

Customer limit setting: an analysis of five European jurisdictions

Regulus Partners has analysed the customer limit setting regimes of Norway, Belgium, Germany, Spain and the United Kingdom. For each jurisdiction we have examined the legislative basis for limit setting, self-regulation and operator initiatives, the nature of limits being set, the user experience, engagement with limit setting, and the level of regulatory supervision. We use the Executive Summary to pull out broad themes.

Limit setting is becoming more prevalent as a prescriptive measure. For example, Norway (Norsk Tipping) introduced broad limit setting in 2016 as a global first, Belgium introduced a maximum limit requirement in 2018, the German licensing system of 2020 is heavily based on mandatory limits, Spain is seeking to extend its mandatory limit regime and the UK consulted on 'affordability'-based limits in 2020-2021. However, if limits are set at the player account level then customers can circumvent them easily by opening multiple accounts. Despite Belgium and Germany having limits originally designed for the customer-level, neither of these jurisdictions has the infrastructure in place to achieve a single customer view. Moreover, feedback from the UK consultation suggests that many customers might be concerned that a single customer view might be intrusive and not proportionate.

A major problem with standardized limits that apply to all players is that a deposit figure of €500 per week, for example, would allow a customer on a typical European Minimum Wage to deposit their entire salary. However, such a figure would be very small for a high value player which would force them to split their play across multiple accounts or seek black market options; neither of which is optimal for player tracking or player safety. In Belgium, this problem is addressed by allowing players to increase their limits, with the regulator only being able to refuse if the player is on the Belgian National Bank database as a defaulting creditor; credit default is clearly a symptom of financial distress, but is not a complete or direct measure of gambling harm. In Germany, limits can be lifted for higher value players subject to Enhanced Due Diligence, which is a more logical response in our view, albeit one which increases the level of complexity and intrusiveness of the limit setting process.

Customer engagement with limits is overwhelmingly on deposits (c. 80%) where they are given a choice of which limits to set (vs. losses, stakes or time), although only c. 22% of customers set limits when they are not mandatory. Of customers who choose to set limits in the UK, nearly 40% set limits which are unlikely to be realistic (eg, more than €55,000 for a day, a week or a month). The ability to set sensible limits may therefore be helping c. 13% of account holders (ie, 60% of the 22% of people who set limits and choose a relevant level) where limit setting is not mandatory. From a User Experience perspective, some operators favour a drop-down menu while others require customers to fill in a blank form directly.

Critically, data from Norway and the UK demonstrates that direct personal customer contact is a key means of reducing customer harm. However, this is not currently particularly prevalent outside relatively ineffective email and SMS forms.

While mandatory limit setting on its own does not appear to offer much efficacy, limit setting as a customer tool which also helps operators to better understand and connect with vulnerable players can be a powerful tool.

Table I: summary of limit setting measures

	Norway	Belgium	Germany	Spain	UK
Are limits mandatory	yes	yes	yes	yes	no but customers must be offered option
Maximum limit value (deposit)	€500 per month for casino games	€200 per player per site (from October 2022)	€1000 per player per month across sites	€3,000 per player per month per site	"no limit" is an option
Can limits be increased?	no	yes for all players if not credit defaulters (3 days to approve)	yes for some players subject to checks	no	yes once chosen, with a 24hr cooling off period
What happens when limits reached	play stops until reset following period	play stops until reset following period unless increase requested	play stops until reset following month	play stops until reset following period	play stops until reset following period unless increase requested
Are limits linked to financial affordability?	no	only to whether the player has defaulted on debts	yes	no	increasingly yes though regulatory intervention

The logic of limit setting

Limit setting legislation is set as a response to concerns about harmful play. While there is little consistency of approach between regulatory jurisdictions, we believe that we can identify three broad underlying rationale for limit setting. The structure and efficacy of limit setting varies considerably depending upon the rationale which the jurisdiction is following, consciously or as a customer-behaviour outcome of following the rules set.

Preventing financially excessive gambling

The most obvious motive for prescribing a mandatory set limit is to prevent players from spending a greater amount in a given period. There are two problems with this approach, which we discuss further in the country-specific sections.

First, a single limit that applies to all players can never be right for all players. For example, €500 per month might sound like a sensible limit based upon mean averages, but it represents more than all the disposable income of the poorest cohorts of society, even in Western Europe. Equally, €500 is a very small sum for the wealthiest in society, meaning that they cannot legitimately spend their income or assets as they would wish.

Second, in order to be effective the limit would need to apply to the customer rather than the operator/account; otherwise customers can simply open several accounts to avoid the purpose of the limit. These 'single customer view' measures are not yet working anywhere for a number of technical and privacy-legal related reasons; they also represent a level of intrusiveness which may not be considered proportionate by many customers. If customers do not buy-in to the regulatory system, then they are likely to use black market options.

Mitigating financially excessive gambling

Most regulations are designed to mitigate rather than prevent harm, knowing that prevention might not be possible or proportionate. Set mandatory limits by account recognises this reality given the issues with implementing mandatory limits by customer. However, as we have noted, the major problem with this approach is that the system can be 'gamed' by opening multiple accounts. This may create the additional safer gambling harm of forcing customers to spread their expenditure across several accounts, meaning they lose track.

Providing tools for customers to stay in control

A different way to look at limit setting is to see them as a tool to allow customers to stay in control of their own behaviour rather than imposing set limits on them. In this context, players can set limits which are appropriate to them and the regulatory environment can build in checks and interventions to ensure that players are more aware of behaviour which may lead to harm. This approach does not need a 'single customer view' and recognises that every player is different. It is also the approach which is most likely to gain customer buy-in, in our view. It should be noted that the absence of a mandatory limit value is not the same as the absence of mandatory limit setting. A regulatory environment can insist on limit setting as a required customer tool without enforcing a one-size-fits-all, overly complex or easy to avoid system. Most significantly, gaining customer buy-in is the best way to ensure that the maximum number of customers play in a domestically regulated rather than black market environment.

Best Practice in Limit Setting

Given the nascent and varied responses to customer limit setting in gambling, it is difficult to establish a clear set of Best Practice to follow. However, Regulus Partners would propose the following based upon research and discussions in compiling this document and our wider industry experience. This list is not intended to be exhaustive or definitive, but directional and a starting point for further development as more data is gathered, more systems are tried and more research is done.

- It is logical in our view that setting financial limits should be mandatory for all customers given that they can help people to stay in control; they also help operators to better understand customers and can trigger interventions
- Financial limits should be based upon net deposits (ie, less player winnings) over a given period since this is the most meaningful and easily understood measure of real customer expenditure
- Customers should be able to set limits on a daily, weekly, monthly and annual basis in order to reflect their own budgeting preferences
- Customers should put their own limits into an open 'free text' box rather than from a drop-down; this encourages customers to think about their own circumstances and removes the temptation to select the highest available limit
- Customers should be asked simple and unobtrusive questions such as their occupation or whether they have thought about all their outgoings to ensure that they have thought about their choices and provide the operator with some context
- Perhaps the most important element of limit setting is the extent to which it can be used to identify more harmful play and trigger an intervention between the operator and the customer
- Research shows that these interventions are best delivered by a telephone conversation when it is proportionate to do so
- Affordability-led limit measures are currently 'on trial' in the UK and are already causing material market disruption; we would recommend closely following these developments to understand their impact before implementing them
- One-size-fits all limits do more to encourage customers to 'game the system' rather than moderate their behaviour, in our view
- The technical, legal-privacy, proportionality, and intrusiveness of a 'single customer view' has not been adequately addressed to be considered a viable policy, in our view

Norway

Norway operates under a closely supervised monopoly system.

Legislation and regulation

The broad legislative framework for Norway is set by three main Acts:

- The Totalisator Act, 1927 for betting on horseracing
- The Gambling Act, 1992 for gaming machines, sports betting and online casino
- The Lottery Act, 1995 for lottery

These three acts govern the activities of two monopolies: Norsk Rikstoto for betting on horseracing (founded 1982) and Norsk Tipping for other products (founded 1948). Both monopolies are regulated by Lotteri- og stiftelsestilsynet, the Norwegian Gambling Authority. The Gambling Act allows the Ministry of Culture and Gender Equality to set the rules of games to which the law applies, providing a regulatory mandate for limit setting.¹ It should also be noted that EU challenges to Norway's monopoly structure has driven a regulatory tightening of monopoly products and advertising in order to maintain compliance with EU law.

Self-regulation and operator initiatives

Norsk Tipping introduced total loss limits in October 2016, the first gambling company in the world to do so according its Annual Report.² While setting loss limits is optional on most games, for 'Risky Games' (online casino) maximum loss limits are required to be set by players, which apply to all products offered within the online casino product accounts. Currently these limits are set by the monopolies working with the ministry and regulator. While the gambling regulator has suggested that mandatory loss limits perhaps should be applied to sports betting, this has not yet been adopted by Norsk Tipping.³

Description of limit setting

In addition to flexible personal loss limits (see below), a maximum monthly loss was also set:

- NOK20,000 (€2,000) per month overall loss across all products (including horseracing)
- NOK10,000 (€1,000) per month for 'riskier games'

In response to the Covid-19 pandemic, loss limits for 'riskier games' were cut further:

- NOK7,500 (€750) per month from December 2020; with daily loss limits cut from NOK4,000 (€400) to NOK2,000 (€200)
- NOK5,000 (€500) per month from September 2021

Norsk Tipping uses player monitoring (Playscan) to apply limits across products, meaning the 'risky games' limits are a subset of total limits. However, Norsk Rikstoto is separate from Norsk Tipping, meaning that a player can run up separate limits in the two state monopolies.

While gaming activity might often follow a relatively even monthly pattern, betting activity is more likely to be seasonal given the underlying nature of sporting events. To reflect this seasonality, Norsk Rikstoto proposed a 90-day NOK60,000 (€6,000) loss limit, from which net winnings from previous 365 days could be added; in addition Norsk Rikstoto proposed that 200 'professional bettors' should be exempted by licence according to 'set criteria', although we are uncertain what these criteria would be or if they have been finalised.⁴

¹ <https://lovdata.no/dokument/NL/lov/1992-08-28-103> S11

² <https://2016.norsk-tipping.no/formell-rapport/aarsberetning/index.html>

³ https://lottstift.no/content/uploads/2022/04/Arsrapport_2021_web-2.pdf, p 28

⁴ <https://igamingbusiness.com/norsk-rikstoto-proposes-spending-cap-for-players/>

User experience

Player limit setting is offered on Norsk Tipping's online gaming sites (Kong Kasino, eFlax, Bingoria, Yess). As well as the mandatory limits established above, players can choose their own limits via a drop-down menu.

Engagement with limits

Norsk Tipping has reported that in 2017 560,000 players had set personal boundaries using limit setting tools. This figure represents customers which have chosen to set limits over and above the mandatory limits imposed by the monopoly; such additional limit setting is not mandatory.

As well as providing limits, Norsk Tipping monitors player behaviour using its Playscan system. Customers which exhibit high levels of risk in their behaviour are contacted by telephone. This was piloted during 2017 and analysis of the results suggested that the results reduced their gaming consumption after contact. During 2017, 1,274 initial interviews took place (0.2% of players which had set limits, with 140 follow-up interviews). The low level of follow-up calls suggests to us that the initial intervention outcomes are effective in moderating behavior or we would expect the same customers to receive multiple calls. This hypothesis is further reinforced by data from the UK, which we discuss below. Norsk Tipping employs three people to conduct outreach conversations (2018). From 2020, in response to the pandemic, players could also get in touch with responsible gambling teams via chat as well as telephone and email.

Regulatory supervision

Since Norsk Tipping is a monopoly, it is very easy to supervise from a regulatory standpoint. However, it will be noted that the regulator-monopoly relationship with regard to loss limits seems to be more collaborative than instructional.

Belgium

Belgium operates a licensing regime for gambling which links online licences to a landbased presence, although this can be done via a licensing partnership between a local landbased business and an international online operator. This licensing structure is relevant to how limit setting works in practice.

Legislation and regulation

Belgium's loss limit was set by Royal Decree, specifically Article 43/8, 25 October 2018.⁵ The regime was set by the federal government and regulated by the Belgian Gaming Commission. This decree has now been updated by a new Royal Decree, which comes into force in October 2022.⁶

Self-regulation and operator initiatives

Prior to the Royal Decree, some licensed operators offered responsible gambling tools in line with their global policy.

Description of limit setting

The Royal Decree required (section 6):

- Mandatory player limits that can be lowered by the players with immediate effect
- €500 per week as the maximum that could be loaded to accounts (ie, deposited), including all gaming and betting in which they participate
- Customers can request an increase, but it takes three days to come through and must be specifically approved by the regulator; the main criteria for approval being whether the player was a known credit defaulter via the systems of the National Bank of Belgium; the register is checked monthly per player with increased limits

From October 2022, the €500 limit is to be reduced to €200. This new limit is now unequivocal 'per week per site' rather than attempting a single customer limit.⁷

While the 2018 decree was designed to be per player, the technical systems do not exist in Belgium to enforce this. Consequently, in July 2021 ministers approved a new draft law to move the deposit limit threshold to €200 per operator per week, which is now coming into force. While this was presented as a reduction by the press,⁸ it should be noted that separate accounts and licences exist for betting, casino and arcade games by operator. Belgium also has a broad choice of operators for betting and gaming given the large number of landbased operators and premises, with only casino restricted to nine operators (reflecting the smaller number of landbased casinos, with a landbased presence required to get an online licence in Belgium).

⁵ <https://gamingcommission.be/en/artikel-43-8-koninklijk-besluit-van-25-oktober-2018-betreffende-de-voorwaarden-voor-het-uitbaten-van>

⁶ <https://gamingcommission.paddlecms.net/sites/default/files/2022-07/Communication%20AR%20limites%20de%20jeu.pdf>

⁷ <https://gamingcommission.paddlecms.net/sites/default/files/2022-07/Communication%20%20joueurs%20-%20AR%20Limite%20de%20d%C3%A9pense%20B4t.pdf>

⁸ <https://gamblingindustrynews.com/news/regulation/belgium-reduce-weekly-deposit-limits-e200/#:~:text=Belgium%20Set%20to%20Reduce%20Weekly%20Deposit%20Limits%20From%20%E2%82%AC500%20to%20%E2%82%AC200,-by%20Thomas%20Nielsen&text=Belgium's%20Council%20of%20Ministers%20have,at%20%E2%82%AC500%20Oper%20week.>

User experience

The Belgian user experience is very simple: players are not able to deposit more than the set limit per week into their accounts unless they have requested and received permission for an increase in the limits. However, while sounding simple, the player has a number of options to get around optically strict limits:

- the criteria for refusing a limit increase is very narrow, it is our understanding that most limit increases are granted; note mandated monitoring is for financial credit problems, not elevated risks of gambling harm
- given the doubly fragmented nature of the Belgian licensing system (licensing by product as well as multiple licenses in the market), players can spread their play across a wide range of accounts which are not linked

Engagement with limits

The ability for players to 'game the system' means that there has been limited positive engagement with Belgium's deposit limit programme. Essentially the original purpose of the system was flawed because it envisaged a customer limit where no single customer view exists. Moreover, Belgian limits would only work in a very narrow circumstance: a vulnerable player also happens to have severe credit problems and is therefore denied a limit increase; instead of opening an account with another licensed Belgian business, this player accepts the limit and reduces their originally desired levels play. However, even this player can gamble up to €26,000 per year. The minimum wage in Belgium yields an annual salary €20,000 per year.

Regulatory supervision

The Belgian Gaming Commission has effective supervision of deposit limit raising under the strict terms of the Royal Decree. However, without a single customer view it could not apply the limit on a per customer basis. Regulatory supervision is therefore effective on its own terms but highly limited in terms of player protection, in our view.

Germany

The German online gambling market is formed through the 2021 Inter-State Treaty on Gambling. The Treaty allows for licensed betting operators which can also offer a limited online slots and poker product. Federal licences are also available for limited online slots and poker. In order to offer table games, a state licence is required. The licensing regime is therefore complex, which has a direct bearing on how limit setting works.

Legislation and regulation

The 2021 Inter-State Treaty on Gambling authorizes mandatory loss limits for most players.⁹

Self-regulation and operator initiatives

The Inter-State Treaty implicitly recognises that €1,000 deposit limits for customers across all providers might be too strict for some players and leaves open the ability for operators to suggest more appropriate measures for some customers, for example for the purpose of channelling higher spending customers into the domestically licensed environment. These changes effectively form a regulatory agreement between the regulatory authority and the licensed operator.

Description of limit setting

The Inter-State treaty (Section 6c) stipulates that:

- players must set up their own deposit limit, not exceeding €1,000 per month across providers
- players must be given the opportunity to set daily, weekly or monthly deposit or loss limits in addition to the required maximum
- if a player wants to raise pre-set limits, there is a seven-day cooling-off period, if a player wishes to reduce their limits this can be done immediately
- deposit limits can be waived if it is necessary to 'reach the aims of the treaty'

In theory, German limits apply to the player rather than by account. However, the single customer view infrastructure is not yet in place to enforce this. In practice, therefore, the limits are currently set by account.

As an example of operator-specific limit setting, Entain's German sports betting licence allows it to:¹⁰

- start with a €1,000 per month customer wagering limit (ie, stakes, not deposits)
- increase player wagering limits to €10,000 per month 'subject to certain criteria', including the presence of loss limits and customer verification
- 1% of customers can have wagering limits increased to €30,000 per month, including both loss limits and enhanced customer due diligence

⁹ https://mi.sachsen-anhalt.de/fileadmin/Bibliothek/Politik_und_Verwaltung/MI/MI/3_Themen/Gluecksspiel/201029_Gluecksspiel_staatsvertrag_2021_-_Druckfassung.pdf (Section 6c)

¹⁰ <https://tools.eurolandir.com/tools/Pressreleases/GetPressRelease/?ID=3827340&lang=en-GB&companycode=lu-gvc&v=redesign>

User experience

German user experience is complicated by the fact that the specific requirement of the Inter-State treaty is a €1,000 per player deposit limit across operators is not currently technically supported. We understand that this is due to a combination of technical and legal privacy factors. It is also noteworthy that all 33 German betting licensees are currently challenging the regulatory framework legally.¹¹ German players therefore have user journeys that are shaped by licence agreements such as Entain's outlined above. However, all operators offer wagering, deposit and loss limits which can be set daily, weekly or monthly.

Our understanding is that the type of Enhanced Due Diligence that is required from players to access higher limits varies by operator depending upon their own systems, but typically requires the player to provide evidence of affordability in common with an AML 'Source of Wealth' check, such as:

- Soft credit searches to discover any credit defaults (for smaller limit enhancements)
- Bank statements to show income or assets
- Pay slips to demonstrate income

Engagement with limits

All players in Germany using domestically regulated sites must engage in limit setting or have the default €1,000 deposit limit per month applied. Moreover, licensed operators are being encouraged to get players to set limits and go through enhanced checks in order to trigger higher limits. This therefore reinforces limit setting as built into the German licensing system at all levels. However, what is not yet clear is how effective licensed operator interventions are once limits have been set: limit setting currently seems to be an end in itself.

Regulatory supervision

Germany still lacks a fully equipped regulator. The Hessen Ministry of the Interior and Sports has interim authority over sports betting, with Saxony Anhalt covering online slots and poker.

(NB, as of writing in August 2022; the Gemeinsame Glücksspielbehörde der Länder has now been set up and will take over regulation in January 2023: www.gluecksspiel-behoerde.de)

¹¹ <https://igamingbusiness.com/all-german-licensees/>

Spain

Spain operates an open licensing regime at the Federal level, with c. 80 active domestically licensed operators.

Legislation and regulation

Spain legislated online gambling at the Federal level through Law 13 / 2011. The law set up a national regulator, the Directorate General for the Regulation of Gambling (DGOJ). Mandatory deposit limits were established by Royal Decree (1614/2011, Annex II) on the opening of the market.¹² In addition, there is now discussion of per-session loss limits being introduced:

- Players will be required to set time and spending limits on registration
- a customer-set time limit will be required for each casino gaming session which will limit the length of the session
- a customer-set betting loss limit will be required 24-hours before placing a wager
- customers hitting 50% of the daily or weekly deposit limits set in three consecutive time periods (25% if under 25) will be required to receive a communication informing them of this which is specific to the customer

Self-regulation and operator initiatives

As well as mandatory limits, many operators offer additional limits on their own initiative as large global operators and/or through encouragement of limit setting by the Maltese Gaming Authority, where most Spanish-facing licensed operators are also regulated on a Point of Supply basis. However, this does not seem to be coordinated at the national level.

Description of limit setting

Spanish legislation requires that customers are given the option to set limits, but they cannot deposit more than:

- €600 per day; €1,500 per week; €3,000 per month

A Spanish gambler can therefore deposit €36,000 per year without noticing the legislation.

User experience

The Spanish user experience is simply to force very high spending customers to use multiple accounts, since the limits are per account not per player. Given the large number of active licensed operators in Spain, the current statutory limits have no material impact on customer spend. For optional player limit setting, please see the UK section, which Spain mirrors. Introducing time limits per session could exacerbate this problem for more players, since players would be required to use other accounts to continue a long gambling session.

Engagement with limits

Engagement with limits is likely to increase significantly with the proposed rule changes, but currently required engagement is limited to customers who hit existing limits. This could be sub-optimal for those customers who would be better able to track their play in one account.

Regulatory supervision

The DGOJ checks licensed operators for systems compliance before allowing trading to begin, which we understand includes ensuring that mandatory deposit limits are in place.

¹² <https://www.boe.es/buscar/act.php?id=BOE-A-2011-17836>

UK

Great Britain operates an open licensing regime at with c. 200 active licensed operators.

Legislation and regulation

Limits setting is not covered directly by legislation, but wide regulatory powers were granted to the Gambling Commission in 2005, which was extended to the domestic licensing of online gambling providers in 2014. The Gambling Commission's Remote gambling and software technical standards require limit setting, described below.¹³

In addition, the Gambling Commission consulted on affordability-based limit setting in 2020 during the pandemic. The consultation proposed setting a deposit limit between £100 and £2,000 per month, with some measure of affordability being required to deposit more, including potentially:¹⁴

- Credit checking and safer gambling algorithms
- Customer outreach by the operator and proof of income / assets (bank statements, tax returns etc)

Given a very high level of responses to the consultation (c. 13,000, therefore including a material number of affected customers) and the complexity of the issue, it has been decided to consider affordability-based measures as part of the wider Gambling Act Review, rather than separately. In closing the affordability consultation, the Gambling Commission recognised that: *many people think there should be protections in place for the most vulnerable and that appropriate checks should be in place to identify and prevent cases of clearly unaffordable gambling. Many respondents emphasised that measures should be proportionate and targeted at those at risk of harm. At the same time, customers were also concerned about privacy and freedom of choice.* We would interpret this as a significant backlash against intrusive, population-wide measures.

It should be noted that limit setting is increasingly being introduced in the UK through regulatory interventions. If a licensed operator is found to have failed in implementing safer gambling measures, the Gambling Commission increasingly requires that 'affordability' checks are carried out on customers who wish to spend over certain thresholds. These thresholds vary by operator, can change over time, and are not published, but Regulus understands that they are typically set at c. €3,500 pcm on net deposits (ie, the amount a customer spends net of winnings).

Self-regulation and operator initiatives

The requirement for limit setting is mandated but not proscribed, meaning that the exact nature of limit setting occurring in the UK market is driven by self-regulation and best practice.

Description of limit setting

The remote gambling and software technical standards requires that:

- Deposit, spend or loss limits are offered to all customers
- Limits must cover 24-hours, per week and per month time frames
- The option of 'no limit' can be available but cannot be the default option

¹³ <https://www.gamblingcommission.gov.uk/standards/remote-gambling-and-software-technical-standards/rts-12-financial-limits>

¹⁴ <https://consult.gamblingcommission.gov.uk/author/remote-customer-interaction-consultation-and-call/>

User experience

The user experience varies by operator, as it does in most jurisdictions that are not highly proscriptive. Given this level of flexibility, we provide four user experience examples covering larger operators. NB, the customer is not obliged to set deposit limits for any accounts.

bet365

Deposit limits can be tailored for 24 hour, 7 day and 30 day periods. The customer must enter the amount rather than using a drop down.

Mandatory for all customers time limit 'reality check' drop down of:

- 10 minutes
- 20 minutes
- 30 minutes
- 1 hour

Flutter (Sky Bet)

Deposit limit set by drop-down:

- Daily: £5, £10, £25, £50, £100, £200, £250, £500, £750, £1,000, £1,500, £2,000, £5,000, no limit
- Weekly: as above + £10,000, £20,000
- Monthly: as above +£50,000

Entain (Ladbrokes)

Daily, weekly and monthly deposit limits to be entered by the customer rather than using a drop down.

888 (casino app)

Occupation required on registering for 'safer gambling purposes', offering a long list of pre-set typical occupations, 'director' on its own is not a choice.

Deposit limits can be set at 1 day, 7 day and 30 days and are entered by the customer rather than using a drop down.

Outside customer-set limit setting, the Gambling Commission's affordability-led limit setting is now having a material impact on revenue generated by UK operators. For example, it was blamed for a weak performance in Q222 by:

- Entain¹⁵
- Kindred¹⁶
- Flutter (Q1), which included the voluntary rollout of mandatory deposit limits¹⁷

¹⁵ <https://entaingroup.com/newsrelease/q2-trading-update/>

¹⁶ <https://www.kindredgroup.com/globalassets/documents/investor-relations-related-documents/financial-reports/2022/q2/report-kindred-group-plc-half-year-report-2022.pdf>

¹⁷ <https://www.flutter.com/media/ivekinmf/flutter-q1-trading-update-final.pdf>

Engagement with limits

NatCen and the University of Liverpool produced a Patterns of Play report for GambleAware in March 2022. The Technical Report 2 provides data on customer engagement with limits across seven licensed operators and 140,000 accounts (20,000 per operator) prior to the pandemic.¹⁸ We consider this sample to be robust, therefore. The report found that:

- 21.5% of all account holders set a deposit limit at least once during the study year (an estimate based on the data considered 'low bound' by the authors)
- Of those who set a limit, 35% chose daily, 32% weekly and 33% monthly
- C. 40% of those setting a limit chose over €55,000, per day, per week or per month

In other words roughly 13% of GB gambling account holders chose a deposit limit which was likely to be broadly appropriate to their circumstances (assuming that €55,000 per month is not appropriate to the vast majority of people), 9% chose a probably meaningless figure (ie, over €55,000) and 78% did not engage with the option for deposit limits. We believe that the UK data is likely to be broadly representative of gamblers in a relatively mature 'Western' jurisdiction and does not include any material country-specific biases that would be relevant to how limits are used by customers.

It should also be noted that while GB regulations allow for three different types of financial limit, the overwhelming focus is on deposit limits. This is also reinforced by data from the Malta Gambling Authority, which in 2020 reported that over 80% of limits set by customers were deposit limits, with 7% set on wagering, 7% set on time and 5% on loss.¹⁹

Perhaps the most important finding in the Patterns of Play report was regarding operator interventions (NB, not directly related to limits, but often related to heavy losses):

- 3.9% of account holders were contacted at least once for social responsibility reasons
- 0.7% of account holders were contacted more than four times
- 84% of contact was by email, with chatrooms and pop-ups rarely used
- Of the 13% 'other' most seems to be by SMS
- Telephone calls represented only 1.4% of contacts...
- ...but were found to be by far the most impactful

We believe that telephone calls were found to be more impactful because the intervention could be relatively real-time (during or shortly after disordered play), is definitely noticed by the customer (unlike an email or SMS, which could be ignored), and the conversation can be tailored to the player based upon their responses (relevant, compassionate, human).

Regulatory supervision

The Gambling Commission takes enforcement of regulatory requirements very seriously, regulatory sanctioning operators, including with the removal of licences. Therefore while c. 200 operators is a lot to police, there is a working visible incentive for operators to be compliant. The required option to provide a limit option therefore appears to be universal. The Gambling Commission also requires its larger operators to submit annual reports on how they are improving their safer gambling measures, known as Annual Assurance Statements. While these are broadly based, they can be used to measure how limit setting is evolving and to promote and enforce best practice.

¹⁸ https://natcen.ac.uk/media/2229407/Patterns-of-Play_Technical-Report-2_Account-Data-Stage-Report_final.pdf pp 64-66 ; pp 70 – 72 for interventions

¹⁹ <https://www.mga.org.mt/wp-content/uploads/MGA-AR-2020-WEB.pdf> p 86

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