Further analysis of the B2 machines loyalty card survey

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Overview

In 2014, a survey of 4001 people who gambled on machines in bookmakers (called B2 machines hereafter) and who held a loyalty card for William Hill, Ladbrokes or Paddy Power was conducted by NatCen Social Research.

This survey collected information on gambling behaviour, including problem gambling, and linked survey responses with data held by bookmakers about each person's gambling on B2 machines between September 2013 and June 2014.

The Responsible Gambling Strategy Board (RGSB) wanted to analyse this data further and set out a series of questions they wanted answers to.
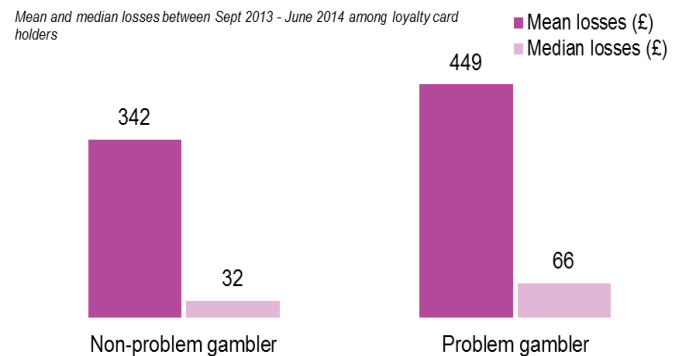
The research questions

The research questions set by the RGSB were to:

- estimate the proportion of losses on B2 machines that were attributable to problem gamblers;
- investigate the distribution of losses on B2 machines between problem and non-problem gamblers;
- explore the profile of people who lost the most money on B2 machines;
- examine the profile of those who used the maximum stake (£100) on B2 machines;
- examine whether there were different types of problem gamblers and, if so, to explore how their profile varied;
- explore differences between machine players who mainly played B2 games (those with a maximum stake of £100), mainly played B3 games (those with a maximum stake of £2) and those who played both, and
- to explore whether there were any differences in gambling behaviour based on whether someone lived in close proximity to a cluster of bookmakers or not.

Key findings

- Among loyalty card holders who gambled on B2 machines, there was a somewhat uneven distribution of losses among problem gamblers; 26% of losses were attributable to 23% of players who were problem gamblers.
- Between September 2013 and June 2014, mean and median losses on B2 machines were higher among problem gamblers (£450) than non-problem gamblers (£340).

Mean and median losses between Sept 2013 - June 2014 among loyalty card holders

■ Mean losses (£) ■ Median losses (£)

- These differences were smaller than previously thought. This is likely because of the skewed nature of the sample. People who have a loyalty card for a bookmaker are very regular gamblers meaning that machine gambling behaviour between non-problem and problem gamblers maybe more similar than different.
- Overall, around 65% - 70% of total losses were attributable to around 20% of loyalty card holders.
- Those who lost the most money on B2 machines were more likely to be older, to have placed a maximum stake bet of £100, to say that B2 machines were their most frequent form of gambling and to gamble on machines for longer and more often than others.
- There was no evidence that those who lost the most money on B2 machines had greater income levels than those who lost the least.
- Overall, 16% of regular loyalty card users had placed a maximum bet of £100 on B2 machines.
- Those from minority ethnic groups (over 30%) were more likely to have placed a maximum stake bet as were problem gamblers (20%), who were also more likely to have placed a maximum stake bet more often. Those who were unemployed were more likely to use a maximum stake bet more often than others.
- People who placed maximum stake bets tended to gamble on B2 machines more often.

- Overall, 45% of loyalty card holders gambled on a mix of B2 and B3 games, 34% played mainly B2 games and 21% played mainly B3 games.
- Those who played mainly B2 games were younger, male and were less engaged with other forms of gambling than others.
- Four different types of problem gamblers were identified. There were: introspective problem gamblers (whose issues focused on feelings of guilt and awareness of problems); control-loss problem gamblers (who mainly chased losses, spent more than they could afford and needed to gamble with larger amounts of money to get the same excitement) and diverse aware and severe aware problem gamblers (who experienced a broad spectrum of issues and were generally aware that their gambling was problematic).
- Both severe aware and diverse aware problem gamblers were more likely to say that machines were their most frequent form of gambling activity.
- Finally, spatial analysis showed that rates of problem gambling and at-risk gambling were higher among those who lived near to a greater number of bookmakers and among those who lived in close proximity to a concentration of bookmakers. However, the number of B2 machine sessions and number of gambling days on B2 machines did not vary by proximity to bookmakers.

Conclusions

Unequal distribution of losses

Among loyalty card holders, losses on machines were not equally distributed. Around 20% of people accounted for 65-70% of all losses. Those who lost the most money were more engaged in machine gambling generally and were more likely to have placed a maximum stake bet of £100. However, they had similar income levels to those who lost the least, raising questions about whether those who lost the most on B2 machines could afford this or not.

Not all problem gamblers are the same

For the first time, different types of problem gambler were identified based on the range and type of problems experienced. To date, much work has been done looking at whether algorithms can be applied to industry data to predict who might experience problems. These algorithms may be better at picking up one type of problem gambler than another. Control loss problem gamblers stated they chased losses and needed to gamble with increasing amounts of money to get the same excitement. It should be

possible to identify similar patterns of play from industry data for individuals. However, introspective problem gamblers focused on feelings of guilt and feeling that they had a problem (alongside chasing) meaning it may be harder to identify these people using industry data alone.

Vulnerable groups

This research has shown that those groups who are vulnerable to gambling problems have, in some cases, quite different patterns of gambling on B2 machines. Those from minority ethnic groups were more likely to place a maximum stake bet and those who were unemployed were more likely to place a maximum stake bet more often. There is evidence that loyalty card holders who live in close proximity to a concentration of bookmakers could also be considered more vulnerable to problems due to the higher rates of at-risk and problem gambling among them.

Limitations

Findings from this study are not representative of all people who gamble on B2 machines. Only around 10% of B2 machine players had a loyalty card and loyalty card holders were very engaged gamblers generally. Results should not be viewed as representative of all B2 machines players but of loyalty card holders only.

The relationships reported are correlations and do not necessarily imply causation. This is particularly important for the findings relating to problem gambling behaviour and proximity to concentrations of bookmakers as there are many potential explanations for this pattern. However, this research shows a relationship between problem gambling and concentrations of bookmakers for the first time. When thinking about areas where there are populations who are at greater risk of harm, we suggest there is need to consider the local profile of people who live near to concentrations of bookmakers.

In April 2015, the Department for Media, Culture and Sport introduced new regulations around how gamblers could place bets of £50 or more on B2 machines. Evaluation of this initiative showed that its main impact was to reduce the number of stakes placed at £50 or more. The data reported in this analysis pre-dates this change and thus provides a baseline against which to assess changes in machine gambling behaviour. It will be interesting to explore if the initiative has changed who is more likely to use a maximum stake bet.