

Inquiry into Guidelines for the Classification of Computer Games 2023

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A submission created by Professor Sally Gainsbury
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The proposed changes would see a classification of R 18+ (Restricted to adults aged 18 and over) for games which contain simulated gambling and M (Mature – not recommended for persons under 15) for computer games containing loot boxes that can be purchased or other in-game purchases linked to chance.

I support the proposed changes. However, I recommend that computer games containing loot boxes that can be purchased or other in-game purchases linked to chance also be restricted to adults aged 18 and over in addition to the games which contain simulated gambling.

I led the [first Australian study](#) into the topic of simulated gambling and the incorporation of gambling mechanics and themes into social media and gaming, commissioned by Gambling Research Australia in 2015. I have led research since this time, and I note that my research is extensively cited in recent literature reviews and reports which lead to this inquiry (including a [literature review](#) commissioned by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts in 2022). The changes directly support the specific recommendations I made in my submission to the Department of Infrastructure, Transport, Regional Development and Communications review of Australian classification regulation in February 2020 (appended to this submission). As such, I will not reiterate the research findings which support the proposed changes here.

I uphold my previous recommendation that games containing loot boxes be restricted to adults aged 18 and over. This is based on the rationale that there appears to be a relationship between loot box purchases and problem gambling symptoms. Meta-analytic evidence shows that people with greater symptoms of problem gambling spend more on loot boxes than people with fewer problem gambling symptoms¹. The size of the association between loot box purchasing and

¹ Garea, S. S., Drummond, A., Sauer, J. D., Hall, L. C., & Williams, M. N. (2021). Meta-analysis of the relationship between problem gambling, excessive gaming and loot box spending. *International Gambling Studies*, 21(3), 460-479.

problem gambling symptomology is typically stronger for adolescents than for adults². Although the effects are correlational, they are meaningful regardless of the causal direction. That is, it is problematic if loot boxes are causing problem gambling symptomatology, or problem gambling is causing loot box spending as it indicates that a vulnerable population are at increased risk of overspending or experiencing other negative impacts due to engaging with loot boxes.

In addition to restricting access by children to games containing simulated gambling and loot boxes, the classifications are important as they draw attention to the mature nature of these mechanics. This is important as a signal to children, parents, adolescents, and adults to be mindful of the potential risks and negative impacts which may stem from engaging with games which include this content.

About the author

Professor Gainsbury (PhD, Doc.Clin.Psych, B.Psych(HonsI)), is Director of the Treatment and Research Clinic (GTRC) within the School of Psychology, and founder and leader of the Technology Addiction Team within the Brain and Mind Centre at the University of Sydney. Professor Gainsbury is the recipient of numerous awards and fellowships recognising her research expertise and the contribution of her research to meaningful policy and practice changes including being named NSW Tall Poppy of the Year (2019) and being awarded highly competitive SOAR, Robinson, and Thompson Fellowships from the University of Sydney in addition to Early Career Research Excellence Awards from the University of Sydney and Southern Cross University. Her research focuses on understanding gambling behaviours and cognitions to develop and evaluate policies and practices to reduce gambling harm with a focus on the role of technology. Professor Gainsbury has published over 150 academic papers which have been cited over 8700 times across more than 2000 documents in 80 countries and 23 fields. In 2021 she was named one of ten Most Influential Women by major international media outlet iGamingBusiness.

Professor Gainsbury has received direct and indirect funding from industry, government, and community organisations. In the last three years, Professor Gainsbury has consulted for The Star, KPMG, QBE, Gamble Aware, Behavioural Insights Team, GREO, Betcloud; and Norths Collective; received research support from ALH; Entain Australia, Sportsbet, Wymac Gaming Solutions, Cambridge Health Alliance, NSW Office of Responsible Gambling; provided presentations for Leagues Clubs Australia, Australian Cricketers' Association, The Star, Asian Racing Federation, Washington State Council. Her work focuses on minimising gambling-related harms through developing and evaluating policies and practices with a focus on the impact of technology.

The GTRC is one of the world's leading gambling research centres and Australia's only university-based gambling treatment clinic. It provides gambling treatment services under the NSW Office of Responsible Gambling's GambleAware branding, leading the provision of services across three regions in NSW (Central Sydney, South West Sydney, and Blue Mountains-Western Sydney).

² Zendle, D., Meyer, R., & Over, H. (2019). Adolescents and loot boxes: Links with problem gambling and motivations for purchase. *Royal Society Open Science*, 6(6), 190049.

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Review of Australian classification regulation

- Games are increasingly incorporating gambling themes and mechanics, which have an apparent impact on a subset of gamblers including migration to real money gambling.
- Gambling-themed games can normalise gambling and increase favourable attitudes towards gambling, which is particularly problematic among children and adolescents.
- Gambling content within games should result in a MA15+ classification with restrictions on availability of in-game purchases to adults.

Thank you for the opportunity to make a submission to the Review of Australian classification regulation. I am writing in my capacity as [Associate Professor](#) in the University of Sydney School of Psychology, Co-Director of the [Gambling Treatment and Research Clinic](#), and founder and leader of the Brain and Mind Centre's [Gather Team](#), a multidisciplinary effort to minimise the impact of persuasive and predatory technology on harmful decisions and behaviour. My research focusses on understanding the psychology of gambling to enable the development and evaluation of effective harm-minimisation practices and policies.

It has become apparent that the gambling and gaming fields are converging; gambling products are increasingly incorporating features from games (arcade, mobile, online video), and games are beginning to incorporate gambling themes and mechanics. This submission urges the review to closely consider the increasing availability of gambling themes and mechanics within games and the potential impact of these, particularly on children and adolescents.

Gambling-themed games refer to games which simulate gambling activities. Some variants enable credits to be purchased with real money, but the games do not provide real money prizes¹. Games often share many characteristics in common with gambling, particularly in relation to structural design². Australian gamers surveyed reported that gambling-themed games were somewhat similar to gambling in terms of look (66.6% somewhat, 18.4% very similar, 15% not at all) and general experience (58% somewhat, 13.6% very similar, 28.4% not at all), and had similar levels of excitement (50.7%) or were not as exciting (41.8%) when winning in gambling (7.5% more exciting).

¹ Sally Gainsbury et al., "A Taxonomy of Gambling and Casino Games via Social Media and Online Technologies," *International Gambling Studies* 14, no. 2 (May 4, 2014): 196–213, <https://doi.org/10.1080/14459795.2014.890634>.

² Stephanie Bramley and Sally M. GAINSBURY, "The Role of Auditory Features Within Slot-Themed Social Casino Games and Online Slot Machine Games," *Journal of Gambling Studies* 31, no. 4 (December 1, 2015): 1735–51, <https://doi.org/10.1007/s10899-014-9506-x>; Daniel King, Paul Delfabbro, and Mark Griffiths, "The Convergence of Gambling and Digital Media: Implications for Gambling in Young People," *Journal of Gambling Studies* 26, no. 2 (June 1, 2010): 175–87, <https://doi.org/10.1007/s10899-009-9153-9>.

Those who reported having gambled as a result of gambling-themed games were significantly more likely to report that the games were similar to gambling in look, feel, and level of excitement when winning, suggesting that the gambling-theme is highly impactful for a sub-population of users.

One of the theorised consequences of gambling-themed games is the normalisation of gambling behaviours³. If people play gambling-themed games, they may be more likely to view gambling as an acceptable everyday activity and develop favourable attitudes to gambling, transferred from their positive experiences with the games. It has been hypothesized that that gambling-themed games may represent a gateway product that could precede gambling. This is supported by interviews with Australians who reported that playing gambling-themed games may lead to gambling because the similarity between the two activities may encourage user familiarity and transition in the hope of winning prizes of value⁴. For some users with gambling problems, social casino games acted as a trigger and exacerbated gambling, and at least one participant attributed their gambling and associated problems to earlier gambling-themed gaming experiences.

In a study of 521 Australian adults, almost one-fifth (19.4%, n=101) of gambling-themed game users reported that they had gambled for real money as a result of playing the game and among these, 49.5% reported that their gambling had increased as a result of the games⁵. Those who had migrated to gambling were more likely to be male, younger, and speak a language other than English at home. A notable minority (17.9%) of gambling game users thought it was likely that their experience would increase their success at real money gambling. This suggests that gambling-themed games encourages irrational beliefs, which may exacerbate gambling, leading to financial losses.

A study with 130 Australian adolescents (12-17 years) found that 29% of those who had played gambling-themed games reported that their desire to gamble had increased and 28% reported that their gambling had increased as a result of the games. Young people appear to be focused on the possibility of winning money gambling and it is possible that social casino games increase irrational beliefs in future success at gambling activities⁶. Amongst the adolescents who reported some gambling-related harm, 29% indicated that the gambling games had contributed to these.

The impact of gambling-themed games on adolescents may be compounded by advertisements for these games, which are typically unrestricted in terms of age. One analysis of online game advertisements viewed by Australian young adults found that these often contained imagery likely to appeal to children and adolescents, including cartoon images, graphics of children or young people, animal characters⁷. The message themes glorified gambling, focused on winning and money, provided an easy entry path (e.g., offers of free chips and bonuses, calls to ‘play now’) and encouraged engagement with the gambling-themed games. Youth are highly receptive to messages within advertisements and can be targeted by game companies without restriction.

³ Department of Broadband Communications and the Digital Economy, “Final Report 2012: Review of the Interactive Gambling Act 2001” (Canberra, Australia: Department of Broadband, Communications and the Digital Economy, 2013); Jeffrey L. Derevensky and Sally Gainsbury, “Social Casino Gaming and Adolescents: Should We Be Concerned and Is Regulation in Sight?,” *International Journal of Law and Psychiatry* 44 (January 2016): 1–6, <https://doi.org/10.1016/j.ijlp.2015.08.025>.

⁴ Sally Gainsbury et al., “An Exploratory Study of Interrelationships Between Social Casino Gaming, Gambling, and Problem Gambling,” *International Journal of Mental Health and Addiction* 13, no. 1 (February 1, 2015): 136–53, <https://doi.org/10.1007/s11469-014-9526-x>.

⁵ Sally Gainsbury et al., “Migration from Social Casino Games to Gambling: Motivations and Characteristics of Gamers Who Gamble,” *Computers in Human Behavior* 63 (October 2016): 59–67, <https://doi.org/10.1016/j.chb.2016.05.021>.

⁶ Sally Gainsbury et al., “The Use of Social Media in Gambling,” *Gambling Research Australia*, 2015.

⁷ Brett Abarbanel et al., “Gambling Games on Social Platforms: How Do Advertisements for Social Casino Games Target Young Adults?,” *Policy & Internet* 9, no. 2 (2017): 184–209, <https://doi.org/10.1002/poi3.135>.

More research is unquestionably needed to further unpack the relationship between gaming and gambling and related behavioural addictions. Research that includes longitudinal components and assess directionality and causation of engagement and problems will inform on the dynamic interactions between these activities and related harms. Nonetheless, there is merit in increased regulatory scrutiny where possible of games as consumer products that may be predatory and/or lead to harmful and addictive use. Efforts are needed to protect vulnerable consumer groups with limited ability to make informed choices, including children and adolescents. This may include educational strategies targeting parents, young people, and professionals working with youth, consumer protection measures within games, and revised age ratings for gambling content and in-game purchasing. Predatory practices and marketing targeting youth should be considered by policy makers and whether stricter codes of conduct are needed for games, particularly as the understanding of the etiology of gaming addiction progresses.

To assist in classifying the level of gambling content within games, I recommend the use of a checklist developed by King, Gainsbury, Delfabbro, Hing, and Abarbanel⁸.

Table 1. A checklist for conceptualising gambling and gambling-like features in gaming activities

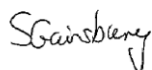
FEATURE	TYPE 1			TYPE 2			TYPE 3		
<i>Interactivity</i>	Non-interactive			Interactive					
<i>Monetisation level</i>	Free/earned currency			Purchased currency			Financially redeemable		
	context	loyalty	exchange	cosmetic	play	exchange	no	indirect	yes
<i>Betting/wagering mechanics</i>	No betting			Wagering or betting options					
<i>Determination of outcome</i>	Chance-determined			Combination of chance and skill			Predominantly skill-based		
<i>Measurement of outcome</i>	No quantified indicator			Non-financial (currency, points, XP, unlocks)			Financial		
<i>Structural fidelity</i>	No resemblance			Some resemblance			High parity		
<i>Context</i>	Stand-alone product			Offered within financial gambling product or context					
<i>Centrality</i>	Primary and exclusive			Secondary					
				mandatory	optional				
<i>Advertising</i>	None			Advertising					
				games	\$\$\$ brand	\$\$\$ gamb			

Based on the existing research, I recommend that the current inquiry consider:

- Classifying games with a high level of gambling content to appropriate for a mature audience – MA15+
- Restricting advertisements for games with a high level of gambling content to adults
- Restricting in-game payments in games with a high level of gambling content to adults

Thank you for the opportunity to make this submission. Please let me know if I can be of any further assistance with this inquiry.

Yours sincerely,



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⁸ Daniel L. King et al., "Distinguishing between Gaming and Gambling Activities in Addiction Research," *Journal of Behavioral Addictions* 4, no. 4 (December 1, 2015): 215–20, <https://doi.org/10.1556/2006.4.2015.045>.