



# Social Casino Games: Current Evidence and Future Directions

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## Introduction

Technological advances have rendered the days of the one-armed bandits (simple slot machines with a lever and three spinning reels) obsolete. Today's version of slot machines feel more like interactive video games with high tech graphics, videos, sounds and interactive components. Technology has also shifted where and how people engaging in gambling activities. Specifically, social media sites such as Facebook have introduced hundreds of millions of users to gambling via games that, at its core, simulate gambling activities. These games have become known as Social Casino Games.

## What are Social Casino Games?

Social casino games are free-to-play gambling-like games found on social networking sites. Popular examples include Doubledown Casino, Slotomania, Zynga Poker and myVegas Slots. Social casino games differ from real-money gambling by several distinct features. First, social casino games do not require monetary payment to play, rather players' wager virtual credits. Second, they are based on or interact with social networking sites. Third, the outcomes are not always based on random odds but rather on algorithms designed to enhance player engagement and satisfaction (Gainsbury, Hing, Delfabbro & King, 2014).

The most popular form of social casino games are those that simulated poker, slot machines and casino table games (Gainsbury, Russell, & Hing, 2014). Despite being free-to-play, social casino games share many similarities to their real-money gambling counterparts. For example, social casino game slot machines mimic the look, sound and feel like real slot machines (Bramley & Gainsbury, 2015). Thus, it can be difficult to distinguish social casino games from real money gambling. Indeed, most social casino gamers report that these simulated gambling games are somewhat or very similar to their gambling counterparts in look, feel and excitement (Gainsbury, Russell, King, Delfabbro & Hing, 2016) and that it can be difficult to know when they are playing social casino games and when they are engaging in real money gambling (Parke, Wardle, Rigbye, & Parke, 2013).

## Key Message

Social casino games can significantly impact peoples gambling behaviours. For some, these free-to-play gambling games may act as 'gateway' to online gambling. Social casino games have also been linked to increasing the frequency of betting among current gamblers. On the other hand, for people who might be experiencing harms due to excessive gambling, social casino games can be used to help control or abstain from their gambling behaviour. Whether social casino games increase or decrease real money gambling is likely dependent on motivations for playing these games, as well as, individual differences. More research is needed to determine for whom social casino games may be potentially bad and for whom social casino games may be potentially good.

## Who are the Social Casino Gamers?

As of last estimate, there were currently over 170 million active social casino gamers worldwide, with millions of players playing on any given day (Martin, 2014). To put this in perspective, social casino gamers outnumber online gamblers 4:1. Perhaps surprisingly, the average social casino gamer is a 40-year-old middle class woman and women make up over 2/3rds of social casino gamers (Superdata, 2016). That said, social casino games seem to be a popular form of entertainment across all stages of life, including among adolescents and young adults (Kim, Wohl, Gupta, & Derevensky, 2016, 2017; Griffiths & Wood, 2007).



## Where and why do they play?

Social casino games can be played at home on desktops or laptops, or on the go on smartphones and tablets. While majority of social casino gamers (74%) report playing solely on their smartphones and tablets, roughly 40% of social casino gamers play on both platforms (Superdata, 2016). Social casino games tend to be a secondary activity for most players, with 63% of social casino gamers reporting playing while watching television, whereas only about a quarter (27%) focus solely on social casino games (Superdata, 2016).

Motivations for playing social casino games are likely similar to motivations for engaging in gambling (Wohl, Salmon, Hollingshead, & Kim, in press). That is, people may play for fun and entertainment, to pass the time, to relax, relieve boredom or to distract themselves from negative emotions. Additionally, a portion of gamers may be attracted to the social feature of social casino games, such as seeing their scores on leaderboards and sharing their achievements on Facebook. Yet, some social casino gamers may use free-to-play simulated gambling games to practice their 'skills' before playing for real money gambling (Kim et al. 2017). In other words, social casino games may become a training ground for real money gambling.

## A gateway to gambling?

At issue to regulators, researchers and policy makers is whether social casino games act as a 'gateway' to real money gambling. Limited evidence to date suggests that this may be the case. The first hints of the potential link between social casino games and gambling was reported by Parke and colleagues (2013) who found that over half (58.3%) of gamblers seeking treatment, reported social casino games as being their first introduction to gambling activities. Since then, a handful of studies have provided further support of the influence of social casino games on gambling. Specifically, research in Canada has found that over half (62%) of online gamblers started out on social casino games before gambling on-line (Kim, et al., 2017). Research from Australia have found that social casino gamers are much more likely to engage in gambling and more likely do so problematically (Gainsbury, Russell, & Hing, 2014). Similarly, gamblers are more likely to engage in social casino games. In fact, roughly 50% of social casino gamers report visiting land-based casinos on a

frequent basis (Super Data, 2016). Problematically, 55% social casino gamers reported these games encouraged them to try gambling and 17% reported having gambled more because of playing social casino games (Gainsbury, Russell, King, Delfabbro, & Hing, 2016). Thus, social casino games may not be a harmless form of activity and may have significant consequences for some social casino gamers. There are likely a multitude of reasons why some social casino gamers migrate to real money gambling. The following are a few potential reasons why free-to-play gambling games may influence the transition to real money gambling:

**1. The Marriage of Gambling and Social Casino Games:** Due to increased profitability and number of social casino gamers, gambling operators have begun to purchase, merge and partner with the social casino gaming industry (Sapsted, 2013). This is because the 200 million social casino gamers represent a vast pool of potentially new customers. Unfortunately, the convergence between gaming and gambling may increase the likelihood of the gamer becoming a gambler, given the similarities between the two activities.

**2. Normalization of Gambling – Role of Advertisement:** Gambling-related advertisements on social media sites tend to be most frequent form of advertisement and portray gambling as a glamorous and fun activity without noting any of the potential risks of gambling (Gainsbury, King, Abarbanel, Delfabbro, & Hing, 2015). The net effect is that social media users may view gambling as a common form of entertainment, thus increasing the likelihood of either trying social casino games or gambling.

**3. Misperceptions of Odds:** Although social casino games may look and feel like gambling activities, the structural characteristics are quite different. Social casino games are designed to enhance player enjoyment so that the social casino gamer may win more than they lose. This may create a misperception of 'skill' such that the social casino gamer may come to believe that had this been for real money, they would be up a significant amount, which in turn increases future gambling (Hollingshead, Kim, Wohl, & Derevensky, 2016).

**4. Micro-transactions:** Social casino games are initially free to download and play. However, they often include

opportunities to purchase additional credits once the initial credit run out, rather than waiting for them to be re-loaded in typically 24hrs. Social casino gaming operators actively push and encourage such purchases, known as micro-transactions. These micro-transactions let operators not only capitalize on the sale of virtual credits in of themselves, but may also increase the likelihood of converting gamers into gamblers (Wells, 2015; Kim, Hollingshead, & Wohl, in press; Kim, Wohl, Salmon, Gupta, & Derevenky, 2015).

### From Play for Fun to Pay to Play

To date, only one study has followed social casino gamers over time to examine the rate of migration to online gambling and what determines whether people move from playing for fun to paying to play. Kim and colleagues (2016) found that as many of 26% of social casino gamers, whom have never gambled online reported having tried online gambling in the six-month follow-up. If these findings are applied to the number of social casino gamers, an astonishing 42 million social casino gamers may potentially make the jump to online gambling within a short period of time. In regards to what determines who makes the jump, social casino gamers who made micro-transactions were 7 times more likely to have gambled online for real money. This finding makes intuitive sense. If people are paying for credits in which the most you can win is more virtual credits, why not try your luck at actual gambling where you may have a chance to win more than your initial wager.

### Bright side of social Casino Games

Although social casino games may act as a gateway to gambling, it is possible that social casino games may have a bright side. Similarly to how smokers may use e-cigarettes to help reduce their smoking or a drinker opting for a non-alcoholic drink, social casino games could as a substitute for real money gambling since social casino games look and feel like real money gambling. Indeed, almost 10% of gamblers report that playing social casino games led to a decrease in engaging in gambling for real money (Gainsbury et al., 2016). Further research suggests that the motive to engage with social casino games determines whether they may be helpful or harmful. Disordered gamblers who specifically play social casino games to help reduce their urges for gambling report that these games help control their gambling behaviours rather than increasing to

more gambling (Hollingshead et al., 2016).

### Limitations and Future Directions

First and foremost, there is clearly a lack of longitudinal studies, making it difficult to assess the influence of social casino games on gambling. Second, the vast majority of studies have relied on self-report data, which may lack accuracy, as some social casino gamers may have difficulties reporting or may not be aware of the relationship between their gaming and gambling. Third, there is a lack of research examining the influence of social casino games on adolescents and young adults. This is an area of need given that despite these sites having age verification, a significant portion of youths engage in these free-to-play game gambling (Parke et al., 2013). Fourth, it is unclear what happens after a social casino gamer migrates to gambling. It is unknown if they continue gambling, or even progress towards gambling problems. Thus, more research studies are needed to provide a better understanding for whom play for fun leads to trouble and for whom these games may help overcome a gambling addiction.

### Author Information

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