

COVID-19 AND GAMBLING: IMPACTS, TRANSFORMATIONS, AND REFLECTIONS

SUSPENSION OF OFFLINE GAMBLING ACTIVITIES: BAD LUCK FOR PUBLIC HEALTH?

The COVID-19 pandemic has had a major impact on the gambling industry on an international level. This has led to the closure of casinos, lottery outlets, and gambling venues (i.e., gambling lounges, bars, breweries, hotels, bingo halls, horse racing), and to the suspension of sporting events for which betting systems were in place.



In Canada, in order to comply with public health measures, all provinces and territories have announced the closure of casinos, bingo halls, VLT networks, and horse racing¹. However, retail lottery sales continued in the vast majority of provinces, with the exception of Quebec, where outlets were closed and sales were halted in businesses deemed essential². Newfoundland and Labrador also suspended certain types of lotteries³.

IN CANADA, ALL PROVINCES AND TERRITORIES HAVE ANNOUNCED THE CLOSURE OF...



casinos



VLT networks



bingo halls



horse racing¹

THE CONTINUATION OF...



retail lottery sales*

- CLOSED
- OPEN

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Elsewhere in the world, most casinos have ceased operations. Several lottery companies have suspended their draws (e.g., Singapore, Finland, Spain, Italy, Brazil, Argentina, China) or temporarily closed their outlets (e.g., New Zealand, Greece, South Africa)⁴⁻⁸. Bingo halls and betting shops have been forced to close (e.g., Great Britain)⁹, while the suspension of professional sports league games (e.g., Canada, United States, Ireland, Europe, Australia) and the closure of racetracks (e.g., Europe, Russia, Brazil, Argentina, Uruguay and New Zealand)^{6,10-13} have put an end to sports betting.



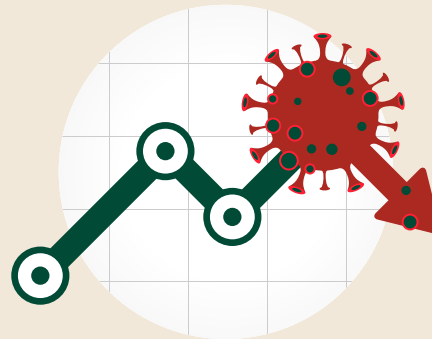
These disruptions are expected to bring about **AN 11% DECLINE** in revenue for the global gambling industry for the 2020¹⁴.



In the United Kingdom, a recent survey indicates that the majority of gambling operators have seen their revenues decline by **AT LEAST 50%** compared to last year¹⁵.



In Macau alone, the closure of the casinos for a 15-day period in February led to an **88%** drop in revenue¹⁶.



For example, **in Italy**, a **59.3%** drop in revenue for online and offline betting was observed in March 2020¹⁷.



The suspension of horse racing and sports leagues has also caused **A SIGNIFICANT DROP IN REVENUES** in many countries, particularly **in Europe** where sports betting is very popular.



Migration to online gambling?

As a corollary to the containment measures, there has been a migration from offline to online gambling activities. In response to the closure of many gambling establishments, several operators have gone digital. For example, Rhode Island has recently joined eight other U.S. states in allowing online lottery marketing¹⁸. Other countries have expanded their online gambling offerings. This is the case in Norway, where bingo operators have moved their offering online, in addition to benefiting from an exemption for the usually mandatory in-person registration¹⁹. In Québec, the state operator also announced a concentration of its operations on its online platform².

This migration has inevitably been accompanied by an increase in revenue associated with online gambling; an increase of around 13.2% is therefore expected for the year 2020²⁰. This growth in revenue is particularly noticeable in the poker and online casino sectors and can be primarily attributed to COVID-19²⁰. In Canada, some operators report that the online casino sector grew by 77% over the same period last year²¹. A study carried out in Australia on the transactions of 250,000 Australian consumers shows a 67% increase in spending on online gambling following the closure of non-essential services²².



AN INCREASE OF AROUND 13.2% IS THEREFORE EXPECTED FOR THE YEAR 2020²⁰.

In addition to the changing gambling offer, players have also changed their gambling habits. In some countries, there is a renewed interest in web platforms, especially those where online gambling is prohibited^{23,24}. For example, in Great Britain, an increase of around 17% in online gambling is observed²⁵. A recent survey reveals that one third of the gamblers surveyed tried one or more online gambling activities for the first time during the confinement period. Players who were already engaged in gambling diversified their gambling activities, gambled longer per session and spent more money on gambling. Compared to the same period last year, data from gambling companies operating in the U.K. indicate that those products with a faster game cycle, such as slot machines, have seen an increase in the number of active players. The number of bets recorded for virtual sports and online poker was also up compared to 2019, as was the number of gambling sessions per hour²⁶.

CLOSER TO HOME, A SURVEY OF 2,005 GAMBLERS CONDUCTED IN ONTARIO BETWEEN APRIL 21ST AND 28TH THIS YEAR, REVEALS THAT...

54% of respondents said they played online during containment, **77%** were exclusively offline gamblers prior to the pandemic. The most popular online games were:



**lottery and raffles
(84.6%)**

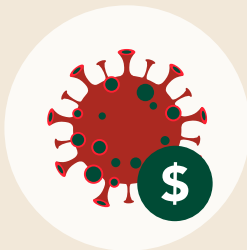


**instant lotteries
(39.4%)**



**slot machines
(21.3%)²⁷**

Of the players who bet online, a third say they were influenced by the health crisis and emergency measures. The survey also reported that the main motivations for gambling were to win money, for fun, excitement, and to pass the time²⁷. However, this upward trend in online gambling is not widespread internationally. Some countries, such as Finland and Denmark, do not report a marked increase in online gambling, despite a loss of revenue in the gambling sector in general²⁸.



Sports betting: Towards a transformation of the offering

The suspension of sporting events limiting the deployment of sports betting has given rise to a renewal of this category of gambling, both legal and illegal. In Singapore for example, several illegal betting sites now offer betting on the number of daily cases of COVID-19²⁹. In addition to the emergence of betting in connection with the health crisis, the e-sport sector has also seen an increase in the number of consumers interested in this form of gambling as an object of betting. This is the case in South Africa, in the absence of sporting events, sports betting players are now turning to e-sport and simulated matches³⁰. A study analyzing data from a European online gambling operator found that sports bettors decreased their participation in casino gambling during the period of confinement³¹.

RESPONSES TO THE PUBLIC HEALTH CRISIS: FROM RECOMMENDATIONS TO PREVENTIVE ACTION

In the face of the COVID-19 pandemic crisis and the containment measures imposed, some regulators have encouraged the gambling industry to take additional measures to protect players in this period of increased risk.



Regulators' response: from recommendations to action

Several regulatory agencies have issued directives for gambling operators. France³² is discouraging the use of incentives to attract new players and calling for continued vigilance in the detection of problem gamblers. In Great Britain, the Department for Digital Culture, Media and Sports (DCMS), recommends that operators further protect their players through safe gambling messages that are more conspicuous³³. Latvia employed more stringent safety measures when they banned all online gambling from March 22nd, 2020 until the lifting of containment measures³⁴.

Gambling regulators in countries such as Belgium, France and Denmark, are using their platforms to remind players of the importance in maintaining responsible gambling habits during the pandemic. Danish authority Spillemyndigheden and France's authority l'Autorité de régulation des jeux en ligne (ARJEL) encourage gamblers to set time and money limits on gambling^{32,35}. These two agencies along with the Belgian Gambling Commission, inform gamblers about the maintenance of remote assistance services³⁶. ARJEL also cautions its players against illegal online gambling offerings and made a list of support resources for gamblers available on its website. Notably, the Gambling Commission of Great Britain awarded £9 million (15,238,440\$CAD) to a prevention and aid organization, GambleAware in order to support their mission during the pandemic³⁷.

Some regulators have imposed limits on gambling transactions. The Belgium Gambling Commission has imposed a weekly limit of (500€/778\$CAD) per customer on all authorized and locally hosted online gambling sites³⁸. The Finnish state monopoly Veikkaus has lowered the cap on monthly losses (from €2,000/\$3114 CAD to €500/\$778 CAD) and daily losses (from €1,000/\$1557 CAD to €500/\$778 CAD) on all online gambling except poker, a measure that will remain in force until September 2020⁸.



The gambling industry's response

Since the beginning of containment, Canada has responded to the pandemic with the implementation of several practices. Loto-Québec, for example, no longer promotes its games in the media.³⁹ While the British Columbia Lottery Corporation (BCLC) has made online registration for its self-exclusion services possible and has maintained its GameSense player support program online and by phone⁴⁰. In Great Britain, the Betting & Gaming Council (BGC), the country's only association representing betting shops, online betting, and gambling companies and casinos, has announced an action plan outlining the commitments expected of its members during the COVID-19 pandemic. These commitments include responsible promotional practices, monitoring of players, promotion of responsible gambling measures, and funding for research, education and treatment of pathological gambling⁴¹. In May, the BGC announced the voluntary removal of all radio and television advertising for gambling products for the duration of the lockdown. In Lithuania, the Lithuanian Gambling Business Association and the National Gambling and Games Business Association have asked their members to refrain from any form of advertising during the containment period⁴².

FINDINGS AND REFLECTIONS

These findings raise several important questions. To what extent has lockdown fostered the growth of online gambling and the emergence of new online players? What proportion of these new players will continue to play online after the lockdown? What proportion of them will return to an offline gambling modality once the reopening of the gambling venues is allowed? How will gambling practices and habits be transformed by this "forced" migration to the online world? How will these habits and practices fit into the new daily life of individuals (motivations, consequences, benefits, etc.)? What place do they occupy in this highly transformed daily life? How does this increased access to a more diversified gambling offering influence the practices and habits of individuals (increase, decrease, etc.)? How are people who were (or are) experiencing difficulties related to their gambling habits affected by these changes? Finally, how have our supply management systems and socio-health services responded to the unexpected and sudden transformation of the gambling landscape? Thus, exploring these questions and the ongoing impact of the COVID-19 pandemic on gambling requires the focused attention from the scientific community in the coming months.

METHODOLOGY

The portrait presented in this fact sheet is the result of extensive and non-exhaustive research conducted between March 23 and May 17, 2020. Two independent Internet searches were conducted to gather all available information related to gambling, online gambling and the COVID-19 pandemic. Since few studies have been published to date on gambling and the specific context of the health crisis, the information collected is limited to material that is accessible and available on the web at the time of data collection. With this in view, data sources refer primarily to news media, government sources, reports from survey and polling firms, and data from gambling operators. The keywords used were "online gambling", "online casino", "virtual casino", "online lottery", "online racing", "virtual racing", "online sports betting", "regulations", "laws", "survey", "statistics", "preventive campaign", "commission", "COVID-19", "coronavirus", "North America", "South America", "Europe", "Asia", "Oceania", "Africa", "Middle East". More than 240 links were subsequently analyzed, and information was then sorted and validated according to its relevance to the topic. The purpose of this fact sheet is to offer a complete and accurate picture of gambling and online gambling in the context of the pandemic. It should however, be analyzed in the context of a situation that is constantly changing and consider the availability of partial and uneven information provided by different countries. Grey literature publications and scientific articles proved to be scarce, particularly at the beginning of the public health crisis. This first synopsis therefore aims to synthesize the general trends that are currently observable in the context of the health crisis. It serves as an anchor for a more comprehensive monitoring of gambling and online gambling.

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