

Moving from Product Risk to Product Safety - What's the difference?

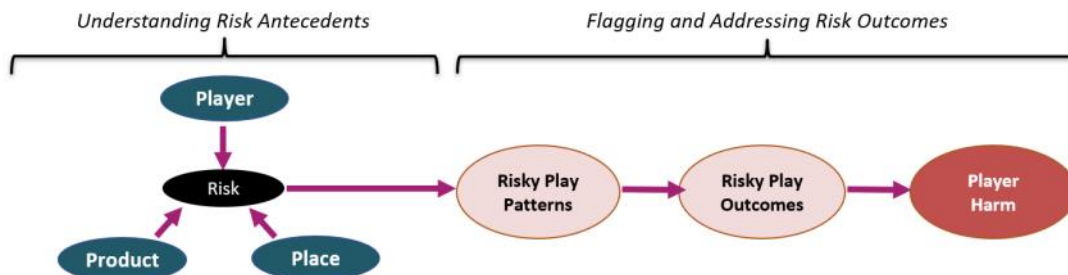
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Setting the scene

In a popular LinkedIn article written in December 2022 on the gambling industry and regulatory solutions and services (Dragicevic, 2022), I commented that product risk remained an outlier (for now). In the article, it states:

"There hasn't been much innovation in this space [product risk] for over a decade as the focus has largely been on the player element of the epidemiological triad (Player, Product, Place). Once Player-centric solutions have been largely addressed, and we might be nearly there with affordability and single customer view in the pipeline (in the UK), there will be increased regulatory focus on Place (already subject to a recent Behavioural Insights Team report on choice architecture and dark patterns, again in the UK) and Product, likely focusing on the game mechanics of the more continuous and faster verticals like casino, slots, scratch cards and in-play betting".

There is a lot to unpack in this paragraph, so let's start with the three P's in consumer protection; player, product and place. As outlined in a recent study on online slots product safety I co-authored (Percy et. al, 2021), a public health approach to gambling-related harm encourages consideration of three interacting factors (Productivity Commission, 1999; Shaffer & Korn, 2002). These are (i) the structural characteristics of activities (e.g., the gambling product, its look and feel and mathematical reward structure); (ii) the environment or context (e.g., venues, gambling medium or culture); and (iii) the nature of the 'host' (i.e., the players or consumers). The following schematic (Playtech, 2022) shows this interplay between the player, product and place and how player harms can derive from this interplay:



Problem gambling and harm arises from a combination of individual, environmental and product factors

So far much of the focus of regulators, research and policy has been upon players, including their characteristics and behaviour. Relatively less attention has been directed to the nature of the product and this complex inter-relation between player characteristics and contextual factors.

This is now changing as player centric consumer protections become more mature and widespread. It is the reason we created GSI, with an ambition to become a home for evidence-based discussion on, primarily the product, as well as its relationship with place and player.

Why not product risk?

We know from experience that the nomenclature in the gambling consumer protection space causes debate and controversy and is constantly evolving (the obvious examples being the terms responsible gaming/gambling and problem gambling and their many variants). Debate is also driven around the term product risk. It was also Shaffer and Korn (2002) who defined gambling as "risking something of value on the outcome of an event when the probability of winning is less than certain". The "risking something of value" is inherent in all forms of gambling and there would be no gambling if the player was not risking anything of value i.e., money. Anyone who has gambled knows this feeling; gambling using a free to play mode v. real money gambling is a completely different experience. So, every form of real money gambling, regardless of the product, has risk associated with it.

Some might argue that some forms of gambling products are riskier than others, and there is evidence to suggest this to be true. For example, in Delfabbro et. al (2021a), it is stated that the relative high risk of slot games has been attributed to their rapid, continuous reinforcement (Mentzoni et al., 2012) and immersive game play features (e.g., near wins, Barton et al., 2017), bonus games (Landon et al., 2018; Livingstone & Woolley, 2007). But other forms of gambling, like in-play sports betting (Russell et al., 2019; Parke and Parke, 2019), for example, are evolving with similar attributes.

However, this doesn't factor-in the interplay of the place or player, both of whom play a critical role in either increasing or decreasing the risk of gambling products. As we state in Delfabbro et. al (2021b), while product or platform-based interventions might focus on banning or limiting products, certain features or changing parameters (e.g., limiting bet sizes), risk may also be reduced by providing appropriate consumer education, avoiding misleading advertising, educating the industry, and introducing safeguards or protective tools, such as mandatory spend or affordability limits, that might minimise the harm for vulnerable gamblers. What matters is the overall mix of features and interventions that shape the level of risk playing environment and experience, rather than necessarily individual features.

Why is product safety a better choice?

Given the inherent risk in all gambling products and given the complex interplay between player, product and place, our preferred approach is to use the term product safety, which better encompasses a whole-systems approach to consumer protection. Just like many other forms of consumer consumption, whether that be entertainment products (e.g., video gaming, social media, TV subscriptions, etc.) or wider consumer products (e.g., leisure shopping on internet stores and marketplaces), we don't believe all products are risky for the entire population. However, some products might be higher risk for certain sub-segments of the population e.g., social media platforms, like Instagram, have a higher risk of causing and/or exacerbating mental health problems for teenage girls compared with adult women, for example.

In this example, safe consumption of the products needs to take into account not only the product itself (e.g., what content is or is not allowed, design elements, such as notifications on mobile apps which encourage repeated use, etc), but also the individual (do they have the maturity and information to understand the context of the content e.g., advertising) and parental controls (can parents set limits as to when children and cannot consume social media platforms). Social media platforms can bring significant benefits through social and entertainment value, so labelling the product high risk outright is too blunt and doesn't take into consideration the other relevant factors at play.

The same applies to gambling products. Those products that the earlier mentioned research suggests are higher risk can be consumed safely and enjoyed as entertainment given the optimal interplay of player, product and place;

- From a player perspective, does the player understand what product they are buying and the entertainment value of the product, has the player set a realistic budget for gambling, does the player have health issues / co-morbidities, etc.,
- From a place perspective, is the operator overly marketing products and services to the player, has the app been designed to keep encouraging the player to consume content and deposit more frequently than they would normally, etc.,
- From a product perspective, does the product have any features that are designed to encourage excessive play, is the product clearly labelled and are the main product elements understood by the player, etc.

These factors apply to all gambling products. Take a player who spends 100% of their monthly disposable income on lottery tickets to increase their chance of winning - they are likely suffering some element of harms (e.g., less income for wider leisure and entertainment consumption). Likewise, a player who has a full-time job and earns above average income, but has young family and who plays for 3 hours a day on a bingo app, could also be inflicting harm on others (e.g., not spending enough time with a young family). Neither the lottery draws or

bingo products are inherently 'high risk' according to existing research, however a combination of factors across the player, product and place has contributed to situations which has made engaging with the products riskier, or less safe, for specific individuals.

There are clearly product design features that are riskier than others and some regulators have taken steps to alter or remove these, with stake limits on certain casino and slots products being deployed across many jurisdictions internationally. Indeed, as Auer and Griffiths (2013) suggest, in principle, games can be structured in ways that can induce greater risk, irrespective of game type. Given this, there are practices that can inform good product design across all gambling products and we will expand on these good design principles in future insights.

What next?

Over the coming months, we will outline more detail on what best practice in product safety looks like. This will include more deep dives in broad topics, for example;

- A whole systems approach to player safety - integrating product safety into the bigger picture of consumer protection
- Principles for good and safe game design
- The need for data-driven approaches to assessing product safety
- Robust approaches to evaluating the efficacy of product changes
- Positive design patterns for online gambling
- Different stakeholder perspectives on product safety.

We will also continue to build the knowledge base on understanding product safety through data-driven research and insights, continuing our collaborations with like-minded professionals and stakeholders who want to build a sustainable industry focused on gambling as an entertainment product.

About us

The Game Safety Institute (GSI) aims to develop and disseminate research and thought leadership at the intersection of gambling platforms, games and player safety. Our contributions span formal academic channels, such as peer reviewed journals and academic conferences, as well as more widespread channels, such as industry blogs, podcasts and videos. To find out more visit [Safer.Games](https://safer.games).

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