

## Does Gambling Advertising Contribute to Problem Gambling?

Mark D. Griffiths

International Gaming Research Unit,  
Psychology Division, Nottingham Trent University, United Kingdom

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Advertising of gambling is a potential public health issue if it can be shown that advertising has a direct and material effect on gambling participation or that advertising has a direct affect on problem gambling outcomes (generally or for specific populations). This paper attempts to overview the literature on gambling and advertising. Since there is very little empirical literature in the area, this paper also examines other areas of potential relevance including a brief overview of alcohol advertising and its effects as there may well be lessons and insights that can be learned. It is very clear that the question of whether increased gambling advertising leads to increased gambling problems just cannot be answered on the base of such a small pool of data. It is argued that there has to be a strong commitment to socially responsible behaviour across the gambling industry. Socially responsible advertising should form one of the elements of protection afforded to ordinary customers and be reflected in codes of practice. Furthermore, children and problem gamblers deserve additional shielding from exposure to gambling products and premises, and their advertising.

*Keywords:* Gambling; Alcohol; Addiction; Advertising; Media; Social responsibility.

### Does Advertising of Gambling Increase Gambling Addiction?

Over the last few years there has been a great deal of speculation over the role of advertising as a possible stimulus to increased gambling, and as a contributor to problem gambling (including underage gambling). Advertising of gambling is a potential public health issue if it can be shown that advertising has a direct and material effect on gambling participation or that advertising has a direct affect on problem gambling outcomes (generally or for specific populations). Various lobby groups (e.g., anti-gambling coalitions, religious groups, etc.) claim advertising has played a role in the widespread cultural acceptance of gambling—a culture which has only emerged in the past 10 years or so. During this time, every type of gambling has be-

come more accessible and more widely promoted. Such groups claim banning advertising is a step in the right direction.

They also claim casino advertising tends to use glamorous images and beautiful people to sell gambling, while other advertisements for lottery tickets and poker machines depict ordinary people winning loads of money or millions from a single coin in the slot. Does advertising create unrealistic hopes of winning that may later trigger a gambling addiction? Very few people are naive enough to think that removing advertising will stop people gambling. Anyone who wants to find an avenue for gambling will do so—just as smokers continue to buy cigarettes. However, the argument has been put forward that by removing seductive gaming advertising, the vulnerable may be protected.

From the outset it should be pointed out that communication with consumers is a difficult and costly process (Nelson, 2001). Many advertisements are ineffective or reach individuals who have little or no interest in the message. Furthermore, many consumers show high levels of scepticism with regard to advertising claims (e.g., Calfee, 1997). However, it cannot be inferred from this that such messages are without social

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Correspondence concerning this article should be addressed to Professor Mark Griffiths, International Gaming Research Unit, Psychology Division, Nottingham Trent University, Burton Street, Nottingham, NG1 4BU, United Kingdom. Tel: 0115-8485528. Fax: 0115-8486826. E-mail: [mark.griffiths@ntu.ac.uk](mailto:mark.griffiths@ntu.ac.uk).

value. At the very least, the process provides a dissemination of information (Nelson, 2001). Advertising is also an important part of the competitive process. This is particularly true in markets dominated by branded products that are familiar and well known. Every year, the gambling industry spends huge amounts of money. However, there is little academic research that shows whether this just affects brand share of the market or whether it affects market wide demand as a whole.

It is also worth pointing out that advertising associations (predictably) consider that responsible and properly regulated gambling advertising brings significant benefits to both customers and businesses. For instance, the UK Advertising Association (2002) claimed that gambling advertising:

- will promote competition to the benefit of consumers;
- will encourage operators to provide a wider range of existing products for adult gamblers;
- will stimulate gambling operators to innovate in order to satisfy customer-led developments;
- can carry lower barriers to market entry for new gambling operators; and
- should make for better informed players.

It is hard to evaluate what extent these claims are true but both advertising associations and the gaming industry are unlikely to disagree with the points put forward. The American Association of Advertising Agencies has argued that gambling advertising is commercial speech, protected under the First Amendment, and should not be banned or restricted. In the 1990s, the Clinton Administration continued to support a ban on commercial gambling, arguing that there was a compelling state interest in banning gambling advertising. The government attorney argued that broadcast advertising of casino gambling “would directly contribute to compulsive gambling by reaching into the homes of current and potential compulsive gamblers.” They also claimed there were studies that indicated that gambling advertising contributes to problem gambling. However, this author has been unable to locate which studies were being referred to.

While gambling advertising is generally a controversial topic, it is perhaps even more controversial when state governments themselves actively promote gambling through advertising. Running a lottery places states in a new business. Many states have adopted the tools of commercial marketing, including product design, promotions, and advertising to promote their lotteries. In 1997, state lotteries spent a total of \$400 million to advertise, about one percent of total sales. Unlike many governmental promotions, which are straightforward, low-tech, and serious, lottery advertising could be characterized as persuasive, glitzy, and

humorous. Many critics and lobby groups say this attempt to make gambling attractive is sanctioned by the state, promoted by the state, and paid for by the state.

This paper attempts to overview the literature on gambling and advertising. It is clear from a survey of sources, that there is very little empirical literature in the area. Given this paucity of research, this paper also examines other areas of potential relevance including a brief overview of alcohol advertising and its effects as there may well be lessons and insights that can be learned.

### Alcohol Advertising: A Brief Overview

Since there is so little empirical research in the area of gambling and advertising, it is perhaps useful to examine the research in a similarly related area, namely alcohol and advertising. Recent overviews in the area have been somewhat conflicting. For instance, Chaloupka, Grossman, and Saffer (2002) concluded that advertising bans can reduce alcohol consumption. However, more recent research (Williams, Chaloupka, & Wechsler, 2005) on student drinking reported that the impact of a campus ban on drinking appeared to depend on the ability of students to substitute off-campus access to alcohol for on-campus access. Where few off-campus alternatives existed, campus bans reduced the odds that a student becomes a heavy drinker but had no impact on the odds of transitioning from abstainer to drinker. Where off-campus alternatives are more plentiful, campus bans were less effective. Increasing the price of alcohol appeared to be equally effective at reducing the likelihood of drinking and heavy drinking.

The U.S. National Institute on Alcohol Abuse and Alcoholism (NIAAA, 2000) also found that the results on the effects of advertising were mixed and inconclusive. This was backed up by a more selective survey by Cook and Moore (2000). They concluded that the regulation of commercial advertising as an important policy instrument could not be made on the available evidence. In reviewing the area of advertising and alcohol, there appears to be an assumption that the best way of studying the area is to examine the effects of advertising in markets that have undergone advertising bans. In a thorough review of the available literature, Nelson (2001) concluded that the evidence does not support a statistically significant or material effect of alcohol advertising bans. He outlined four major reasons why advertising bans might not work in the ways imagined by policy-makers. These may also be applicable to the gambling market.

- Given a selective ban, substitution towards non-banned media is possible. Basically, if there is a ban (say) on broadcast media advertising, com-

panies may use other media such as the print media or direct mail.

- A ban on one medium can stimulate innovations within the set of non-banned media and other means of promotion (e.g., broadband cable, satellite television).
- Advertising in mature markets may only affect brand shares. There may be no spill-over into the market as a whole.
- Advertising can have both a price effect and an output effect. Advertising that increases product differentiation can reduce the price elasticity of demand or shift consumer expenditures toward higher priced products (Ambler, 1996).

In his 2001 review, Nelson also posed the question as to whether advertising causes or predisposes youth to drink alcohol. There have been no empirical studies directly examining this area. However, Nelson proposes at least four reasons why research into advertising and adult drinking are directly applicable to youth.

1. Adult and youth alcohol consumption levels are highly correlated.
2. Studies by social psychologists using survey research data show significant and direct effect of parents' drinking (and parents' approval) on youth alcohol behaviours,
3. Alcohol bans are often longstanding. If advertising has a major effect on youth, then it is reasonable to expect that current *adult* behaviour will reveal this influence through non-drinking. This is not generally found.
4. Numerous econometric studies include variables for youth demographics and the minimum legal drinking age. These variables are always significant as determinants of alcohol demand. However, advertising bans have not decreased alcohol consumption.

Nelson (2001) claims that virtually all econometric studies of alcohol advertising expenditures come to the conclusion that advertising has little or no effect on market wide alcohol demand. Furthermore, survey research studies have failed to measure the magnitude of the effect of advertising on youth intentions or behaviour in a manner that is suitable for policy analysis.

### **Gambling and Advertising: The Background**

The gambling industry has consistently used techniques based both on appeals to expressive needs and the manipulation of situational factors to attract new custom. An analysis of these marketing methods shows that they mainly fall into two categories (see Griffiths, 1999). These are situational and structural characteristics. Situational characteristics are those that get people to gamble in the first place. These characteristics are primarily features of the environment and can be

considered the situational determinants of gambling. They include the location of the gambling outlet, the number of gambling outlets in a specified area and the use of advertising in stimulating people to gamble. These variables may be very important in the initial decision to gamble and may help clarify why some forms of gambling are more attractive to particular socio-economic classes.

Many references to the advertising of gambling concern lotteries. This is perhaps because they are heavily state-sponsored and have high participation rates. In the UK (as in many other Lotto games around the world), the chances of winning the National Lottery are approximately one in fourteen million. Some people go around quoting similar odds for a sighting of Elvis Presley landing on the Moon on the back of the Loch Ness Monster! Why then—despite the huge odds against—do people persist with their dream of winning the elusive jackpot? Part of the popularity of lotteries in general is that it offers a low cost chance of winning a very large jackpot prize. Without the huge jackpot, very few people would play. However, there are many other inter-related factors at work here but one of the most important ones is successful advertising and television coverage (Griffiths, 1997; Griffiths & Wood, 2001). In the UK, this appears to be confirmed by the National Lottery operator (Camelot) who stated that their own “ingredients of success” are popular products, convenience of play, security of system, efficiency of operation, and marketing (i.e., advertising; Camelot, 1995).

There appears to be little doubt that these characteristics have been critical in the success of lotteries to date. Not only are they heavily advertised on billboards, television and in the national newspapers, but the accessibility is so widespread that they are difficult to avoid in most shops. This means that lotteries are more salient than other forms of gambling that do not have the same freedoms to advertise (or have their own television show). There is also another contributory factor that is perhaps worth mentioning here. Most studies on lottery play around the world have shown that the working class sector of the population is over represented and that those people from the middle classes are under represented in lottery sales (Clotfelter & Cook, 1989). Since television viewing is greater in the working class sector, the impact of television based marketing of lottery gambling may be heightened for this group. Furthermore, a televised draw (which happens in nearly all countries to the author's knowledge) highlights the simplicity of winning while at the same time hiding the huge number of losers who are watching (Walker, 1992).

The National Gambling Impact Study Commission (1999) went as far to claim that lotteries exploit those on low incomes. They reported that lottery gamblers with household incomes under \$10,000 (USD) bet

nearly three times as much as those with incomes over \$50,000. The report claimed that some lottery advertising had deliberately targeted people in impoverished neighbourhoods.

It appears that most (if not all) lottery operators actively stimulate gambling through mass television advertising and advertisements in the national press. For instance, in the UK, advertising slogans have either been designed to make people think they have a good chance of winning the jackpot rather than the actual odds (“It could be you”) or has been designed to play upon people’s charitable instinct giving an impression of altruism (“Everyone’s a winner”). More recent slogans (“Maybe, just maybe” and “Think Lucky”) are more subtle but are still sold on the premise that somebody has got to win the big jackpot, so why shouldn’t it be you. This is the major tactic—to make the person believe that the almost impossible is within their grasp.

The advertising for lotteries is fast persuading people that gambling is normal and socially acceptable. Further to this, the televised draw is in itself a form of advertising in which operators are provided with free air time each week. Another tactic in selling products is to gain source credibility. Through constant advertising, the public are sold the message that the product is credible. Given the apparent increase in gambling advertising, many have started to ask whether an increase in advertising will lead to an increase in problem gambling. There is an implicit assumption by Governments that it does because many of them have strict advertising legislation. The following section briefly overviews empirical research on gambling and advertising.

### Empirical Research on Gambling Advertising

Very few researchers have examined gambling advertising and its effect on consumers. Almost all of the data concerns attitudes toward gambling advertising in some way. Furthermore, very little of these data provide insight into the relationship between advertising and problem gambling. However, this does not mean there are not interesting findings.

A U.S. study by [Youn, Faber, and Shah \(2000\)](#) examined the *Third-Person Effect* (TPE) in relation to gambling advertising. The TPE, a model of mass communication, postulates that media messages have a greater impact on other than they do on themselves ([Davison, 1983](#)). [Youn et al. \(2000\)](#) hypothesized that some people believe that lottery and casino advertising campaigns adversely affect other people but do not affect themselves. Therefore, those who claim they are unaffected might support censorship of gambling advertising.

[Youn et al. \(2000\)](#) carried out a survey of 194 adults in a U.S. mid-western city where lottery and casino gambling are legal. They were asked about their gambling behaviour, their attitudes about gambling advertising on themselves and other people, and questions concerning gambling censorship. Most people were defined as *ordinary* gamblers who gambled two or three times a month. Their results showed a significant relationship between the Third Person perception and gambling advertising (in both casino and lotteries). People did indeed think that casino and lottery advertising had more impact on others in comparison to themselves. They also found that the perceived effects of gambling advertising predicted their desire to censor the advertisements. While this is an interesting study and suffers from the usual limitations (e.g., representativeness of the sample), it fails to differentiate between different advertising forms. For instance, the effect might be more powerful with broadcast media over print media. The research would also be interesting to carry out among problem gamblers.

In the U.S., [Grant and Won Kim \(2001\)](#) examined the demographic and clinical features of 131 adult pathological gamblers. One of the questions they asked concerned *gambling triggers* (i.e., what the impetus in provoking the urge to gamble was). Just under half of the sample ( $n = 60$ , 46%) reported that television, radio and billboard advertisements were a trigger to gamble. They also reported that those gamblers who had urges triggered by advertisements also appeared to develop pathological gambling soon after the onset. Grant and Won Kim argued that constant exposure to specific triggers to urges would naturally reinforce the behaviour, and this may explain why these subjects progressed to pathological gambling quickly.

In New Zealand, [Amey \(2001\)](#) carried out a gambling survey among 1500 people of the population in June and July 2000. Some of the data collected related to gambling advertising. A large majority of the sample (89%) could remember seeing or hearing some form of gaming advertising in the 12 months prior to being surveyed. Of those who had seen gaming advertising, most could recall advertisements for lottery games (particularly Lotto). The number of people who recalled Lotto advertising was virtually identical to the number who had played the game (84%). People’s recollection of Daily Keno and Telebingo advertising was considerably higher than the number who had participated. Those who had played non-casino gaming machines far exceeded the number of people who remembered seeing advertising for this activity.

Further analysis revealed that males were slightly more likely to remember seeing gambling advertising (90%) than females (88%), and that males had much higher recall rates for some activities compared to females (e.g., sports betting, horse/dog racing, TAB).

However, females were more likely to remember things like Telebingo. It was also reported that the younger the person, the more likely they were to remember some form of gambling advertising (93% of those under 25 years; 76% of those over 65 years). Unemployed and retired people (77%) were much less likely to recall gambling advertising than those who were students or employed (92%).

Amey (2001) also reported an association between participation in gambling activities and recall in gambling advertising. Those who had done few or no gaming activities were less likely to report having seen gaming advertisements (83%, compared to the 93% who had done four or more gambling activities). Furthermore, those who had engaged in four or more types of gambling had higher recollection of all types of gambling advertising. Finally, those who said they spent the most on gaming advertising were most likely to recall particular forms of gambling (i.e., horse/dog racing, TAB). These data while interesting are only suggestive of a relationship between gambling and advertising.

The National Gambling Impact Study Commission (1999) reported that lottery adverts target particularly vulnerable populations, specifically youth. Some lottery adverts presented to the Commission showed young people playing the lottery. The appeal of such images, and the illegality of underage lottery purchases in most states, raised justifiable concerns about the role of state governments as a promoter and participant in this type of gambling promotion. Griffiths and Wood (2001) have reported that through advertising and television coverage, children and adolescents are being introduced to the principles of gambling (as witnessed in countries like the UK). They have carried out a number of studies on adolescents, many of which have peripherally examined adolescent attitudes towards advertising. Using a Q-sort procedure Wood, Griffiths, Derevensky and Gupta (2002) examined attitudes towards lottery and scratchcard gambling among adolescents. A set of 49 Q-cards with statements about various aspects of lottery and scratchcard gambling (including advertising) were given to adolescents. The statements were derived from several sources including the gambling literature, aspects of the *DSM-IV-TR* gambling scale (Fisher, 1993), comments and feedback from participants in the authors' previous prevalence study (Wood & Griffiths, 1998). Together, these statements represented a number of attitudinal dimensions that sought to account for a diverse selection of views.

The dimensions included direction (pro- or anti-scratchcard/lottery gambling), beliefs (luck, chance, skill, misperception), issues (problem gambling, legislation, awareness, advertising), motivations (money, fun/excitement, social factors, escape). Results of the

study generated a number of different playing types among both lottery and scratchcard players. Lottery and scratchcard adverts were not a salient factor in any of the player types generated. However, only one of the 49 statements concerned gambling advertising. This may have had the effect of diminishing the importance of advertising. Alternatively, advertising may be something that has more of an unconscious rather than conscious effect.

A survey study by Wood and Griffiths (2004) identified several important attitudinal dimensions that relate to adolescent gambling on the National Lottery and scratchcards. Results demonstrated how perceptions of an activity can develop without direct behavioural experience (e.g., observing parents and friends gambling, watching lottery-related television adverts and programmes). However, such findings have little application to the role of advertising in problem gambling. In a qualitative group interview study by Wood and Griffiths (2002), participants were also directly asked "What do you think about lottery/scratchcard adverts?" These findings were not published in the final study as there was no consensual view. However, they are reported here for the first time. The range of responses was idiosyncratic and individual. Here are some typical quotes:

- "They make out it's easy. Young people are going to get hooked on it thinking that it is"
- "They're rubbing it in because they know you'll never win"
- "They're trying to get more people to buy lottery tickets. It's weird like... they say that smoking adverts encourage people to smoke. Lottery adverts may encourage people to play the lottery"
- "They just go 'it could be you' and that's about it. They've just changed so it's now 'Maybe just maybe'. Next it will be 'It's not you' (laughs)"

As can be seen, just in these limited number of extracts, the views about lottery advertising are diverse and range from the somewhat cynical to the humorous. However, these limited data reveal very little about the impact of gambling advertising on problem gambling.

Finally, an anonymous Web site (<http://www.fortunecity.com/emachines/e11/86/gamble.html>) reported that researchers at Duke University alluded to a link between the way gambling is advertised and belief in the supernatural. They reported that many lottery advertisements were unabashedly materialistic. However, this was not the materialism of hard work and perseverance but rather of genies and magic lamps, rooted in hopes, dreams and superstition. They claimed that every lottery manager knows that many of their best customers base their bets on personal superstitions, astrological tables, self-styled seers, and the venerable *dream books* that list numbers corresponding

to names, dates, and dreams. Rather than emphasising that all numbers have the same probability of being selected and that playing popular numbers will reduce a person's expected payoff in pari-mutuel games, lottery agencies have chosen to encourage players to choose (and stick with) personally significant numbers.

### Are Gambling Advertisements Misleading?

To date, there has been no systematic academic study of gambling adverts and their claims although some studies are in progress (e.g., Masood Zangeneh, personal communication, January 15, 2003). In Australia, the Christian Lobby claimed that advertisements used by the gambling industry often border on misrepresentations and distortion (website address). They argued that this misleading form of promotion undermines fair-trading laws. There are further claims that adverts are seductive, appealing to people's greed and desperation for cash. The Christian Lobby collated some of the advertising copy and claimed that it was wildly unrealistic. Their examples included:

- "Winning is easy"
- "It might as well be you"
- "Win a truckload of cash"
- "Play by your rules"
- "Spend for the rest of your life"
- "Win a million, the fewer numbers you choose, the easier it is to win"
- "It's easy to win"
- "\$600,000 giveaway simply by inserting card into the poker machine"
- "Wins are multiplying like bunnies"
- "Millionaire's pack—play for a million"
- "You can win a \$1 million on a Spot 10. Why not have a go? "

The viability of the gambling industry depends on consumer losses and claims such as "their secret to become winners was to buy lots of tickets," which appear to be deliberately misleading. The Christian Lobby claimed that much of this advertising appears to be in breach of the 1992 Federal and State consumer affairs legislation and the Fair Trading Act, i.e., misleading or deceptive conduct, and false or misleading representations. Lobby groups (such as the Christian Lobby) further claim that in amongst the thousands of words and images of encouragement, there is rarely anything about the odds of winning—let alone the odds of losing. (Such assertions have been backed up by the U.S. [National Gambling Impact Study Commission \[1999\]](#).) Other commentators have also made reference to lottery advertising claims. [Heberling \(2002\)](#) notes that U.S. states routinely promote their lotteries with get-rich-quick slogans that sometimes denigrate the values of hard work, initiative, responsi-

bility, perseverance, optimism, investing for the future, and even education. Examples include:

- "All you need is a dollar and a dream" (New York).
- "Work is nothing but heart attack-inducing drudgery" (Massachusetts).
- "How to get from Washington Boulevard to Easy Street" (Illinois).
- "His [Martin Luther King's] vision lives on. Honor the dream" (D.C. Lottery)

An advertisement in Illinois actually featured a man mocking others who invest in stocks and bonds. The lottery was depicted as the more fashionable and respectable preference. Promoters are likely to respond in a number of ways. The Australian Christian Lobby claim typical responses from the industry are likely to be:

- "We are selling fantasies and dreams"
- "Everyone knows the claims are excessive"
- "Big claims are made to catch people's attention"
- "People don't really believe these advertisements"
- "Business advertising does not necessarily emphasise 'negative' aspects of products"

While some of these claims have some merit, a much fairer balance is needed. The UK [Advertising Association \(2002\)](#) consider claims by such lobby groups to be fanciful especially when the limits of what advertising can realistically achieve in affecting consumer behaviour are taken into account. Until more research is carried out content analysing the adverts, it is hard to assess whether the examples collected above are typically unbalanced and consistently contain unrealistic claims. There are almost certainly people that will be influenced in some way by these promotions (which in some cases appear to be deceptive). However, there is no empirical evidence to back up such claims.

Furthermore, statements such as "winning is easy" are most likely (in a legal sense) be considered to be *puffery*. Puffery involves making exaggerated statements of opinion (not fact) to attract attention. Australian legislation deems it is not misleading or deceptive to engage in puffery. Whether a statement is puffery will depend on the circumstances. A claim is less likely to be puffery if its accuracy can be assessed. The use of a claim such as "winning is easy" is likely to be considered puffery because it is subjective and cannot be assessed for accuracy. However, a statement like "5 chances to win a million" may not be puffery, as it is likely to be measurable.

Reports by the [Canadian National Council for Welfare \(1996\)](#) and U.S. [National Gambling Impact Study Commission \(1999\)](#) concurred (with the Christian

Lobby) that one of the particularly troublesome components of lottery advertising was that much of it was misleading and deceptive. The U.S. report also asserted that lottery advertising rarely explained the poor odds of winning. Many advertisements implied that the odds of winning were even “better than you might think.” An advert aired in Texas compared the odds of winning the lottery to the odds of some everyday events, implying that winning the lottery is possible, perhaps even probable. In addition to being misleading, the report said that lottery advertising messages often exploit themes that conflict with the state’s role as protector of the public good. For example, many advertisements emphasize luck over hard work, instant gratification over prudent investment, and entertainment over savings (e.g., New York’s “All you need is a dollar and a dream” advertisement). The idea that the lottery is an investment in your future was seen as particularly troublesome when targeted toward populations that are least able to afford to play.

While many states have legalized gambling activity, some states continue to support the ban on advertising for that very activity. In addition, some states actively promote their lotteries while continuing to support the ban on gambling advertising for commercial casinos. Although contradictory on the surface, conflicting policies are often the product of incremental decision making rather than uncertainty. It is important that states ensure that their gambling policies and regulations match their objectives while simultaneously protecting the public interest.

The Commission recommends that all relevant governmental gambling regulatory agencies should ban aggressive advertising strategies, especially those that target people in impoverished neighbourhoods or youth. They also recommended that states with lotteries reduce their sales dependence on low-income neighbourhoods and heavy players in a variety of ways, including limiting advertising and number of sales outlets in low-income areas.

## Conclusion

It is very clear that the question of whether increased gambling advertising leads to increased gambling problems just cannot be answered on the base of such a small pool of data. Although there is a lack of research in this area, there are precedents that advertisements for the promotion of gambling, especially government run lotteries, should perhaps be placed in the same category as alcohol and tobacco promotions because of the potentially addictive nature of gambling and the potential for being a major health problem. Many lobby groups claim it is time to ban gambling advertising with the same vigour as cigarette advertising although there is no evidence that this would work

(particularly if the research on alcohol advertising is examined).

While many states and/or countries have legalized gambling activity, some jurisdictions continue to support the ban on advertising for that very activity. In addition, some states actively promote their lotteries while continuing to support the ban on gambling advertising for commercial casinos ([National Gambling Impact Study Commission, 1999](#)). Although contradictory on the surface, conflicting policies are often the product of incremental decision making rather than uncertainty. It is important that states ensure that their gambling policies and regulations match their objectives while simultaneously protecting the public interest.

In an overview of the psychology of lottery gambling, [Griffiths and Wood \(2001\)](#) reported that educating the public about gambling may have the reverse of the desired effect and actually increase awareness. They argue that regulation may best be achieved not through changing the structural characteristics of a gambling activity but through other practices. These could include prohibition of advertising, decreasing the number of outlets for gambling available and geographically locating gambling establishments away from sites where more vulnerable members of the population are found (e.g., schools and colleges). This is very similar to the [National Gambling Impact Study Commission](#). They recommended that all relevant governmental gambling regulatory agencies should ban aggressive advertising strategies, especially those that target people in impoverished neighbourhoods or youth anywhere. They also recommended that states with lotteries reduce their sales dependence on low-income neighbourhoods and heavy players in a variety of ways, including limiting advertising and number of sales outlets in low-income areas.

There is a need for the gambling industry to be “legal, decent, honest and truthful” in its advertising ([Advertising Association, 2002](#)). There are many examples of good practice. The North American Association of State and Provincial Lotteries (NASPL) approved a list of advertising standards for their members on March 19, 1999. These standards address the content and tone of lottery advertising, including the use of minors in ads, the inclusion of game information and a clear listing of lottery revenue beneficiaries. According to the NASPL, signatory NASPL members will conduct their advertising and marketing practices in accordance with the provisions of these standards (see [Appendix](#)). The UK National Lottery Commission also has a sound and highly workable advertising code of practice, which effectively compliments the codes administered by existing advertising regulators in the UK. Indeed, the National Lottery Advertising Code of Practice could well provide a useful reference point in draw-

ing up any wider codes for the advertising of gambling products and premises. Another example of good practice is that of Loto-Quebec. They did a thorough review of its advertising code. A brief overview of their measures undertaken are listed below.

- Their current policy disallows any advertising that is overly aggressive, rejects concepts liable to incite the interest of children, and prohibits the use of spokespeople who are popular among youth, as well as the placement of advertisements within media programmes viewed mainly by minors.
- The odds of winning printed on the back of each lottery product. This is being done in response to the suggestions expressed so frequently by various groups interested in knowing their chances of winning.
- Television commercials for new products will devote 20% of their airtime to promoting the gambling help line and to presenting warnings about problem gambling.
- There will no longer be the targeting of any particular group or community for the purposes of promoting its products. For example, a 2002 instant lottery used a specific theme to stimulate interest. However, the Chinese community did not agree with making references to its customs in order to promote the game. Out of respect for this community, the game was immediately suspended.

It perhaps goes without saying but there has to be a strong commitment to socially responsible behaviour that applies across all product sectors, including sensitive areas like gambling. As the UK Advertising Association have clearly advocated, socially responsible advertising should form one of the elements of protection afforded to ordinary customers and be reflected in the codes of practice. Children and problem gamblers deserve additional shielding from exposure to gambling products and premises, and their advertising. The codes that regulate it should include special provisions on the protection of such groups.

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## Appendix

### The North American Association of State and Provincial Lotteries (NASPL) Approved List of Advertising Standards

#### Content

- Advertising should be consistent with principles of dignity, integrity, mission, and values of the industry and jurisdictions.
- Advertising should neither contain nor imply lewd or indecent language, images or actions. • Advertising should not portray product abuse, excessive play, nor a preoccupation with gambling.
- Advertising should not imply nor portray any illegal activity.
- Advertising should not degrade the image or status of persons of any ethnic, minority, religious group nor protected class.
- Advertising by lotteries should appropriately recognise diversity in both audience and media, consistent with these standards.
- Advertising should not encourage people to play excessively nor beyond their means.
- Advertising and marketing materials should include a responsible play message when appropriate.
- Responsible play public service or purchased media messages are appropriate, especially during large jackpot periods.
- Support for compulsive gambling programs, including publications, referrals and employee training is a necessary adjunct to lottery advertising.
- Advertising should not present, directly nor indirectly, any lottery game as a potential means of relieving any person's financial or personal difficulties. • Advertising should not exhort play as a means of recovering past gambling nor other financial losses. • Advertising should not knowingly be placed in or adjacent to other media that dramatize or glamorize inappropriate use of the product.

#### Tone

- The lottery should not be promoted in derogation of nor as an alternative to employment, nor as a financial investment, nor a way to achieve financial security.
- Lottery advertisements should not be designed so as to imply urgency, should not make false promises, and should not present winning as the probable outcome.
- Advertising should not denigrate a person who does not buy a lottery ticket nor unduly praise a person who does buy a ticket.
- Advertising should emphasize the fun and entertainment aspect of playing lottery games and not imply a promise of winning.
- Advertising should not exhort the public to wager by directly or indirectly misrepresenting a person's chance of winning a prize.
- Advertising should not imply that lottery games are games of skill.

#### Minors

- Persons depicted as lottery players in lottery advertising should not be, nor appear to be, under the legal purchase age.
- Age restriction should, at a minimum, be posted at the point of sale.
- Advertising should not appear in media directed primarily to those under the legal age.
- Lotteries should not be advertised at venues where the audience is reasonably and primarily expected to be below the legal purchase age.
- Advertising should not contain symbols nor language that are primarily intended to appeal to minors or those under the legal purchase age.

- The use of animation should be monitored to ensure that characters are not associated with animated characters on children's programs.
- Celebrity or other testimonials should not be used that would primarily appeal to persons under the legal purchase age

### **Game Information**

- Odds of winning must be readily available to the public and be clearly stated
- Advertising should state alternative case and annuity values where reasonable and appropriate.

### **Beneficiaries**

- Lotteries should provide information regarding the use of lottery proceeds.
- Advertising should clearly denote where lottery proceeds go, avoiding statements that could be confusing or misinterpreted.

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