# How do players react to volatility information labels for online slots? Results from a product labelling trial in the UK

Industry Context

The Betting and Gaming Council (BGC) launched its safer gambling commitments in November 2019 and committed to a number of actions over five years. Included in these is a commitment to developing clear and consistent product labelling and product information to help customers make informed choices and making safer gambling tools, both on and offline.

When considering industry safer gambling objectives, it is useful to start with some wider context to the UK regulated market. Within a broad set of expectations around licensing conditions, codes of practice, and a gambling business's own policies on developing an effective approach to safer gambling, there is significant room for interpretation for how this should be done.
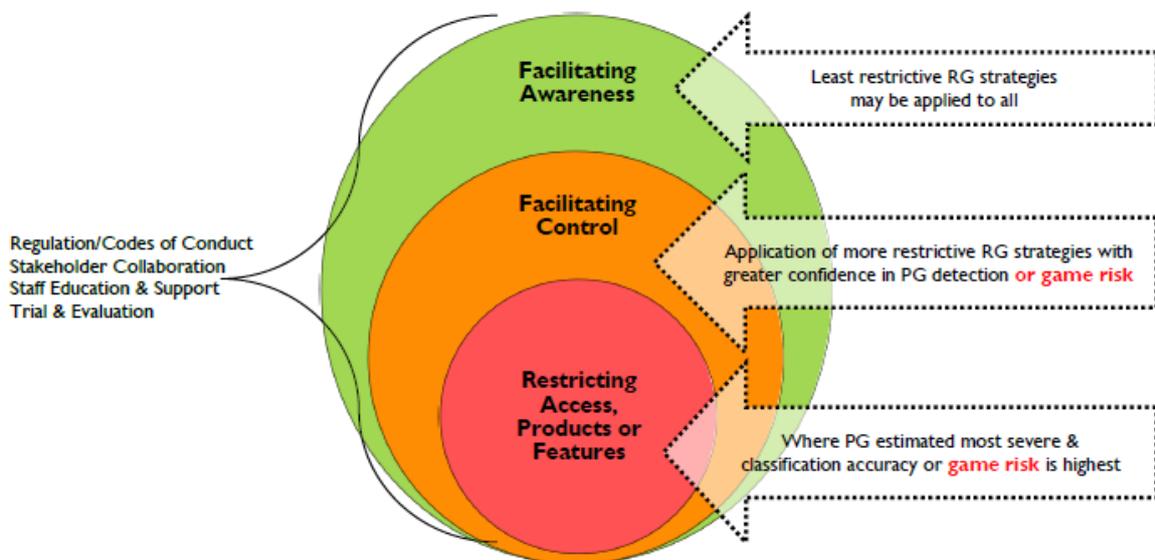
Establishing principles for an effective and efficient safer gambling strategy[1]

Source: Sophro (2019)

By moving inwards from less restrictive interactions (i.e., facilitating awareness) to more restrictive interventions (i.e., restricting access), safer gambling provision becomes more individualized and more targeted. As risks of harms are considered to increase, gambling businesses should undertake to move inward to where, in the most serious cases, the customer's account is blocked, or a product or structural characteristic is restricted.

As part of industry's commitment to developing approaches that support *Facilitating Awareness*, Playtech and William Hill have undertaken a commitment to trialling and evaluating the concept of player game labels, starting with slots pay-out volatility.

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[1] In the diagram, RG indicates "responsible gambling" and PG indicates "problem gambling".

Pay-out volatility is a key feature of the playing experience. It reflects, for instance, how often a game's losing streaks will typically last. A game with higher pay-out volatility is one which concentrates winnings into fewer but larger pay-outs – as such it will tend to have longer and larger losing streaks. This can be fun for some players, as they know the wins can be bigger and it is harder to tell when they might occur, but it can be dangerous for others. It can be tempting for some players to hang on too long for a big win that does not happen, losing more than they were willing to, ultimately feeling frustrated and upset when finally stopping the session.

The financial outcomes of high volatility games tend to vary more from session to session, as it is easier for the losses to pile up and a small number of wins can make a big difference. Of course, all slots games are highly random and a positive or negative experience in one session is no reliable indicator that the next session will be similar.

Low volatility games can also cause problems for some players – with frequent small wins and lots of little successes, it can be tempting to play for longer than planned – particularly for less experienced players - feeling that if wins are frequent, it won't be long till the next one and maybe that win will be larger. For some players, a low volatility game will be more enjoyable; but for others it will be a high volatility game. By using these labels, we hope players can think about what would suit them and track down games accordingly, so that they can be in more control of their play.

Project Background

At the end of 2019, William Hill introduced a new label on their Playtech-distributed online slots, to help players understand the average pay-out volatility of the games they were playing. To evaluate the impact of this label, an A/B trial was set-up in which play data was combined with opt-in pre and post surveys. In addition to the label iconography on each game, players in the label group received a welcome message, a persistent banner and access to an information page explaining the volatility label and its relevance.
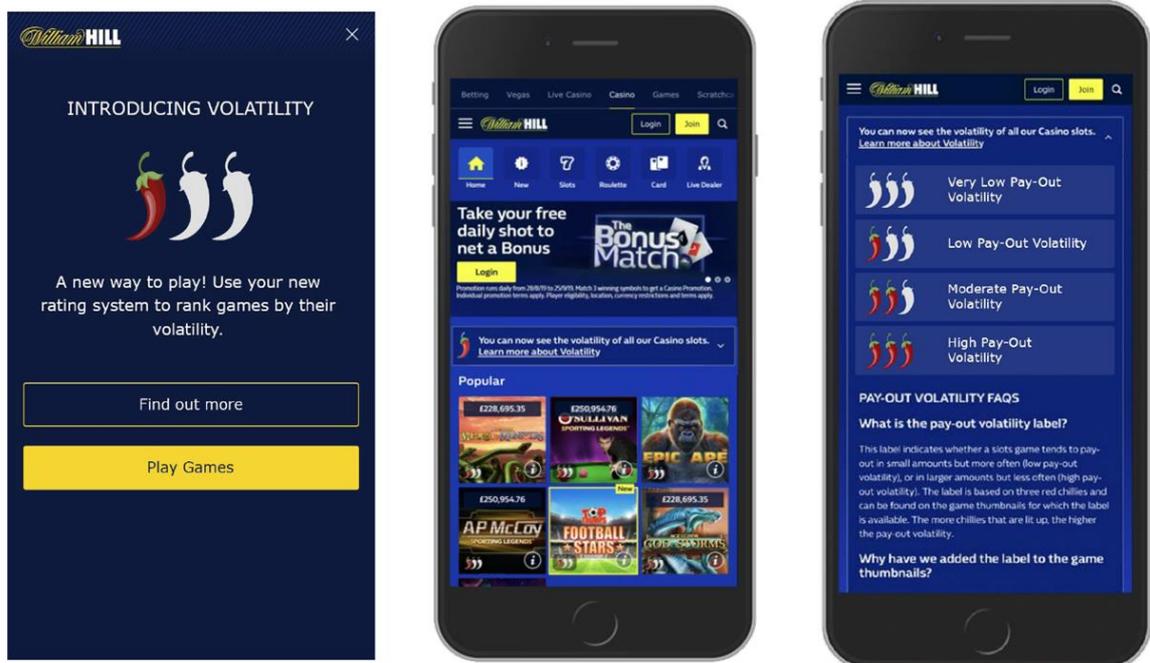
Example of how the pay-out volatility label was developed

Source: William Hill (2019)

Questionnaire sample size

Between 10 December and 13 December 2019, before the labels were launched, 3,697 players[2] answered at least one question on an opt-in pre-survey asking about their understanding of volatility, the importance of volatility to their play experience and how easily they can tell the difference.

After the labels had been live for several weeks, a post-survey was distributed to those players who had seen the new volatility labels between 18 February and 5 March 2020. At least one question was completed by 1,299 players (unique account numbers). The post-survey replicated the questions in the pre-survey, adding two questions for whether players found the labels useful in choosing games they wanted to play or in the enjoyment they gained overall from their gambling experience.

Pre-survey results

79% say that the distinction between "frequent wins, paying out less" and "longer periods between wins, but paying out more" (i.e. "pay-out volatility") is either quite important (40%) or very important (39%). However, about a third of players do not feel they understand volatility that well or not at all well (17% in each category) and a similar 35% say they cannot tell the difference easily between these types of games. 25% of the sample both said volatility was important to their play and that they could not easily tell the difference between games, with a similar percentage feeling they did not understand it well.

Post-survey results

83% of players had noticed the new labels, of whom 79% said they had found them either very useful for choosing which games to play (37%) or sometimes useful (42%). 63% said it had helped in getting more enjoyment from their play, with 29% saying it helped a lot and 34% saying it helped a little.

The labels are particularly helpful to those who care about volatility. Among the 460 players who said the volatility distinction was very important to them, 45% said it been *very* useful in choosing which games to play, with a further 27% saying they had been useful sometimes.

Before/after comparison

138 respondents answered both the pre and post survey in sufficient detail to support a before/after comparison at the player-level.

Excluding the 19 people who said they didn't even notice the chilli labels, there is an increase in understanding of volatility, an increase in how easily they can tell the difference between games and a small increase in how important they feel volatility is for their play experience (although the majority already felt it was important).

- 68% of the 41 who did not understand it well at the start said they understood volatility quite or very well at the end (compared to only 9% saying they understood it less well afterwards)

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[2] Unique account numbers (or account number not available).

- 51% of the 41 who could tell the difference easily between high and low volatility games at the start said they could at the end (compared to 15% who found it harder)
- 28% of the 18 who said volatility was not important to their play experience changed their mind (compared to 10% changing their mind the other way)

Play data insights

At the start of the experiment, when players were seeing the labels for the first time, ~8% clicked to learn more about volatility and for more information, declining to ~5% towards the end of the trial when many players would have already seen the labels at least once. The game launch rate among players with the labels was 0.8% higher (at 47.5% across 710k log-in sessions) than the control group, statistically significant at the 95% level. Players with access to the labels were similar to the control group in terms of the proportion of very low volatility games (~8% in both) and low volatility games (~12% in both) that they played. However, there was a rebalancing away from medium volatility (46% down to 43%) towards high volatility games (34% up to 37%). There was negligible difference in bets and net spend per customer between the variant group and the control group.

Discussion

Based on the pre-survey results, 79% of players felt that understanding volatility was important to them, however 35% of players said they could not tell the difference between these types of games. This suggests that the industry needs to do more to make information about slots games more easily accessible to players. This view is reinforced in the post-survey which revealed that 79% of players found use in the volatility chilli ratings, with 63% stating it helped them get more enjoyment from their play. Of the players who said they cared about volatility, 45% stated the chilli ratings were very useful in helping them choosing games. An important distinction could be considered here, in that different players types e.g., experienced, novices, intensive, causal, etc., may benefit from different levels and sophistication of game information to help them choose the right games.

There were 138 players who responded to both pre and post surveys. The data suggests that there was a subset of players who benefited in developing their knowledge of slots volatility during the trial. We see further potential benefits here, especially to those more novice players moving into online slots for the first time, who may choose slots content based on marketing factors (e.g., online lobby positioning, slots theme, etc) rather than how the slots play. For a novice, choosing a high volatility game may result in a poor play experience, as they would be at risk of spending their entertainment budget more quickly, especially if they have experience in games with slower event frequencies e.g., online bingo.

Whilst the overall effect on bets and net spend between the control and variant groups during the trial was negligible, there was a small uptick in shift towards higher volatility games for those exposed to the chilli ratings (34% up to 37%). Whilst we cannot read too much into this trend, we should be cognizant that the labelling may have attracted slightly higher engagement in higher volatility games.

Finally, we saw that ~8% of players clicked to read the further information when seeing the labels for the first time, declining to ~5% towards the end of the trial. Whilst it natural to expect players to not regularly access the chilli rating description once they have learned what volatility is, it is difficult to assess whether ~8% is a good baseline of players who accessed the further information. In future

such rates should be benchmarked against other information initiatives (e.g., safer gambling information) to assess whether improvements can be made going forwards.

Recommendations

Whilst the results of this trial suggest that providing easily accessible educational information about slots volatility is welcomed by a large proportion of online slots players, we propose a number of recommendations to strengthen the industry's evidence base around consumer experience and protection prior to more extensive deployments of such initiatives.

1. Explore industry-wide applications

A key limitation of this trial was the fact that the labels were restricted to Playtech slots content only, whilst the majority of B2C operators take slots games from multiple suppliers. Speed of innovation is significantly quicker when trials are undertaken by small industry groups, and fast innovation, especially in consumer protection, should be encouraged. However, in parallel, to ensure a consistent customer experience, industry should consider adopting consistent approaches to game labelling that span all gambling content providers. Such initiatives are best led within industry bodies that can co-ordinate efforts across all of the major B2C operators and B2B suppliers.

2. Look beyond volatility to educate customers

Whilst volatility was chosen due to the significant influence it has on slots player experience in typical, shorter sessions, a wider range of game characteristics and features should be considered as part of a comprehensive player education approach. These include, in addition to volatility, Return to Player (RTP), the role of persistence in RTP, and game features and how they are linked to the overall cost of entertainment related to slots. Consideration should be given to the different types of player and what information should be made available. For instance, more experienced players may benefit from more technical information, novices may benefit from easy to access information about key game characteristics that could affect their playing experience.

3. Deepen evidence base of links to harms

There is only limited evidence linking game structural characteristics with real-world player data and harms. Industry should undertake and support further data-driven research to strengthen our collective understanding in these areas. To make quick progress, industry will be required to collaborate with the research community to ensure the transfer of not only data, but also product knowledge. As well as volatility, game characteristics such as RTP, including to what extent RTP is locked into persistence and game features, as well as differing stake sizes and spin speed, should be researched further, given their impact on the overall cost to play of slots.

4. Assess potential unintended consequences of game labelling

Chillies could be misinterpreted as indicating a 'hot game' which may facilitate biased cognitions, whether this be due to thinking the game is likely to pay-out more or that the game has high popularity. Further grounded research, such as interviewing players about their interpretations, as well as trialling different icons to chillies, should be undertaken to ensure industry minimises any unintended consequences from such initiatives. In parallel, industry should trial different methods of making game information easily accessible and understandable during the gambling experience.

Learn more about Playtech volatility labels

For those operators interested in supporting further trials, consider using volatility labels and safer gambling messages for Playtech slots content to encourage players to pick the right slots content for them. These labels are available for Playtech portal users and we also offer comprehensive assets and support for implementation on proprietary front-end platforms. The Playtech team can also help design evaluation strategies to check that customers are valuing these new labels.

Pay-out volatility labels and safer gambling messaging

Source: Playtech (2020)

Further information

If you would like further information about this project or William Hill and Playtech's safer gambling initiatives, then please contact us:

Playtech

protect@playtech.com

William Hill

pressteam@williamhill.co.uk