



Sports betting research

**Prepared for: Gambling Research Program, Department of
Health & Human Services, Tasmania**

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Summary

In Western countries such as Australia, Canada and New Zealand, betting on sporting events, fixtures and results, particularly through the Internet, is becoming increasingly prevalent. In Australia, sports betting appears to be the fastest growing form of gambling, where it has almost doubled in popularity over the last decade (Gainsbury, et al, 2013). In 2011, it was estimated that the revenue generated by sports betting in Australia alone topped \$600 million, up from \$264 million in 2006. Sports betting has also been associated with a rise in problem gambling, with an Australian clinic estimating a 70% increase in the number of young males presenting with gambling problems (Horn, 2011; Thomas, Lewis et al. 2012, p.146). Anecdotally, evidence also suggests that sports fans are irritated at what they perceive to be an encroachment on their enjoyment of the game through the presence of betting-related promotions during live broadcasts of, most notably, Australian Rules football and cricket matches, as well as perceived associations between sports betting, match fixing and wider issues of corruption in sport. Despite such concerns, little is known about the potential impacts, costs and consequences of sports betting, particularly for vulnerable groups and individuals in the community.

In November, 2013, the Gambling Support Program, through the Tasmanian Department of Health and Human Services, commissioned Professor Catherine Palmer from the School of Social Sciences at the University of Tasmania to undertake research into the proliferation, trends, and risks, particularly to vulnerable groups, of sports betting and its promotion in Australia and internationally.

Empirical data was gathered from semi-structured interviews (including a focus group interview), which were conducted either face-to-face or by telephone in Hobart, Launceston and Melbourne to inform this preliminary, scoping study. A total of seventeen people were interviewed from across the sport and recreation industry, sports wagering providers, financial counseling services and a community-based sporting (football) club. It is important to note at the outset that sports bettors or gamblers were not interviewed as part of this initial research.

Key findings include:

- there was a very clear, identified demographic or market for sports betting (i.e. male, younger, higher socio-economic status, employed full time, better educated, with access to the Internet);
- there were two inter-related groups deemed to be potentially “at risk” of harms associated with sports betting – young men and, longer term, children and adolescents;
- there were strong associations with changing technologies, accessibility, and the (global) expansion of sports betting into new and current markets;
- sports betting (along with doping and match fixing) was seen as a challenge to the probity of sport in Australia, particularly at grass-roots and semi-professional levels;

- the perceived saturation of the sporting experience through betting related advertising had (negatively) altered the experience of watching sport, by aligning sports betting with fans' overall experiences of a game and encouraging individuals to bet live during the game;
- there was some evidence that marketing messages about “risky” products at major sporting events (i.e. unhealthy foods and alcohol) need to include messages about gambling and sports betting more particularly.

This report is just a start. The speed with which sports betting and the technologies which support it change, the relative ease with which sports betting sites can be accessed by consumers, the links to youth markets and the ways in which the saturation marketing of wagering brands is perceived to have changed the experience of sport for audiences (both live and across multiple media platforms), as well as growing evidence of a new kind of problem gambler, all make further research into sports betting necessary. Moreover, research that can inform school and community-based education and related resources is needed so as to provide information to those groups who are perceived as being at greatest risk of the potential harms of sports betting.

1. Background to research

“Sports betting” is, at its simplest, placing a financial wager on the outcome of a sporting match, as well as on events that occur within the larger match or fixture. The growth of sports betting and gambling promotion during sporting events is a relatively recent phenomenon. Historically, sports betting was confined to an individual physically placing a wager on the outcome of a horse (or greyhound) race, however, two important changes occurred in the mid 1990s. First, some bookmakers moved beyond horse and greyhound racing and started taking bets on the outcome of team sports. Second, in Victoria, some bookmakers began taking bets over the telephone and then the Internet, and in 2008, telephone and Internet sports betting became possible in all Australian states and territories following a High Court ruling that found prohibitions imposed by some states were anticompetitive (State of Victoria, Department of Justice 2013).

Following on from this, two additional changes occurred that have further, and more fundamentally, shifted the nature and parameters of sports betting:

- the rise and expansion of the Internet and associated media platforms and technologies (i.e. phone and tablet “apps”) led to sports betting shifting more and more on-line;
- the nature of betting itself has shifted from betting simply on the end result of a race or an event to “micro-betting”, “in play betting” and betting “in-the-run”, where consumers can place a bet on a range of possible outcomes both after the game has commenced and, as they occur during a game.

In addition to betting on sporting results and outcomes, “sports betting” can also refer to betting on other events such as the outcome of a political election or a reality television program, and this has been possible for some time in Tasmania (*Gambling Control Regulations 2004*). For the purpose of this report, we focus on placing a wager on *sporting* events via the Internet. While sports betting is legal in Australia, “in-play” betting via the Internet is illegal under Commonwealth Law (it is legal if the bet is placed in person or over the telephone), yet there remains a range of illegal gambling activities that are accessible via the Internet (*Interactive Gambling Act 2001*, p.61). The clandestine nature of these activities means that there is little research evidence into these forms of sports betting and are outside the scope of this report.

The rise of on-line betting on sport, and its promotion, has been greeted with considerable levels of public concern, in which the relationship between gambling exposure and participation is seen to pose several implications for sport, health and well being and social policy. In 2013, concern over the accessibility of the technology, and the increasing presence of the televised promotion of live-odds betting during broadcasts of football and cricket matches (particularly during weekend day time television slots) led to a Joint Parliamentary Select Committee review into the advertising and promotion of gambling in sport. The report suggested that a precautionary approach should be adopted, during which time more research could be undertaken into the effects of gambling advertising on children (Joint Committee 2013, p.17). Alongside this, financial counsellors have warned of an increase in problems associated with on-line sports betting, particularly among young men. In

2013, the Australia Crime Commission released their *Organised Crime and Drugs in Sport* report. Along with doping and match fixing, sports betting was identified as a “soft target” through which organised crime groups could undermine the integrity of sport, in both Australia and abroad.

Research aims

With this as background, the key aim of the project was to:

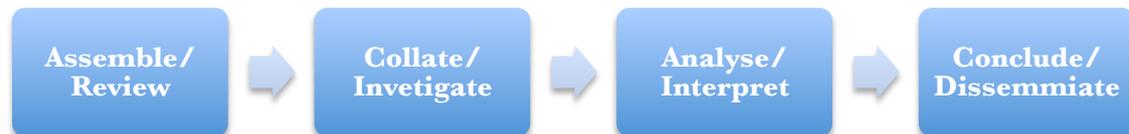
- undertake research that investigates the proliferation, trends, and risks, particularly to vulnerable groups, of sports betting and its promotion in Australia and internationally.

To do this, a series of sub-themes and questions were explored through the primary and secondary data collection. These included:

- trends and motivations in relation to sports betting;
- the financial implications of sports betting and its promotions, both at a community and corporate level;
- the prevailing community attitudes to sports betting and the advertising of sports betting at live and televised events;
- the effects of sports betting and its promotion on the culture of sport at both community and corporate levels, spectators’ experiences and expectations, and the probity of sporting clubs;
- the risks, particularly to groups vulnerable to gambling related harms, of the emergence and popularity of sports betting and its promotions;
- opposition to and support of sports betting and its promotions.

2. Methodology

The Sports betting research project utilized a mix of qualitative methods and secondary desk research, and consisted of four key stages:



Stage One: Assemble/Review

For the first stage, a number of preliminary activities were undertaken, notably a substantial review of the key literature and background materials, from both Australia and abroad; obtaining ethics approval from the University of Tasmania's Social and Human Research Ethics Committee, and recruiting the interviewees for Stage Two of the project.

The draft literature review was delivered on: 4th January, 2014.

Drawing on the key themes for the literature review, Stage One also involved developing the interview guide to be used in the primary data collection phase in Stage Two. Input was sought from the project's steering committee.

Stage Two: Collect/Investigate

For this preliminary, scoping, study qualitative methods were chosen. This allowed for an exploration of emergent themes, issues and concerns that relate to the research aims of the project. Qualitative methods are useful for identifying indicative (rather than representative) themes, as well as for recognizing avenues for further research.

Empirical data was gathered from semi-structured interviews (including a focus group interview) that were conducted either face-to-face or by telephone in Hobart, Launceston and Melbourne.

Sample

A total of seventeen people were involved in the research, and the sample was drawn from across the sport and recreation industry, sports wagering providers, financial counseling services and a community-based sporting (football) club.

Twenty participants were originally invited to participate in the research, however, data saturation was reached at 17 interviews, meaning once 17 interviews has been conducted across the sample, no new themes were emerging from the interview process, so further interviews would be unlikely to generate additional insight. Data saturation is a standard occurrence in qualitative research.

It is important to note at the outset that sports bettors or gamblers were not interviewed as part of this initial research. It is however suggested that further research be conducted with gamblers and/or those at risk of harms related to sports betting (see Recommendations).

Recruitment

In general, sampling for a qualitative study is purposely directed towards finding information-rich cases rather than towards ensuring randomization and generalizability. As such, participants were recruited via three means:

- 1) **From the existing networks of the DHHS Project manager:** Prior to the start of the research, these participants had already been contacted (by the project manager) and had indicated they are willing to be involved in the project interviews;
- 2) **Snowballing:** Several interviewees suggested additional names to contact who may also be interested and able to participate in the research;

In the case of the above, these contacts were mainly involved in the sport and recreation industries, sports wagering or in the provision or financial counseling services.

- 3) **Investigator's networks:** The project manager utilised her own networks to recruit participants who could provide a more community-based perspective on sports betting.

Single person interviews

Single-person interviews enabled the generation of data concerning the key research themes and questions to be explored, including trends in relation to sports betting, the financial implications of sports betting and its promotions, the prevailing community attitudes to sports betting and the advertising of sports betting at live and televised events, its effects on the culture of sport and perceived risks and opposition to sports betting and its promotion.

A total of 11 single person interviews were conducted. The interviews were conducted between January and February, 2014, and were conducted either face to face or by telephone.

Each interview lasted between 30 and 60 minutes and were audio-recorded, transcribed and coded for analysis.

Focus group interview

A focus group interview consisting of six people, drawn from a local football club was conducted in February, 2014. This football club fielded teams at all level of competition from juniors through to seniors, as well as a women's team, and had an established network of volunteers (including current players, players' parents and family members, and retired players). As such, they could provide a useful perspective on the prevailing community attitudes to sports betting and the advertising of sports betting at live and televised events. A football team was also chosen, due to the practical difficulties of recruiting a club involved with sport during the summer months. Several clubs were contacted, however, they indicated they were not able to participate at the time, due to their busy playing and training schedules throughout summer.

The focus group was conducted in February, 2014.

The interview guide used for Stage Two is included in Appendix One.

Stage Three: Analyse/Interpret

On completion of the interviews and focus group, the data were then collated and analysed thematically, with the assistance of the N-VIVO computer software package. The validity of the analysis was ensured by triangulation of the different sources of data (i.e. constant comparison with the themes from the national and international literature collated in Stage One) to avoid individual bias and to develop the analysis and interpretation and validate the research findings.

Stage Four: Conclude/ Disseminate

In this fourth stage, attention was then turned to addressing the aims, outcomes and significance of the research, provided in this report. The report is best read in conjunction with the Review of Literature (see separate report), which provides the necessary background and research context within which to situate this current report.

In the presentation of the research findings in the report, ethical guidelines have been followed (as per approved reporting requirements), and pseudonyms have been used to ensure anonymity of respondents. The interviews were transcribed verbatim, but were edited slightly to ensure clearer presentation in this report.

3. Key findings

The qualitative data suggested a number of key themes including a very clear, identified demographic or market for sports betting and two inter-related groups deemed to be “at risk” of harms associated with sports betting – young men and, longer term, children and adolescents. The data suggested strong associations with changing technologies and the accessibility of sports betting to new and current markets. The perceived saturation of the sporting experience through betting related advertising and promotions, both at sports events and on television and related media, had fundamentally altered the experience of watching sport. The most strongly felt belief among those who took part in the research was that sports betting (along with doping and match fixing) represented a significant threat to the probity or integrity of sport in Australia, particularly at the grass-roots and semi-professional levels. While these themes were consistent across the various groups who took part in the research, the participants were able to speak with more or less authority about a particular theme or issue, depending on their vantage point and degree of familiarity with specific aspects of sports betting, harms related to gambling, the wagering or sporting industry or community-level sport.

3.1 The growth of sports betting

Among those interviewed, two themes emerged that usefully traced the growth of and emerging trends in sports betting: i) there was a clear sense that betting on sporting events, fixtures and results, particularly through the Internet, is becoming more and more prevalent, and ii) betting on sport appears to be the fastest growing form of gambling, superseding on-line gambling more broadly and gambling in electronic gaming machines (EGMS) in pubs and clubs.

Those in the community-based football club spoke of the rise of rapid expansion of sports betting as being “insane” and “out of control”:

It's absolutely staggering. It's completely and utterly out of control.

It beggars belief. It really does. It's like a weed that's just got out of control.

Respondents in the sports industry were better placed to comment on the scale of sports betting (including illegal wagering) in financial terms. Referring to data from a recent report on corruption and integrity in Australian sport, illegal betting on sport was estimated to be in the order of billions of dollars:

Illegal sports wagering is worth \$140 billion. It's second only to trafficking of marijuana. It's in front of cocaine.¹

Following on from this, respondents from all sectors spoke of the changes in betting activities, the increasing number of sports, events or outcomes that a wager can now

¹ Here, the interviewee is referring to a presentation delivered by Andrew Godkin from the National Integrity of Sport Unit (NISU_Presentation_final_Tas_14_Oct.pdf).

be placed upon, and those sports that were perceived as being increasingly popular for individuals to place a bet upon. One father from the community-based sporting club reflected that:

In the past, you know, when I was a kid growing up, you could only bet on racehorses. Now we're seeing, - you're able to bet on - you're able to bet on all sorts of things. I mean, you're even able to bet on the outcome of elections now.

Similarly, those representatives from the sporting industry noted the expansion of sports betting into an increasing range of sporting markets:

[It's] just absolutely extraordinary...we're seeing, well, AFL, soccer, cricket. Look, I don't know whether you'd say that there are particular sports where the betting's becoming more; it's just that all the major sports, in Australia and the world are now having markets framed on them.

I think it's mainstream sports which would have the highest percentage of sort of betting activity on them, so your football, AFL, something like the rugby codes, cricket. You know, the big sports in Australia would be the ones which have most of the activity. However, it seems to be pretty much any sport these days has some - has some betting on it.

The global aspects of sport were also recognised as contributing to the growth and expansion of sports betting, particularly by the respondents from both the sporting and the wagering industries:

You can bet on American sport, you can bet on English sport, you can bet on the EPL[English Premier League], you can bet on, gridiron.

There's certainly a lot of betting activity on basketball. In Australia, you've got through the NBL, the national league and they can also bet on college in the - in the USA and the NBA. Obviously it's a massive betting market.

Those financial counsellors also noted the global aspects of sport with sports betting being continually available “somewhere in the world”.

Then they'll just bet on anything, anywhere and the fact that they can bet on a football match in Spain at 3 o'clock.

In the morning, because it's -It's 24/7. It's available 24/7. And then they can put the bet before they go to bed and then they'll wake up first thing in the morning and - so it just - it - it - I don't know at what point it tips from being an interest in a particular sport to just anything and everything, just to keep gambling.

Similarly, the global expansion of the Internet and associated media technologies as being instrumental in creating an environment of “convenience gambling” that facilitated sports betting, as the following comments from financial counsellors suggest:

I'd say the Internet has become a huge part of the market.

Everyone's got the Internet at home. If you wanted to, you could be at it [sports betting] all day every day.

The way that people typically become involved now is ... I think it's just because it's more accessible. There's more news, there's more media, there's more interest.

Respondents from the community-based sporting club appeared to regard sports betting as being symptomatic of a “digital world” more broadly:

I think it's been accepted as part of society these days, which I'm not sure it's a great thing but, obviously it, provides a further level of interest in everything that sport does.

I suppose with society becoming more digital and, online betting is a part of the way society's gone there and sports themselves have gone there as well.

3.2 The demographics of sports betting

The qualitative data suggested a very clear demographic group who were associated with sports betting. Sports bettors were seen by all research participants to be young males (“it’s 18 – 30 year olds”), employed full time in professional jobs, of a higher socio-economic status and educational attainment and with access to the Internet, mobile phones and related technologies, as the comments from financial counsellors and the sporting industry suggest:

It may well be the young men who at this particular point in their lives possibly have a bit more disposable income. They're not married, they're not having mortgages, things like that, but it definitely seems to be targeting, young men who - to - they're promoting the excitement of it.

Demographics-wise, I haven't seen the statistics but I'm sure males within a certain age group would be a large percentage of the betting market.

Respondents from the community-based football club identified an association between the perceived demographic of sports betting and the widespread availability of mobile phones as appealing to young men, in particular:

They're making it extremely easy for these young people to bet, because you can bet on your mobile phone... everyone's got a mobile phone and they're obviously producing apps that enable young men, young people, to bet. The demographic, as far as I can see, is young men, you know, 18 to 30. That's the sense that I get, yeah.

Well, I think the younger generation is growing up with it so, you know, it's just part of their world that generation-wise, all about, technology everything that comes with it. So it sort of fits in with their lifestyle, as a generalisation.

Given the demographic profile of sports bettors as being “young, male professionals”, it was also recognised that sports betting was undertaken, predominantly, by those working in metropolitan settings.

The financial counsellors who were working with people vulnerable to the harms related to sports betting activities also noted one aspect to the particular demographic profile of those presenting to their organisations and agencies, namely that the

individual has previously played sport at a high level and as a consequence was well known in their local community:

In term of those that are coming in... they've got professional jobs in the community but they also love their sport. Some of them have been sports players and they're playing at quite a high level.

My experience is young men. They're really in some ways loath to come in because they've often got quite high profile positions in the community. They might own a business. Or they might have, you know, some sort of professional standing. Or they're a sports player who's well known in the community... So these are the people I'm finding that are presenting.

While financial counsellors spoke about the gambling itself as being a relatively solitary or individual activity, it was nonetheless perceived to be an activity that was common across male peer networks, particularly those that were associated with sporting clubs at different levels:

The sports betting online is really quite solitary...except, you know, in these sports club, where - you know, it seems to be a thing that this particular generation of guys are really into.

That became a real issue, and now I'm just seeing more young men particularly coming in and it seems to be their - it's what their peer group do.

It's quite normal for them. I mean, when I do my venue visits, one of sports organisations in town, I was talking to the chap there and he said, people will come in off the field from playing sport and they'll immediately get on their iPhones and they're gambling.

3.3 Motivations for sports betting

Respondents from within the wagering and sporting industries noted that a key motivation for sports bettors becoming involved with sports betting was primarily the bettor's perceived level of their own knowledge of and experience in the sport they were betting on.

It depends on the person - their interest. They generally bet where their interest lies, I think - so a basketball person that follows the national league would most likely - would bet there and, if they're a huge basketball fan, they may even bet on the NBA as well.

Look, younger people are more likely to bet on sport than on racing. The older generation are still maintaining a racing focus in their wagering and we also see traditionally, that people will, um, transition to race betting of a later age.

I think if you're interested in something, you're going to know more about it and therefore be more willing to participate in it.

Such sentiments were echoed at the community sports club level:

Sports that people aren't interested in and don't have a background in, you know, they don't watch it, they don't read about it, they don't spend their money that way so it's pretty unlikely they'd wager on it as well.

The financial counsellors interviewed suggested, based on their work with problem gamblers, that those who participated in sports betting regarded it as being a particularly “skilled” form of gambling when compared with other activities such as betting on electronic gaming machines, claiming “it takes a bit of brain power”.

With horses, it's interesting how it just becomes more than a hobby, it becomes like, 'this is how I show that I can do stuff in the world and that I can successfully pick the winner'.

In some cases, family connections, and a history of being involved in certain sports, particularly horse racing, was a contributing factor in gamblers becoming involved in wagering and then transitioning to on-line sports betting more specifically.

Referring to a particular client, one of the financial counsellors who took part in the research noted that:

One particular client I can think of had an interest in horses. I mean, I think they - their family owned a horse or whatever so they knew - well, they felt they knew a lot about gambling on horses. And they felt they'd got on top of it. You know, they'd been able to sort out how it all worked.

Another financial counsellor observed the interactions between family histories, gambling more broadly, and sports betting more particularly:

I'm just thinking of one guy I had recently who unfortunately hasn't come back, but he was fascinating in that [he was] exposed from an early age in the family, and his cultural background's all about racing, and he'd really - his whole year was about building up to the really big one [Caulfield]. I would have almost said his ego and identity were all wrapped up and his big thing was to pick the final winner at the - and so his whole waking moments were constantly working it all out - and he pretty much got it most - most of the time so that doesn't help.

Similarly, those in the community-based sporting club spoke of the importance of “insider” or sport-specific knowledge as influencing a person’s sports betting activity.

Referring to cricket, one of the player-volunteers interviewed observed that:

I also think that people perceive it, as that they have some more knowledge than they have of racing, which can be quite difficult, quite, you know, hard to understand form guide and there's 13 horses and you might not have heard of them. But in a cricket game, you've heard of all the - the two teams that'd be playing each other and you'd understand a little bit more about the players and, you know, I think they give themselves a better chance of being successful.

The just - you know, they know what's happening. They get on the Internet and they research the footy games. They've got heaps of comprehensive knowledge.

3.4 Market saturation

The growing presence of betting-related promotions during live broadcasts of sporting matches, most notably, Australian Rules football and cricket matches, was widely acknowledged by those interviewed as being the most visible and concerning aspect of sports betting.

Among the sports wagering and sporting industries, community sporting club and the financial counselling services who took part in the research, it was widely felt that it was very difficult for a sports fan to avoid betting-related promotions and advertising when attending a live game or through watching it on television. Described variously as “over kill”, “out of control” and “in your face”, respondents felt that the prevalence and proliferation of sports betting-related marketing and promotions had fundamentally changed community attitudes towards sport, particularly televised sport, in Australia.

A player-volunteer from the community sporting club noted that:

Look, I'm not too sure whether there's any sort of pockets of the community that are supportive. If you went out and interviewed too many people out in the community and said, look, do you think the proliferation of sports betting's a good thing? I don't think too many people would say yes to be honest.

Similarly, one of the representatives from the sporting industry recognised that:

Well, the attitudes, I think, have changed significantly. I think that now there's a real concern over it, a huge concern over the amount of, um, sports betting. I think that people are sick to death of it, having it being thrust down their throat. They've obviously - the previous Federal Government changed the broadcasting rules with regards to the amount of sports betting advertising that could be done, and certainly the promotion of odds during the course of the game.

The members of the community-based sporting club who took part in the research reflected on the changes that sports betting has brought to the ways in which people experienced sport or enjoyed following their team:

I'm not sure whether, you know, it affects the - I suppose it would if people go to the match to watch the match not just for the pure enjoyment or to support their team, because they've got a lot of money wagered on the match. That may well affect the way that people interact with sport compared to what they did in the past.

Such concern with the constant presence of advertising and promotions during sporting matches were also shared by the financial counsellors who were interviewed:

We speak about it [the advertising] generally but they talk about, you know, seeing those odds. Now, that's changed a bit because the odds used to run along the bottom of the screen when they were watching sport. But now, they can - you know, the ads can still run in between the programs. So it's still sitting there.

They also talk about the American cool dude who's come over to advertise Bet 365. He's an actor, American actor and he makes it all very cool.

Following on from this, one of the financial counselors reflects that the proliferation of sports betting related marketing and promotions had fundamentally altered the experience of watching sport for her client:

I was recalling a couple of comments from one of our clients. I don't know if it was in the group or not but, the ability or taking a while but once they got there, to actually sit and watch a sports game for

the pure joy of sport rather than all the betting odds going round in their head, that it took a period of time but once they actually got there, how lovely it was just to sit and enjoy the pure sport.

In addition to the saturation marketing of sports betting related activities during sporting matches and beyond, the research participants all recognised a potential relationship between the kind and volume of advertising and promotions, and the potential harms associated with sports betting, as one of the sporting industry representatives notes:

And then of course there's the human cost as well, of people having the advertising, um, and the accessibility of sports betting thrust down their throat as well.

Several participants drew parallels with the proliferation of sports betting related advertising and promotions and other forms of “onslaught marketing” of fast food products and outlets.

Representatives from the sporting industry recognised that:

The thing that worries me about the growth in sports betting and the fact that it's been, you know, thrust down our throats is a bit like the way that that we have fast food products thrust down our throat.

Similarly:

The chances are that, we'll be breeding a generation of problem gamblers in the same way as the fast food outlets would be responsible for breeding a generation of inactive kids and kids that have issues with obesity.

The parents and volunteers from the local community football club were, perhaps not surprisingly, concerned about the (over) exposure of sports betting messages to their children and the potential to “normalise” gambling among young people (referred to as “gamblification” in the literature):

If you have kids at the footy, and they are seeing it [promotions and advertising] the whole time, you have to wonder whether it makes them think more about actually gambling.

It's 's become normal and that's the worrying thing about it and once it gets to that point, you have a devil's job, a really difficult job of trying to wind it back.

The financial counsellors interviewed made similar observations:

There's the - it's just the saturation of the marketing, everywhere you look. But this is I think how it's normalized it. So that all the young guys are like, oh, well, that's what we do. We look at the odds, you know, we learn from this, we know so much about things. If you applied what we know to being exposed to gambling at an early age, if it's normalizing, it's all on the TV and sitting down with the family, watching the footy and it's on the screen. So children are seeing that too. It's again just becoming part of the culture.

The sports wagering industry was mindful of the effects of this “overkill” in terms of community perceptions, both of sport, and the activities their industry provide:

I think it probably went too far, with the integration of advertising into sporting broadcasts. The live odds issue was certainly the most obvious example of that and - you know, a lot of it stemmed from the TV networks and the amount of money that they were able to - to make from those deals as well, so it's a bit of a race, a bit of a cash grab from them as well.

I think the advertising probably went too far. I think that's probably been remedied in the last six months and, you know, I think that the industry is there, it exists, it provides a service, provided it's not rammed down the throats of people who aren't interested in it.

Following on from this, those participants from the sports wagering industry felt that community attitudes may be softening in light of a shift away from live odds to brand based marketing and promotions

We've moved away from live odds and it's particularly brand-based advertising. A lot of the negative connotations have, you know, sort of pulled back. I think that 365 have sponsored the cricket over the summer. We've really had pretty little complaint about that; sponsorships of the boundary ropes and what-have-you because, you know, I think people realize that branding's something different than going that step further.

3.5 Sports betting and at-risk groups

The interview data suggested that, among those interviewed, there was recognition of a potential relationship between sports betting-related advertising and promotions, and the potential harms associated with sports betting. In particular, children and young people were identified as a group being potentially at most risk of becoming vulnerable to harms related to sports betting and gambling more broadly.

Members of the community-based sporting club noted that:

If we're not careful, we run the risk because it's so in your face and it's, you know omnipresent, we run the risk of having - um, breeding a huge generation of problem gamblers. I don't have any doubt about that.

Similarly, those financial counsellors working with those affected by their own or another person's gambling noted the ways in which gambling advertising was incorporated in to the social media activities of young people more broadly:

They're saying that even on the Facebook pages, gambling advertising comes up so kids, teenagers, they're on Facebook, they're on some of these programs. Candy Crush is something that's just taken off. Everybody's playing Candy Crush and, you know, they're saying there's a real risk of people going onto gambling after doing that because they have to buy. They use virtual money to buy to go to the next level and you know, you've got to buy.

Such views were also shared by representatives from within the sporting industry:

With as part of their life they seem to, be fine to have a punt on everything. So where society goes in the next generation, it will be interesting to see but, yeah, it's a little bit of a concern but it's sort of accepted so much in today's society.

Similarly, two of the parent volunteers from the sporting club who were interviewed reflected that:

You know, we've got a situation now, I think, where you've got 12, 13 year old kids that are more au fait with the odds on a particular sporting event than they are with who the best players are and how many, you know, kicks, marks and handballs they've racked up during the course of the year or goals they've kicked.

Because I just think that this is an issue that, is going to grow and there are going to be more and more people becoming problem gamblers because the exposure that our children are currently getting to it.

Representatives from the sporting industry also reflected on the changes in young people's experiences of following a sporting team as now being less about the players and the champions and more about the odds:

When I was a kid growing up, you know, you always knew who the best players were, how many goals they'd kicked for the year, etc, etc. Now we're seeing this whole thing being normalised where the kids can say, oh, you know, we've got, Hawthorn playing the Crows at the weekend and, you know, Hawthorn at the line is 13 points. I reckon that's a really good bet because - because this, this and this.

You know, of sports betting. It's become part of the conversations they have with other kids. It's become part of their conversations that lots of people in the community have that are interested in sport; oh, gee, you know, Nadal's a good price to beat Federer. I wouldn't mind a piece of the - you know, the \$1.60 at the line on Hawthorn to beat the Kangaroos at the weekends. It's become part of the vernacular.

3.5.1 Sports betting and problem gambling

Although the research did not specifically address problem gambling or interview gamblers themselves, the sport and recreation industry, sports wagering providers, financial counseling services and the community-based sporting (football) club all reflected on the potential harms caused by sports betting to those already vulnerable to the costs and consequences of gambling more broadly.

One of the parents interviewed as part of the community sport-based focus group recognized that:

It's hard to know but certainly, there's that segment of gamblers that have a problem, so, that's a real concern for society. Whether that's then contributing more to welfare lines or crime or whatever.

Similarly, those in the sports wagering industry acknowledged the “downside” of sports betting and gambling more generally:

The downside of the industry is the problem gambling side or the opportunity for criminal activity and that certainly is something that may never be known, as to what, the downside damage on society that, sports betting or the industry creates.

Interestingly, when reflecting on those clients who presented to them with financial or other issues relating to gambling, the financial counsellors who took part in the

research observed that sports betting may be part of a broader profile of gambling activity:

Because one of the interesting things is that for most clients we see, it's just one form of betting and it's very few clients that'll do pokies and sports.

Nonetheless, each of the segments interviewed was able to comment on the consequences, both real and potential, of the harms relating to sports betting-related problem gambling.

Representatives from the sport and recreation industries noted that:

The impact it would have on families would be absolutely devastating, you know, when the rent or the mortgage or the money for groceries or school fees has been gambled away. It would have an unbelievably devastating effect.

Similarly, the financial counsellors who were dealing most immediately with the costs and consequences of problem gambling (in relation to sports betting and gambling more generally) could recall a range of impacts on individuals and those affected by problem gambling:

If you're hitting that chronic point where they would have come in to see us, it's affecting their whole world, so impacting on family or even if it hasn't got to that point, that they're so wracked with shame and guilt. It becomes an obsession 24/7 so it impacts on their quality of time, their life quality, their interactions with others.

Because one of my guys, he said to me, I just couldn't concentrate at work. He said, "My job was to recruit - to get, uh, more business". He said, "I just couldn't think - couldn't think about it at all". He said, "My whole waking - you know, whole waking time is around the stress, the anxiety, how can I fix this? I'm not telling anybody about it because I feel such a sense of failure".

The young people that I've seen, their partners have come in with them. The partner has discovered that there's something not right with the bank account or whatever and so they've brought it up and so all of a sudden, it's out in the open. Now often, these young guys will say to me, that's such a relief. It's finally out there.

One chap was saying his family would pay his bills. You know, he's a married man but he was having problems paying his bills because of gambling, so they whip in and they help out because they don't want anybody else to know. Because they've often got standing in the community as well. And then the next step from there is stealing money.

3.6 Sports betting and the probity of sport

One of the most consistent themes to emerge from the interview data was the widely held belief that sports betting represented a threat to the integrity or the probity of Australian sport. All of the interviewees spoke of the potential for sports betting to damage the experience of sport in Australia, and the way in which sport was perceived within the community more broadly.

Those in the sporting industry reflected on the potential scale of the problem at a global level, and its impact upon sport in Australia:

It's leading to all sorts of issues with regards to the integrity of sport, the issue that Australian sport faces is not so much from the match fixing that will occur with betting that goes on with registered bookmakers here in Australia. It's the underground, illegal bookmakers in Asia that pose the huge threat, and because of time zones people will bet and they'll watch the matches and they'll have access to betting in the run as well, betting while the match is happening.

Over the last few years, there has been something like 300 or so soccer matches that have been suspected of being manipulated throughout Europe. They reckon there's about 420 to 300 that are being investigated. There's about 420-odd that are suspect.

Such impacts were also recognised by members of the community-based sporting club:

What I've been reading is that a number of overseas people, huge numbers overseas are actually betting on our T20 cricket. So huge numbers of gambling on that. So that always, I think, opens up the risk of, you know, match fixing and things.

The potential impacts at a national level were also observed by the sporting industry representatives who took part in the research:

It's an issue that's been raised and discussed at the highest levels of government in Australia. When there's betting on sport, there's the possibility, and we've seen it happen, there's corruption. We've seen, an instance of - well, it's alleged match fixing but it is match fixing occur, in soccer, in Victoria, and this is of grave concern to me and other sports leaders, administrators in Australia.

Following on from this, those in the sport and recreation industry made mention of the “joined up” work they were doing across sporting codes, states and jurisdictions to share information and monitor breaches of behaviour:

I think one of the most important things that sports have been able to recognize with more and more money being wagered, is that they need to be on top of the potential for, any match fixing or associated corruption and, look, we work really closely with every single sport in Australia, with information sharing agreements to make sure that anything that happens, that we can advise them to have a look into. We watch our database against all of the players and officials' names to make sure they're not betting on the sport.

I think the sports have got a lot smarter now at really being able to protect the integrity of their game and I think the industry's played a really important role in being able to do that. If sports betting wasn't existing in its current form in Australia it's quite easy for that demand to be satisfied by an overseas operator who'd be operating illegally into Australia and targeting Australian customers. The problem with that from a sporting integrity perspective is that they don't have these information sharing agreements so it makes it quite difficult for the sports then to trace what betting's actually going on.

Similarly, those in the sports wagering industry were acutely conscious of the potential for illegal betting to occur and were actively involved in monitoring the betting environment across various sporting codes:

Look, we take that incredibly seriously. We've got a team of 11 people in Hobart that actively monitor every event that we're betting on. So we've got people that're dedicated at the moment to just watching the Australian Open Tennis, and monitoring the betting at the same time as that. And racing; every single day we've got someone in the chair, watching races, watching the betting on the races and providing that information, in real time to stewards or integrity services bodies at the sporting codes.

Those involved in community-level sport were concerned at the potential for “second tier” or semi professional competitions to be vulnerable to infiltration by illegal sports betting:

Certainly in the, the lower leagues where it's open for people that aren't earning professional wage to then be involved in possibly match fixing. You know, that's a real concern. There've been a few high profile cases of it.

I'm not too sure about the amounts, but one of the things I have a real issue with is that betting markets being framed on sub-elite sporting competitions like the Victory League, like the AFL Tasmania Statewide Football League. It's a real can of worms.

It's probably the lower end or second tiering that betting which is most open to concern, I suppose.

3.7 Harm minimisation and education

The qualitative data suggested that there were few, if any, social marketing, education, health promotion or related campaigns or resources that addressed the issue of sports betting specifically.

The financial counsellors who were interviewed recognised the value of informal awareness raising at home, where parents could discuss the issue with their children, drawing attention to the potential risks of sports betting, and gambling more broadly:

I did work with one of the mums around, how she could teach her children anti-gambling because it is in the extended family. I mean, the extended family have been gambling forever. It's just quite normalized in their family, actually, to gamble and so I worked with the mum about how to teach her children around gambling and to build their resilience and you know, lower the risk of them getting into gambling later.

It's really sending an anti-gambling message to your children whenever you see it. Like, the ads might come on television and you talk then about how gambling, you know, can - educate them around gambling and how it can impact.

And that's the whole thing with the thing on the TV gambling, the ads on the TV, the odds. You know, whenever the odds come on, talk about that, how that can be a risk.

The sports betting industry considered that they were working responsibly to implement strategies that could help monitor and reduce the impacts of harms related to gambling through sports betting.

There's a body called Australian Wagering Council which we're a member of as are all of the other corporate bookmakers, and we regularly meet to discuss these issues. I wouldn't say that we demand that people follow what we do, but we certainly encourage the others to implement these sorts of measures and the guys have been really good because they were quite a bit behind, in the last few years,

some of the Northern Territory bookmakers. But they've all now got a lot better and they've all got the same sort of financial limit, deposit limit, loss limit, functionality and some really useful information on the pages of their website for people who might be encountering problems.

All of our advertising complies with all of the various Federal and State requirements and codes of practices that have been implemented for the purposes of responsible gambling. Look, it's about sending a responsible message, it's about not trying to get people to bet more than they can afford.

The larger sports wagering companies had also used the Internet technologies to implement a range of “self-checks” and restrictions that bettors could impose on their own gambling activity:

We've also got a really, good little responsible gambling policy and program and a website dedicated to responsible gambling where people can use things like timers and trackers of how much they're spending or how much time, some gambling diaries, some self-help quizzes.

We also really encourage our customers to implement financial limits, so how much they would like to [spend] so it's voluntary in a way, which we find is a really good way to make sure that people are really only gambling within their means or spending within their means.

I think it's really important that we take this responsibility seriously. We've got a new functionality called Time Out, and what it does, it allows a customer to lock their account for a period of between 24 hours and a week. It doesn't impose any of the consequences that a self-exclusion might but it just lets people say, well, look, you know, I think I'm doing this a little bit too much at the moment. I'm going to take a break for this long, and it preserves their position. It prevents them from making any more bets.

If we have customers that we have any interactions with via our helpdesk, whether by a Web chat, email or, um, on the telephone primarily, if we can pick up that someone might be having an issue, then we'll definitely suggest that those are the places that they should be looking for help. So as much as possible, I think our guys are really well trained to be able to encourage people to look into those issues. There's also some really fascinating interesting research that we're involved with over in Europe at the moment about possible trigger signs that we might be able to implement some more early intervention strategies.

3.8 Summary

Despite the relatively small sample involved in this preliminary, exploratory study, there were several key themes that emerged. There was a very clear demographic or market for sports betting, and two inter-related groups identified as being potentially “at risk” of harms associated with sports betting – young men and, longer term, children and adolescents. The data also suggested strong associations with the accessibility of sports betting to new and current markets through ever expanding media technologies, and the perceived saturation of the sporting experience through betting related advertising and promotions, both at sports events and on television and related media, had fundamentally altered the experience of watching sport. Moreover, the most strongly felt belief among those who took part in the research was that sports betting represented a significant threat to the probity or integrity of sport in Australia, particularly at grass-roots and semi professional or sub-elite levels.

4. Discussion and recommendations

The empirical, qualitative, data and the earlier literature paint a preliminary picture of the proliferation, trends, and risks, particularly to vulnerable groups, of sports betting and its promotion. The data suggested that there were very clear demographics and motivations associated with sports betting; that it was regarded as a considerable and growing threat to the probity of sport more broadly and that the saturation marketing of advertising, marketing and the promotion of betting at sports fixtures (both televised and live) had fundamentally altered the experience of watching sport for spectators. While the interview data is preliminary, two markets were identified as being “at risk” or vulnerable to gambling related harms.

It was clear from the research that there are a number of gaps in our knowledge about sports betting that could benefit from an improved research and evidence base.

Recommendations for future research may include:

1. dedicated empirical studies of the practices and experiences of sports bettors themselves, as gamblers were not interviewed as part of this initial research;
2. empirical research with vulnerable or ‘at-risk’ groups, particularly young males and children and adolescents into “normalisation” of sports betting among sports fans and the community more broadly;
3. longitudinal studies with young people that can track their gambling activity and transitions into adult sports betting;
4. exploring how sports betting industry marketing strategies may affect the attitudes and behaviours of at risk groups;
5. exploring the extent to which public health and policy strategies, including harm minimisation messaging, are effective in responding to wagering industry marketing strategies during sporting matches;
6. exploring how to make both of the above more effective in reducing the harms and impacts of problematic sports betting among at risk groups;
7. keeping a ‘watching brief’ for new markets for sports betting, such as women or people from non-English speaking backgrounds.

In all of this, the importance of on-going research, monitoring and evaluation cannot be under-estimated. Research that can inform school and community-based education and related resources and campaigns is needed so as to provide information to those groups who are perceived as being at greatest risk of the potential harms of sports betting. This qualitative scoping research has provided the preliminary evidence base from which to develop these and related resources.

References

* For a comprehensive review of reference materials please refer to the Literature Review (see separate report) completed as part of stage one of this project.

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Appendix One: Interview guide

Introduction

- Overview of project
- About the interview
- Information sheet
- Reminder interview will be audio-recorded
- Any questions?
- Sign consent form

Perspectives on sports betting

1. From your perspective, what sports are either popular or becoming popular for people to bet on?
2. Have you seen/are you aware of a shift from other forms of betting to on-line sports betting?

Demographics

3. Who bets on sport on -line? (prompt for age, gender, SES etc)
4. What might be some of the reasons that people are /become involved in sports betting? (prompt for ease /availability of technology/interest in sport)
5. How are people betting (Internet, phone apps. other means)?
6. Where are people betting (home, work, other)?
7. How frequently are people betting? (weekends, around particular events or fixtures, more regularly)
8. Are you able to comment on how much people are betting? (either individual spend or comment on national estimates on spend)?
9. Do you know if people are mainly betting on sports in Australia or on international /overseas sports (e.g EPL, IPL0)?

Community perceptions

10. In your view, what are the main attitudes in the community to sports betting?
11. In your view, what are the main attitudes in the community to the advertising of sports betting at live and televised events? (prompt for “pop up” ads)

12. Are there any particular sections of the community (i.e groups or individuals) that might support sports betting over others? Why or why not?
13. Are there any particular sections of the community (i.e groups or individuals) which might be opposed to sports betting? Why or why not?

Changes to sport?

14. In general terms, what, if any, changes have you seen to sport, through sports betting?
15. What effect, if any, do you think that sports betting (including advertising and promotions) is having on sport at the corporate level? (Prompt. more commercial/more invasive/different sort of sponsorship/corporate involvement).
16. Do you think sports betting has changed, either positively or negatively, the experience of sport for spectators? (prompt, watching live or tv) In what ways?
17. Do you think sports betting has affected at all the probity or the integrity of sport and sporting clubs? (prompt, club or national level).

Financial costs and responsibilities

18. Are you able to comment at all on how much money /revenue is involved in gambling sponsorship in sporting clubs/in your club?
19. What are the financial implications, either positive or negative, of sports betting and its promotions, in sporting clubs/in your club?

Social effects and consequences

20. What effects, if any is sports betting, and its promotion (on tv, etc) having on individuals, and families?
21. What are the risks, particularly to vulnerable individuals and groups of the growth and a popularity of sports betting?
22. Who would you say these vulnerable groups and individuals are, and why?
23. Are you aware of any strategies or interventions that address the impacts of sports betting/online betting? Can you comment on these at all?