

# THE LINK BETWEEN GAMING AND GAMBLING

The line between gaming and online gambling is becoming increasingly blurry. Both activities comprise elements of skill and chance, with some featuring similar graphics and visuals, and they are accessible from the same devices and online channels. Further, game design has evolved to include gambling-like elements.

## The blurry line

### Online games with loot boxes

A loot box is an in-game 'reward'. Players pay for the chance to win a mystery virtual item, which may turn out to be worth less than the purchase price. Psychologically, loot boxes are similar to pokies and scratchies as they require no skill and the outcome is based on chance. In some countries they are considered to be gambling, for example, Belgium and the Netherlands.

### Gambling with virtual goods ('skin gambling')

Skins are cosmetic items that change the look of a character or weapon. They can be earned while playing, won in a loot box, or bought using in-game or actual currency, including gift cards and vouchers.

The 'value' of a skin is based on its rarity. In 'skin gambling', players deposit skins on third-party gambling sites and use them as virtual currency to gamble.

Some famous online gamers ('influencers') promote skin gambling sites or produce sponsored content for them on Twitch and YouTube. Promotions typically show a person consistently winning large sums of money, which may lead young people to believe the activity involves no risk.

### Simulated gambling

Simulated gambling games imitate the look, feel and play of gambling but do not involve real money. The most popular forms are poker, lotteries, pokies and casino-style games such as blackjack. Some non-gambling games contain gambling sub-games.

Simulated gambling games are often promoted through live online broadcasts, like gameplay streaming on Twitch, and sponsored advertising on social media. In Australia, video games with gambling themes are generally classified as 'G' or 'PG' by the Office of Film and Literature Classification.

### Fantasy sport

In fantasy sport, the participant creates a virtual team of real-life players from a professional sporting code. Players are awarded 'fantasy points' based on their actual game performance statistics. Players typically accumulate points over an entire sporting season and play for fun, not money. However, pay-for-play models with prize pools and one-game competitions are emerging, which some people are concerned are too much like sports betting.

### eSports

Competitive gaming, or eSports, has gained rapid popularity and gambling operators have responded by encouraging people to bet on matches. This form of gambling is only available through online betting sites, but it is advertised during live broadcasts that are open to all ages, as well as through eSports websites and social media.

## Reducing your child's exposure to gambling content

It is too early to say how the exposure of young people to gambling advertising or simulated gambling may affect their future experiences. But we know that these activities can make gambling seem 'normal' to young people, who may not understand that gambling involves risks and can lead to harm.

To reduce your child's exposure to gambling advertising or simulated gambling, there are some practical actions you can take. For example:

- ask your child what games they play so you can find out more about them. Preview the gameplay on YouTube to get a feel for a game, or play it yourself to see if gambling ads pop up. Advertising is commonplace in free-to-play games to generate revenue for the developers
- encourage kids to use smartphones, computers and consoles in family areas, rather than bedrooms, so you can see what they're playing. This will help you talk to your child about the games they play and to intervene if anything concerning comes on to the screen
- prevent unintentional access to gambling sites by using a filter such as Gamblock or Betfilter to block them.

You can limit or monitor the purchase of games or microtransactions like loot boxes by:

- turning off in-app purchase options or setting up a password for paid activity through the App Store (note: this will not restrict the download of free apps)
- setting up alerts to your phone for any purchases so you can track your child's spending.

