

Mobile Gambling

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Abstract. Although technical capability outstrips consumer acceptance, gambling has already been implemented on mobile phones in some jurisdictions. This paper presents rates of self reported problems and distraction in the community, to advise impact statements or harm-minimization plans.

Keywords: Mobile phones, gambling, advertising.

1 Mobile Gambling

Although, commercial transactions and location aware advertising are technically possible, technical capability sometimes outstrips consumer acceptance [1]. The present paper considers some reported rates of consumer responses to specific problems with their mobile phone, relevant to the implementation of gambling or advertising on mobile phones.

Even though consumer acceptance and market penetration for mobile phones is remarkable, the capability for technologies like advertising [2] has yet to properly address consumer acceptance [1]. For instance, Mahatanankoon, Wen and Lim [1] considered acceptance of potential uses of mobile phones on a 1-5 scale (1 being not important and 5 being very important). The 251 respondents rated messaging most highly at (3.92) with applications such as games (2.84) and electronic payment (2.75) as more important than personalized advertisements (2.03) and personalized shopping offers (1.85). Such data has implications for innovations such as location aware advertising [3]. Presumably factors such as trust and perceived risk are influencing the willingness to accept such technologies [4].

Organizations planning new innovations such as gambling [5] on mobile phones need to know that a proportion of the community already reports problems with their mobile phones [6]. For instance, when considering possible developments such as gambling on mobile phones, previous studies have found that games account for about 20% of self reported mobile phone use [6]. However, 2.6% of individuals agree that the time they spend on their mobile phones gets them into trouble, another 5.6% agree that they are on their mobile phone when they should be doing other things, and 7.7% of individuals already report problems paying their bills [6]. But these numbers represent a minority within the community, and it is difficult to argue that an innovation such as mobile gambling be blocked just on this basis [6].

Nevertheless, current strategies to curb problem gambling seek to control access by limiting the availability to gaming machines [7]. Hence, legalizing gambling on mobile phones, as has been done in South Africa, potentially creates millions of new gaming terminals. It is not yet clear whether the same people who already have a gambling problem would be liable to misuse mobile gaming technology if implemented, or whether the new technology would afford access to new segments of the community, and create a new cohort of people with problems? However, there is the potential for mobile gambling technology to place personalized gambling within the reach of the 20 million Australians irrespective of the age of the subscriber. In particular, problem gambling is associated with symptoms such as lying about one's gambling, and the need for financial bail out. Hence, mobile gaming is liable to require attention from bodies regulating privacy and financial transaction.

Advertising constitutes one of the forms of inducements to gamble, but its use in Australia is now tightly controlled. When considering innovations associated with advertising on mobile phones, data is required on the capability of the mobile phone to distract. We find that 9.2% of participants report that their mobile phone goes off at meetings, lectures or at the theatre. Distraction could also be equated with unwanted phone calls. On average 13.5% of phone calls were reported to be unwanted. And more dangerously, 56.3% report regularly using their mobile phone while driving [6]. Such figures are likely to increase with the implementation of advertising on mobile phones. For instance, 96% of emails are estimated to be SPAM, and Australia has already fined companies for sending SPAM to mobile phones

Psychological testing may not be mature enough to be able to equitably detect and exclude members of the community who would abuse the technology. Nevertheless, the capacity for the mobile phone to incur financial loss or cause distraction should be taken into account in impact statements or harm minimization plans when considering innovations such as gambling or location aware advertising

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