Internet Gambling

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INTRODUCTION

Technology has always played a role in the development of gambling practices and continues to provide new market opportunities. One of the fastest growing areas is that of Internet gambling (also known as online gambling). Examples include online lotteries, online casinos, online bookmakers, online betting exchanges, online poker sites, etc. The impact of such technologies should not be accepted uncritically, particularly as there may be areas of potential concern based on what is known about problem gambling off-line. This article therefore has three aims. Firstly, it highlights salient factors in the rise of Internet gambling (i.e., accessibility, affordability, anonymity, convenience, escape immersion/dissociation, disinhibition, event frequency, associability, and simulation). Secondly, it examines whether Internet gambling is "doubly addictive" given research that suggests that the internet can be addictive itself. Finally, it overviews some of the main social concerns about the rise of Internet gambling before examining a few future trends in relation to remote gambling more generally.

BACKGROUND

Early prevalence studies of Internet gambling in the UK, Canada, and the U.S. have shown that Internet gambling is not a cause for concern at present in relation to *gambling addiction* (Griffiths, 2001; Ialomiteanu & Adlaf, 2001; Ladd & Petry, 2002). However, the social costs of Internet gambling is beginning to emerge. To date, knowledge and understanding of how the medium of the Internet affects gambling behavior is sparse. Globally speaking, proliferation of Internet access is still an emerging trend and it will take some time before the effects on gambling behavior surface. However, there is strong foundation to speculate on the potential

hazards of Internet gambling. For instance, Griffiths (2003) has identified the use of virtual cash, unlimited accessibility, and the solitary nature of gambling on the Internet as potential risk factors for problem gambling development and *Internet gambling addiction*.

THE IMPACT OF TECHNOLOGY ON GAMBLING: SALIENT FACTORS

According to Griffiths (2003), there are a number of factors that make online activities like Internet gambling potentially seductive and/or addictive. Such factors include anonymity, convenience, escape, dissociation/immersion, accessibility, event frequency, interactivity, disinhibition, simulation, and associability. Outlined next are some of the main variables that may account for acquisition and maintenance of some online behaviors (adapted from Griffiths, 2003; Parke & Griffiths, 2005). It would also appear that virtual environments have the potential to provide short-term comfort, excitement, and/or distraction.

Accessibility: Access to the Internet is now commonplace and widespread, and can be done easily from the home and/or the workplace. Given that prevalence of behaviors is strongly correlated with increased access to the activity, it is not surprising that the development of regular online use is increasing across the population. Fundamentally, increased accessibility of gambling activities enables the individual to rationalize involvement in the "risk-behavior" by removing previously restrictive barriers such as time constraints emanating from occupational and social commitments. With reductions in time required to select, place wagers and collect winnings, gambling as a habitual activity appears more viable,

- as social and occupational commitments are not necessarily compromised (Parke et al., 2005).
- Affordability: Given the wide accessibility of the Internet, it is now becoming cheaper and cheaper to use the online services on offer. Parke et al. (2005) concluded that the overall cost of gambling has been reduced significantly through technological developments rendering affordability less of a restrictive force when it comes to rationalizing involvement in the behavior. For example, the saturation of online gambling industry has lead to increased competition, and the consumer is benefiting from the ensuing promotional offers and discounts available on gambling outlay.
- Anonymity: The anonymity of the Internet allows users to privately engage in gambling without the fear of stigma. For activities such as gambling, this may be a positive benefit particularly when losing as no one will actually see the face of the loser. Parke et al. (2005) believe that anonymity, like increased accessibility, may reduce social barriers to engaging in gambling, particular skill-based gambling activities such as poker that are relatively complex and often possess tacit social etiquette.
- Convenience: Online behaviors will usually occur in the familiar and comfortable environment of home or the workplace thus reducing the feeling of risk and allowing even more adventurous behaviors that may or may not be potentially addictive. For the gambler, not having to move from their home or their workplace may be of great positive benefit.
- engage in Internet gambling will be the gratification they experience online. However, the experience of Internet gambling itself may be reinforced through a subjectively and/or objectively experienced "high." The pursuit of mood-modificating experiences is characteristic of addictions. The mood-modificating experience has the potential to provide an emotional or mental escape and further serves to reinforce the behavior. Excessive involvement in this escapist activity may lead to addiction.
- Immersion/Dissociation: The medium of the Internet can provide feelings of dissociation and immersion and may facilitate feelings of escape. Dissociation and immersion can involve lots of

- different types of feelings. This can include losing track of time, feeling like you're someone else, blacking out, not recalling how you got somewhere or what you did, and being in a trance like state. All of these feelings when gambling on the Internet may lead to longer play either because "time flies when you are having fun" or because the psychological feelings of being in an immersive or dissociative state are reinforcing.
- **Disinhibition:** This is clearly one of the Internet's key appeals as there is little doubt that the Internet makes people less inhibited (Joinson, 1998). Online users appear to open up more quickly online and reveal themselves emotionally much faster than in the off-line world. For the gambler, being in a disinhibited state may lead to more money being gambled, particularly if they are motivated to maintain their initial persona (e.g., as a skillful online poker player).
- Event frequency: The event frequency of any gambling activity (i.e., the number of opportunities to gamble in a given time period) is a structural characteristic designed and implemented by the gaming operator. A general rule of thumb is that the higher the event frequency, the more addictive the activity tends to be (Griffiths, 2003). When gambling on the Internet, the event frequency can be very rapid, particularly if the gambler is subscribed or visits several sites. Parke et al. (2005) concluded that the high event frequency in skill-based games like online poker provides increased motivation to participate in such gambling activities. Furthermore, because of technological developments, poker gamblers can participate in several games simultaneously. With reduced time limits for decision making in comparison to traditional poker games, games are also completed at a substantially faster rate.
- Simulation: Simulations provide an ideal way in which to learn about something and which tends not to have any of the possible negative consequences. However, Internet gambling simulations may have unthought of effects. Many online gambling sites have a *practice mode* format where a potential customer can place a pretend bet in order to see and practice the procedure of gambling on that site. Although this activity can not be regarded as actual gambling as there is no "real" money involved, it can be accessed

by minors and possibly attract an underage player into gambling. Also, gambling in practice modes available within the gambling Web site, may build self-efficacy and potentially increase perceptions of control in determining gambling outcomes motivating participation in their "real cash" counterparts within the site (Parke et al., 2005; Sevigny, Cloutier, Pelletier, & Ladouceur, 2005).

Associability: One of the consequences of technology and the Internet has been to reduce the fundamentally social nature of gambling to an activity that is essentially asocial. Those who experience problems are more likely to be those playing on their own (e.g., those playing to escape).

In addition to these factors, there are many other specific developments that look likely to facilitate uptake of remote gambling services including (1) sophisticated gaming software, (2) integrated e-cash systems (including multi-currency), (3) multi-lingual sites, (4) increased realism (e.g., "real" gambling via Webcams, player and dealer avatars), (5) live remote wagering (for both gambling alone and gambling with others), and (6) improving customer care systems.

INTERNET ADDICTION AND INTERNET GAMBLING ADDICTION

It has been alleged that social pathologies are beginning to surface in cyberspace (i.e., "technological addictions") (Griffiths, 1995). Technological addictions can be viewed as a subset of behavioral addictions and feature all the core components of addiction (e.g., salience, euphoria, tolerance, withdrawal, conflict, and relapse) (see Griffiths, 2005). Young (1999) claims Internet addiction is a broad term that covers a wide variety of behaviors and impulse control problems, and is categorized by five specific subtypes (cybersexual addiction, cyber-relationship addiction, net compulsions, information overload, and computer addiction). Griffiths (2000a) has argued that many of these excessive users are not "Internet addicts" but just use the Internet excessively as a medium to fuel other addictions. Put very simply, a gambling addict who engages in their chosen behavior online is not

addicted to the Internet. The Internet is just the place where they engage in the behavior.

However, in contrast to this, there are case study reports of individuals who appear to be addicted to the Internet itself (Griffiths, 2000b). These are usually people who use Internet chat rooms or play fantasy role playing games—activities that they would not engage in except on the Internet itself. These individuals to some extent are engaged in text-based virtual realities and take on other social personas and social identities as a way of making themselves feel good about themselves. In these cases, the Internet may provide an alternative reality to the user and allow them feelings of immersion and anonymity that may lead to an altered state of consciousness. This in itself may be highly psychologically and/or physiologically rewarding.

To a gambling addict, the Internet could potentially be a very dangerous medium. For instance, it has been speculated that structural characteristics of the software itself might promote addictive tendencies. Structural characteristics promote interactivity and to some extent define alternative realities to the user and allow them feelings of anonymity—features that may be very psychologically rewarding to such individuals. There is no doubt that Internet usage among the general population will continue to increase over the next few years and that if social pathologies exist then there is a need for further research. This area has particular relevance to the area of gambling in the shape of Internet gambling. Despite evidence that both gambling and the Internet can be potentially addictive, there is no evidence (to date) that Internet gambling is "doubly addictive" particularly as the Internet appears to be just a medium to engage in the behavior of choice. What the Internet may do is facilitate social gamblers who use the Internet (rather than Internet users per se) to gamble more excessively than they would have done off-line.

INTERNET GAMBLING: PSYCHOSOCIAL ISSUES

Technological advances in the form of Internet gambling are providing *convenience gambling*. Theoretically, people can gamble all day every day of the year. This will have implications for the social impact of Internet gambling. Griffiths and Parke (2002) previously outlined some of the main social issues concerning Internet gambling. These are briefly described next:

- **Protection of the vulnerable:** There are many groups of vulnerable individuals (e.g., adolescents, problem gamblers, drug/alcohol abusers, the learning impaired, etc.) who in off-line gambling would be prevented from gambling by responsible members of the gaming industry. However, Internet gambling sites provide little in the way of "gatekeeping." In cyberspace, how can you be sure that adolescents do not have access to Internet gambling by using a parent's credit card? How can you be sure that a person does not have access to Internet gambling while they are under the influence of alcohol or other intoxicating substances? How can you prevent a problem gambler who may have been barred from one Internet gambling site, simply clicking to the next Internet gambling link? These are all serious concerns that both regulatory authorities and Internet gambling service providers will have to take on board.
- Electronic cash: For most gamblers, it is very likely that the psychological value of electronic cash (e-cash) will be less than "real" cash (and similar to the use of chips or tokens in other gambling situations). This is well known by both those in commerce (i.e., people typically spend more on credit and debit cards because it is easier to spend money using plastic), and by the gaming industry. This is the reason that "chips" are used in casinos. In essence, chips "disguise" the money's true value (i.e., decrease the psychological value of the money to be gambled). Chips are often regambled without hesitation as the psychological value is much less than the real value. Evidence would seem to suggest that people will gamble more using e-cash than they would with real cash.
- Increased odds of winning in practice modes:
 One of the most common ways that gamblers can be facilitated to gamble online is when they try out games in the "demo," "practice," or "free play" mode. Recent research carried out by Sevigny et al. (2005) showed it was significantly more commonplace to win while "gambling" on the first few goes on a "demo" or "free play" game. They also reported that it was commonplace for gamblers to have extended winning streaks during prolonged periods while playing in the "demo" modes. Obviously, once gamblers start to play

- for real with real money, the odds of winning are considerably reduced.
- Unscrupulous operators: Many concerns about the rise of Internet gambling concern unscrupulous practices operated by some Internet gambling sites. A major issue concerns the "trustworthiness" of the site itself. For instance, on a very basic trust level, how can an Internet gambler be sure they will receive any winnings from an unlicensed Internet casino operating out of Antigua or the Dominican Republic? There are, however, other issues of concern including the potentially unscrupulous practices of *embedding* and *circle jerks* and "pop-ups" (see Key Terms section).

Perhaps the most worrying concerns over Internet gambling is the way sites can collect other sorts of data about the gambler. Such data can tell commercial enterprises (such as those in the gambling industry) exactly how customers are spending their time in any given financial transaction (i.e., which games they are gambling on, for how long, and how much money they are spending etc.). Many consumers are unknowingly passing on information about themselves that raises serious questions about the gradual erosion of privacy. Customers are being profiled according to how they transact with service providers. Using very sophisticated software, gaming companies can tailor its service to the customer's known interests. When it comes to gambling, there is a very fine line between providing what the customer wants and exploitation. The gaming industry sell products in much the same way that any other business sells things. They are now in the business of brand marketing, direct marketing (via mail with personalized and customized offers), and introducing loyalty schemes (which create the illusion of awareness, recognition, and loyalty).

They know more about the gambler's playing behavior than the gamblers themselves. They are able to send the gambler offers, redemption vouchers, complimentary accounts, and so forth. The industry claims all of these things are introduced to enhance customer experience. However, more unscrupulous operators will be able to entice known problem gamblers back onto their premises with tailored freebies (such as the inducement of "free" bets in the case of Internet gambling). The introduction of Internet gambling has come at a price, and that price is an invasion of the gambler's privacy.

FUTURE TRENDS

The rise and challenges of Internet gambling cannot be seen in isolation particularly as there is ever-increasing multi-media integration between the Internet, mobile phones, and interactive television (i-TV). Griffiths (2003) claimed people are more likely to spend money in particular media. For instance, the Internet can be described as a "lean forward" medium. This means that the user (who is usually alone) takes an active role in determining what they do. Computers are better at displaying text than television and have a wider range of fine-tuning controls through the mouse and keyboards. This makes them more suitable for complex tasks such as obtaining insurance quotations or travel itineraries. In contrast, the television is a "lean back" medium where the viewer (often as part of a group) is more passive and seeks less control over what is going on. The television is better at displaying moving images than computers. This may have implications for the types of gambling done in particular media.

Furthermore, i-TV may also help in one other important area—trust. People appear to trust their television even though it is accessing the Internet in the same way as a computer. However, as previously argued, i-TV is a "lean back" service. If a person is relaxed sitting back on their sofa, it will make television the key to creating a true mass market for online commercial activity (including gambling). In addition, some i-TV services can be linked to actual television programs (such as betting on horse races). Browsing and buying by i-TV are still in its infancy but look set to expand significantly in the future.

CONCLUSION

Analysis of the technological components in gambling activities indicate that situational characteristics impact most on acquisition and that structural characteristics impact most on development and maintenance. Furthermore, the most important of these factors appears to be accessibility of the activity and event frequency. It is when these two characteristics combine that the greatest problems could occur in remote gambling. It can be argued that games that offer a fast, arousing span of play, frequent wins, and the opportunity for rapid replay are associated with problem gambling. There is no doubt that frequency of opportunities to gamble (i.e.,

event frequency) is a major contributory factor in the development of gambling problems (Griffiths, 1999). Addictions are essentially about rewards and the speed of rewards. Therefore, the more potential rewards there are, the more addictive an activity is likely to be. However, there is no precise frequency level of a gambling game at which people become addicted since addiction will be an integrated mix of factors in which frequency is just one factor in the overall equation.

Furthermore, Parke and Griffiths (2004) point out that the most effective way to control the effects of the idiosyncratic features of Internet gambling on development of problematic gambling behavior is to provide individuals with a scrutinized, regulated Internet gambling industry. All over the world, the recognition of the inability to prohibit Internet gambling successfully, has lead various jurisdictions to turn attention to developing harm minimization regulations.

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KEY TERMS

Circle Jerks and "Pop-Ups": Circle jerks are telescoping windows. If someone online accesses a particular type of site and try to get out of it, another box offering a similar type of service will usually "pop up." Many people find that they cannot get out of the never-ending loop of sites except by shutting down their computer. Obviously, those sites that use "circle jerks" hope that a person will be tempted to access a service they are offering while their site is on the screen. This is also related to the continual "pop ups" that appear while surfing the Internet, offering users free bets in online casinos and tempting those who may not have thought about online gambling before. Pop-ups such as these can also be a big temptation for a recovering problem gambler.

Embedding: A common practice referring to the "embedding" of certain words on an Internet gambling site's Web page through the use of "meta-tags." A meta-tag is a command hidden in the Web page to help search engines categorize sites (i.e., telling the search engine how they want the site indexed). Some Internet gambling sites appear to have used the word "compulsive gambling" embedded in their Webpage. In essence, what such unscrupulous sites are saying is "index my casino site in with the other compulsive gambling sites" so people will "hit" this site when they are looking for other information related to compulsive gambling. People looking for help with a gambling problem will get these sites popping up in front of them. This is a particularly unscrupulous practice that at the moment is perfectly legal.

Gambling Addiction: Refers to an addiction to gambling whereby the individual's life is taken over

Internet Gambling

by gambling. Gambling becomes the single most important activity in that person's life that they often do to the neglect of everything else in their life. They build up tolerance over time, use the activity as a mood modificating behavior, and suffer withdrawal symptoms if they are unable to gamble.

Internet Gambling: This is any form of gambling that is done on the Internet and covers many different types. This includes gambling in online casinos (on simulated slot machines, roulette wheels, etc.), gambling in betting exchanges (where gamblers make private bets with other punters and are paired up by the service provider), gambling on lotteries (such as playing the national lotto game via the Internet, or use of an electronic scratchcard), and gambling at online poker sites (where punters play in real time against other real competitors). Also known as online gambling.

Internet Gambling Addiction: An online gambling addiction (see gambling addiction). Here gamblers use the convenient medium of the Internet to facilitate their gambling addiction. These people are not Internet addicts as they are not addicted to the Internet. It is the gambling that they are addicted to.

Online Gambling: See Internet gambling.

Practice Mode: This is "free play" facility offered by numerous online gambling service providers that give players the opportunity to play for free and "practice" the game without spending any money. These are also known as "demonstration" ("demo") or "free play" modes.

Remote Gambling: This is any form of gambling that is provided remotely by gaming operators. This is includes Internet gambling, interactive television gambling, and cell phone gambling.