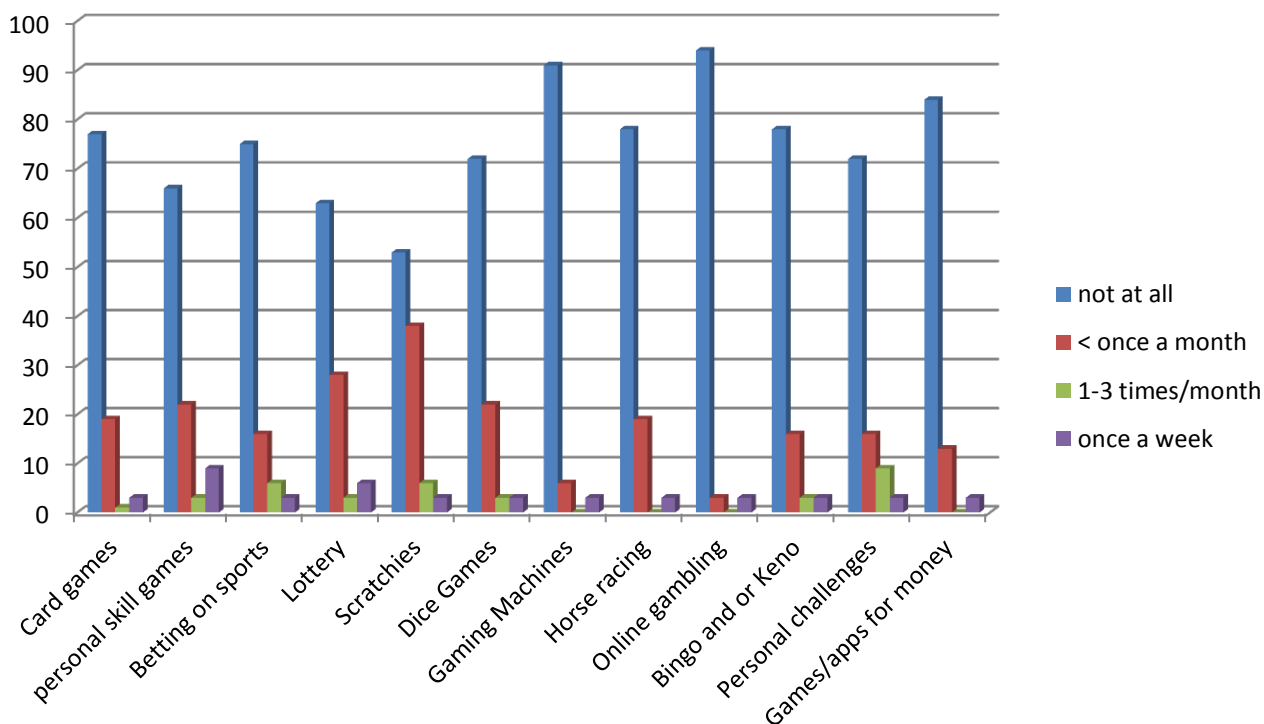


## Gambling activities parents believe their child may have participated in



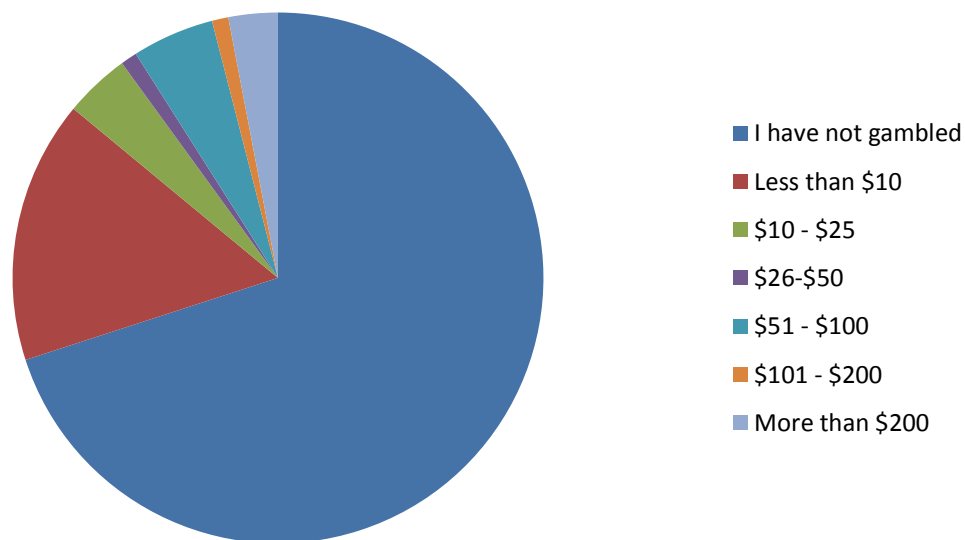
Parents were asked if they had ever participated in any gambling activities for money with their children. Again the majority of parents surveyed did not gamble with their children in any format; however a significant number of parents indicated they do gamble regularly with their school aged children.

## Parents gambling with their children



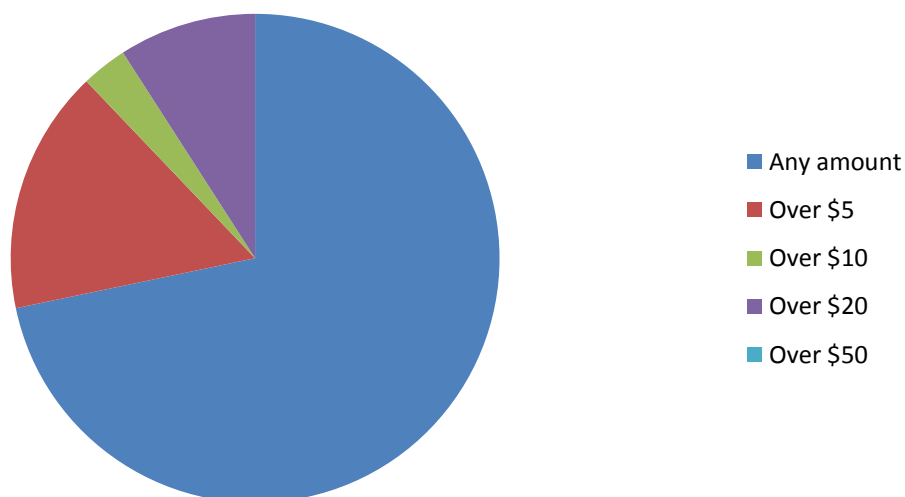
Young people were asked how much money they had lost through gambling in the last month. 70% of young people had not gambled however of the 30% who did gamble the majority (16%) lost under \$10. Just over 3% of people surveyed lost more than \$200 in the past month.

## Money lost through gambling



Parents were asked if their child did gamble with money at what amount would it concern them. 72% of parents stated they would be concerned if their child gambled any amount of money. 28% of parents said they would be concerned if their child gambled between \$5 to \$20.

## \$ Amount that would concern parents



Gambling problems in teens can lead to depression, missing school or dropping out, undermined friendships, family disruption and criminal behaviour. Parents and young people were asked whether they agreed or disagreed with some statements about gambling and the results were as follows:

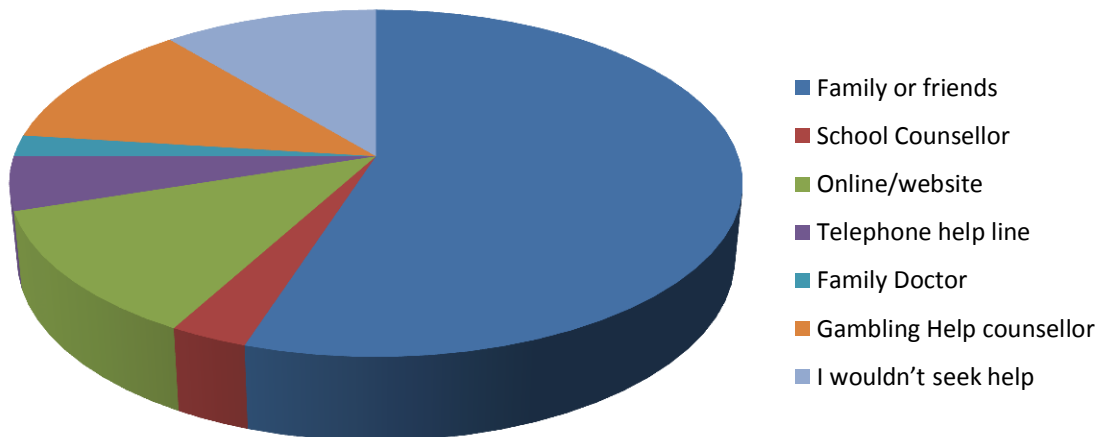
% SA- Strongly agree, A – Agree, N-Neutral, D – Disagree, SD – Strongly Disagree

			SA	A	N	D	SD
1	Gambling can be an easy way to make money	Y	5.60	16.80	14.40	17.60	45.60
		P	10.00	20.00	13.33	23.33	33.33
2	Gambling can lead to criminal behaviour	Y	20.80	46.40	23.20	5.60	4.00
		P	26.67	46.67	13.33	10.00	3.33
3	Gambling can be a good way to relieve boredom	Y	8.80	28.00	24.00	17.60	21.60
		P	10.00	23.33	16.67	23.33	26.67
4	Gambling can negatively impact school performance	Y	32.00	36.00	20.00	8.80	3.20
		P	36.67	50.00	6.67	0.00	6.67
5	There is nothing wrong with teens gambling occasionally	Y	8.00	16.80	21.60	20.00	33.60
		P	10.00	16.67	6.67	23.33	43.33
6	Gambling can be a fun way to spend time with friends	Y	7.20	27.20	31.20	16.80	17.60
		P	10.00	33.33	16.67	16.67	23.33
7	Gambling can negatively impact friendships	Y	31.20	34.40	27.20	4.00	3.20
		P	26.67	46.67	16.67	3.33	6.67
8	Playing simulated gambling games can lead to gambling problems	Y	30.40	30.40	24.80	11.20	3.20
		P	30.00	33.33	26.67	3.33	6.67
9	I click on the links in games that lead to simulated gambling games	Y	3.20	9.60	18.40	20.80	48.00
		P	10.00	3.33	30.00	6.67	50.00

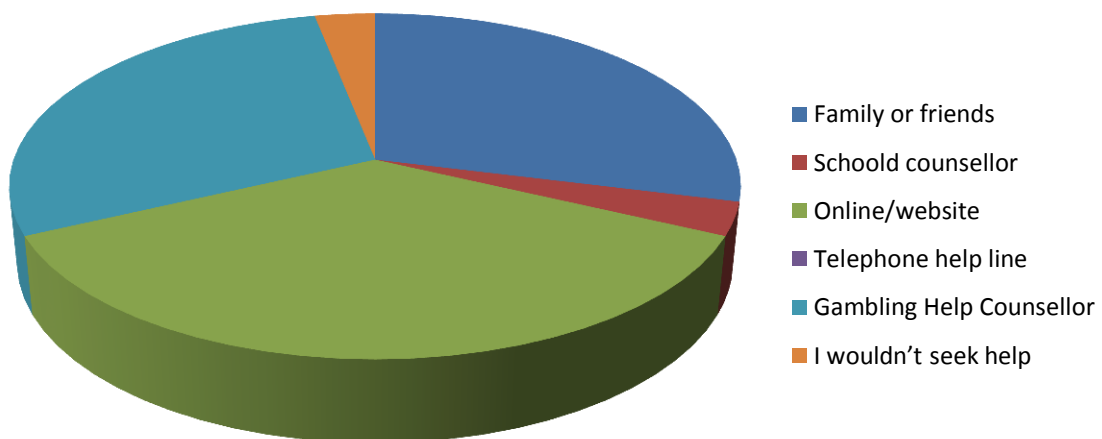
10	It is hard to know the difference between gaming and gambling	Y	5.60	12.80	33.60	22.40	25.60
		P	56.67	6.67	20.00	6.67	10.00

Finally parents and young people were asked if they did have a problem with gambling where would they seek help. Worryingly 12% of young people and 3% of parents said they wouldn't seek help at all.

### Young people - Help seeking behaviours



### Parent's help seeking behaviours





## Discussion:

The survey findings were consistent with research that shows that 3-4% of young people have problems with gambling.<sup>7</sup> The survey found that 3% of young people had lost more than \$200 in the past month which is a significant amount given that all young people surveyed were students. Results were also consistent with research that shows that most gambling by young people is on more benign (though still illegal) types of gambling, such as scratchies (44%), lotteries (33%) or friendly card games. Despite the apparently strict barriers around under age gambling, young people under the age of 18 reported gambling on the pokies (4%), betting on sports (7%) and wagering on horses (5%).

While only 7% of young people on the Central Coast indicated that they gamble online 19% of those surveyed mentioned playing simulated gambling games such as Slotomania, Slots and Zenga Poker. Studies show that teens who play fake gambling-style games on phones and other devices are up to three times more likely to gamble with real money<sup>8</sup>.

It is no longer necessary to visit a licensed gambling venue in order for young people to gamble; individuals are able to connect to Internet casinos anywhere in the world using a personal computer, tablet or smartphone. The Interactive Gambling Act of 2001? (IGA) prohibits Australian gambling operators from providing or advertising 'real-money online interactive gambling services' to Australian citizens. However the IGA does not prohibit individuals from placing bets via the Internet, and many foreign operators offer their services to Aussie players.

In order to gamble online you must be 18 years old or over. However a study carried out in 2014 showed that out of 37 online gambling sites, only seven stopped a 16 year old from registering with them.<sup>9</sup> One problem is that under 18s can own a debit card, and these can be used to register online accounts. Some operators also accept prepaid cards where an individual purchases a pre-paid voucher or card for a fixed amount and uses that card to make a deposit. Winnings are then credited to the card which circumvents the checks and balances of using a credit card or bank account. Children and teenagers have also been known to fraudulently use their parents' credit card as payment for in-app purchases and gambling debts.<sup>10</sup> For example one counsellor from Central Coast Gambling Help recently counselled a 16 year old high school student who gambled \$8,000 on online poker machines using his dad's credit card.

The majority of young people in this survey had access to their own debit or credit card, 22% had access to a family credit card and 16% of young people had access to a prepaid card. This demonstrates that young people on the Central Coast have easy access to online accounts. Fortunately parents and teenagers on the Central Coast seem fairly well informed. The majority of parents surveyed monitor their children's use of devices and the hours they play, while the majority of teens surveyed do not gamble and of those that do, most gamble less than \$10 a month.

The survey found a clear link between hours spent gaming and gambling behaviours. The more hours playing games and the more money spent on in app purchases the more likely the young person was to gamble. For example a 21 year old male indicated that he spends more than 40 hours per week playing video games, spends over \$100 a month on in-app purchases, gambles on all formats mentioned and loses over \$200 per month. Of those who indicated that they spend over 11 hours playing video games and apps, 69% also gambled, the remaining 31% were all under 18 but had liberal attitudes towards gambling.

Studies have shown that under-age gambling is often undertaken with parental knowledge, or with parents being unconcerned that their children are gambling. Gambling is generally viewed as a social pastime or leisure activity and in many cases parents are likely to have introduced their children to gambling. The survey found that a surprising number of parents do gamble with their school aged children: Card games 23%, Personal skill games 34%, Betting on sports 26%, Lottery (such as Lotto, Powerball) 37%, Scratchies 47%, Dice games 28%, Gaming machines/Pokies 9%, Horse racing 22%, Online (internet) gambling 6%, Bingo or Keno 22%, Personal challenges (like a dare) 28%, Computer gambling games/apps for money 16%

Attitudes towards gambling were fairly consistent between parents and young people. The majority of parents and young people disagreed that gambling was an easy way to make money while 10% of parents and 6% of young people agreed that gambling was an easy way to make money. Most respondents agreed that gambling can lead to criminal behaviour. There was a fairly even spread of opinions around the statement 'gambling can be a good way to relieve boredom' but the majority of respondents disagreed. Similarly most people agreed that gambling can negatively impact on school performance. Both parents and young people strongly disagreed with the statement 'there's nothing wrong with teens gambling

occasionally. ” Interestingly most young people were neutral about the statement “Gambling can be a fun way to spend time with friends” while most parents agreed with the statement. Most young people and parents agreed that “Gambling can negatively impact friendships.”

14% of young people and 10% of parents disagreed that simulated games can lead to gambling problems. Most people strongly disagreed with the statement “I click on the links in games that lead to simulated gambling games’ however 12.8% of young people and 13% of parents agreed that they click on links to simulated gambling games.

63% of parents and 18% of young people agreed that “it is hard to know the difference between gaming and gambling.” This indicates a need for more information to be available to families of the Central Coast. When faced with a problem with gambling most young people would seek help from family and friends, while most parents would go online. It is hoped that the Central Coast Gambling Website at [www.problemgambling.net.au](http://www.problemgambling.net.au) will provide information and resources to reduce gambling related harm and help to tackle some of the barriers which prevent people from seeking help for gambling related issues.

Young people and families have to deal with so many issues these days including mental health, bullying, eating disorders, family violence, homelessness etc. that gambling often comes in at the bottom of the list. Most people gamble responsibly but when they don’t the repercussions can be devastating. The blurring of the lines between gaming and gambling is of great concern as it has vastly increased the presence of gambling in the lives of young people, whether it’s through advertising, media coverage, branding or online games.

Limiting young people’s internet use can lessen exposure to gambling-like features in the online environment. Parents can also keep their networked computers in the living room or family areas of the home, where internet use can be monitored. Families might also consider blocking gambling sites on their digital devices. It can still be hard to monitor a young person’s online activity so having regular, relaxed and respectful conversations about online behaviour is the best way to build resilience and help young people to make good decisions about gambling.

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| <input type="checkbox"/> Age of Empires       | <input type="checkbox"/> Farmville                | <input type="checkbox"/> Pokémon                 |
| <input type="checkbox"/> Angry Birds          | <input type="checkbox"/> Gears of War             | <input type="checkbox"/> Poker                   |
| <input type="checkbox"/> Animal Crossing      | <input type="checkbox"/> God of War               | <input type="checkbox"/> Red Dead Redemption     |
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