

UNIVERSITY OF CANTERBURY

# How has Gambling Become Normalised in New Zealand?

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By

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## Abstract

This study investigated the normalisation of gambling within the New Zealand context to explore whether an ausugenic environment exists, using qualitative interviews in combination with a self-ethnography. An ausugenic environment is one where gambling has become embedded in the cultural attitudes and behaviour of a society to the extent that it is no longer considered to be an abnormal or noteworthy activity.

In order to investigate this two phases of qualitative interviews were conducted with the first being with members of the public who were also asked to record a diary of gambling related things they noticed over the course of a weekend. To better understand the results for diary participant responses, the researcher underwent the same diary keeping process during the same weekend while also revisiting locations described by the participants to validate their reports. The second phase involved interviews with counsellors from the Problem Gambling Foundation of New Zealand to explore their attitudes towards gambling and experiences that their clients who were most affected by gambling in New Zealand.

The outcomes of this research were two conceptual models that propose how individuals normalise gambling behaviour personally as well as how society both creates and perpetuates an ausugenic environment.

This study also discusses the concept of environmental normalisation as a development upon advertising wearout theory. It suggests that individuals may become blind to attitudes and stimuli within their environment after prolonged periods of exposure through many different sources. The idea that this may be not simply something that advertisers seek to avoid as is classically thought, but implemented as a deliberate strategy for organisations seeking to gain wide acceptance of their product or service is also proposed.

The study then seeks to make significant contributions towards the betterment of society through use of the findings to recommend policy alterations the New Zealand Government should implement and suggest alternative ways that the treatment of problem gambling is addressed in future.

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## 1 Chapter 1: Introduction

### 1.1 Introduction to the study

“Whoever wants to know the heart and mind of earth’s citizens needs to understand gambling” (McManus, 2006).

Risk taking has been an integral part to the survival of the human race and development of our society beginning with the hunter and warrior skills of our ancestors. These skills can now be seen as being represented by physical or mental games upon which wagers are laid by individuals seeking to profit through their ability to predict the future outcome of such contests.

Gambling in New Zealand is big business that was valued at over two billion dollars in 2013 across the four primary sectors; NZ racing board (TAB), NZ Lotteries, Gaming machines (outside of casinos) and Casinos (Department of Internal Affairs, 2013a). With approximately 81% of New Zealanders engaging in gambling activities annually, it is an industry which involves a large number of the New Zealand population (Gray, 2011). The majority of these individuals are considered to be low or non-risk gamblers however the 0.4% of individuals who are classified as problem gamblers have been the focal point for the majority of research (Woolley, 2009).

### 1.2 Background of the study

This research attempts to apply techniques that have been used to understand the motivations of problem gamblers to the broader population in order to gain an understanding of existing societal attitudes. The techniques primarily employed were in-depth interviews to determine historical gambling behaviours which contributed towards the participant’s current views or attitudes towards gambling.

Because of the high intensity of studies focused upon problem gamblers and their personal situations which led to their condition, this study excluded them from the sample selection. With the large number of individuals participating in gambling annually, this thesis seeks to focus upon the environmental factors which led to gambling being not only common in New Zealand but apparently normalised. From this it was hoped that measures could be put in place to better manage the risk that gambling promotions potentially have towards people which lead them to develop harmful gambling behaviours.

This study aims to gather empirical data on the environmental factors relating to gambling in order to then create a conceptual model which highlights the process of normalisation. From this greater understanding, recommendations for government will be made

### 1.3 Research approach

This study takes an ethnographic approach in order to satisfy the research objectives. Geertz argued that careful ethnographic study of a society's games of chance could generate insights into that society's history, structure and culture (Geertz, 1959). This thesis draws upon his initial idea however flips the coin using his logic in reverse to understand how our new Zealand society's culture, has led to the wide acceptance of games of chance otherwise known as gambling activities. Following a sequential procedure, the findings of the first participant diary exercises were then used to shape and direct questions for the second round of interviews with problem gambling service counsellors.

The diary interviews were conducted with individuals between the ages of 18 and 24 who had no history of problem gambling behaviour. This was in order to gain an understanding of the most common experiences had by young people who have recently become legally able to gamble and engage using online and social media. The findings of these interviews were then discussed with counsellors from the Problem Gambling Foundation who were able to draw from their personal and professional experiences. To further validate these experiences, the researcher also visited the locations described by diary participants. The researcher then undertook the same process of recording gambling related stimuli within those environments and across the same period of time.

The rationale behind holding two interview sessions was in order to validate whether the previous participant interviews of young people were cohesive with the advanced attitudes counsellors had encountered within their work. The findings could then be used to construct a conceptual model that would aid in the understanding of gambling normalisation.

### 1.4 Research Objectives

Due to the dual purposes interviews were used for in this study the key objectives of each are discussed below.

#### 1.4.1 Diary exercise and interviews

The primary objective of the diary keeping exercise was to explore the attitudes of young adults who are more likely to use a number of media platforms including social media and



mobile internet (Lenhart, Purcell, Smith, & Zickuhr, 2010). Through the keeping of a diary over a period of one weekend while they carried out their usual routines, it would also give an initial level of their awareness of gambling stimuli in their environment.

The interviews which preceded and followed the diary keeping process sought to explore their previous experiences with gambling and discuss how their attitudes had been shaped towards gambling activities. This stage provided a basis upon which future lines of enquiry could be pursued with counsellors.

#### **1.4.2 Counsellor interviews**

It was decided early in the project that interviews with experts in the field of gambling behaviours would be important in order to validate and more deeply explore the experiences of the diary participants. This was due to the deep understanding of gambling related harm and the associated mental processes which their training as mental health practitioners fostered. It was also hoped that due to their high level of involvement with gambling in New Zealand they would be able to draw upon their own experiences to highlight what they believed to be the most prevalent forms of gambling stimuli that contributed to the normalisation of gambling in New Zealand.

#### **1.4.3 Personal ethnography**

During the course of this study it was important that the number of gambling related stimuli available to the diary participants over the period of data collection could be verified. As a result the researcher decided to undertake the same exercise while making an effort to watch channel two on television between the hours of 5-10pm on both Friday and Saturday as it is considered prime time television commanding the highest advertising price per 30 second block during the week (*TV New Zealand Rate card Oct 2014-Jan 2015*, 2015)

To test the awareness of participants to gambling related stimuli I also visited the locations recorded by participants. This was to record my own experiences so that they could be compared to that of the diary participants in order to search for both consistencies and inconsistencies in their reported stimuli.

#### 1.4.4 Thesis outline

This thesis is divided into 5 chapters as follows:

Chapter One introduced the study and provided an overview of the research and this thesis.

Chapter Two presents the literature for this study is divided into three primary sections. The first discusses gambling as a phenomenon and the associated research that has been conducted prior to this research. The process of normalisation will then be discussed before contextually relevant literature regarding policy or population management in New Zealand will be summarised.

Chapter Three details the data collection process including the supporting methodology, sample design and recruitment of participants and descriptions of the interview process.

Chapter Four will present the results and detailed findings of the diary collections, qualitative interviews and examination of the gambling environment within New Zealand found through personal ethnography.

Chapter Five discusses the major findings of the study in relation to the relevant literature discussed earlier in the thesis. It also presents implications for mental health and policy practitioners, future research and some limitations to this research.

## 2 Chapter 2: Literature Review

### 2.1 Concepts and key terms

#### 2.1.1 Normalisation process

The following research sought to answer whether gambling was considered to be ‘normal’ within New Zealand and if so, what factors contribute to this cultural attitude. As a result it is important to understand how a society normalises cultural attitudes and/or behaviours before the research question can be fully addressed. Normalisation Process Theory (NPT) is concerned with the embedding of practices as a part of everyday life and the sustaining of these practises within their social contexts (May & Finch, 2009). The following model was designed to explain how general processes interact and lead to material practices becoming embedded within social contexts and therefore be considered “normalised”.

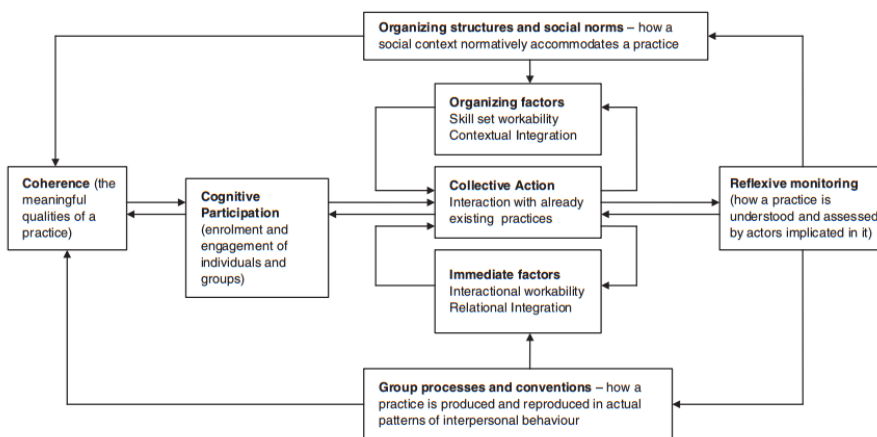


Figure 1: Model of the components of normalization process theory (May & Finch, 2009)

NPT provides a collection of societal tools which may be used to explain the social process which frame the normalisation of material practices. The theory proposes how behaviours, attitudes or other practises become embedded or normalised as a result of people working individually or collectively to implement them (May & Finch, 2009). In order to understand how attitudes or behaviours become embedded within a certain context is therefore important to specifically observe the individual and collective actions that occur over time.

The contributing elements are detailed in Figure 1 however the most relevant sections to this study are highlighted as follows.

Coherence when used to describe the normalisation of gambling behaviour would mean that there is a consistency in the meaning, uses and utility of the term 'gambling' which allow for it to be shared and enacted.

'Cognitive Participation' describes the willingness of people to engage in a particular behaviour, or subscription to a thought pattern either symbolically or through real interaction. This may take an active form where individuals participate in gambling behaviour which is referred to by May and Finch (2009) as either *Initiation* or *Enrolment*. Initiation involves society members working together in order to establish a certain practise or behaviour with Enrolment being the efforts employed to participate in and continue the practise into the future. There is a third branch of 'Cognitive Participation' however known as *Legitimisation* which merely requires people to 'buy into' the concept or practise through shared belief or knowledge of the practise (May & Finch, 2009) .

Collective action is the cognitive participation of individuals working in synthesis with one another which leads to the organisation and enactment of a practise. This is paired with a process of reflexive monitoring whereby patterns of collective action and their subsequent outcome are evaluated continuously.

Normalisation Process Theory provides a framework which can be used to better understand how behaviours become normalised within a society. The work of May and Finch (2009) was influential in the construction of a conceptual diagram to represent the normalisation of gambling within the New Zealand context.

### 2.1.2 Ausugenic

The term 'Ausugenic' is derived from the Latin word for gamble; Ausus and was created to encapsulate the potential existence of a gambling environment.

An ausugenic environment suggests that there are elements within the wider society which when combined, lead to a culture of gambling. This culture is deeply intertwined within the social constructs of the country in question, and this literature review will begin to address what is known about the various elements to establish a foundation for this and future research.

### 2.1.3 Gambling

The definition of gambling is was summarized by Wildman (1997) when he wrote that gambling is “a conscious, deliberate effort to stake valuables, usually but not always currency, on how some event happens to turn out”. This poses a number of issues as there are a number of quasi-gambling activities such as real estate prospecting and stock investments which meet this description, however are not typically considered to be gambling. We are then faced with the issue of defining what specific activities are considered to be gambling. It has been suggested that whether or not an activity is gambling may be found through measuring and combining; A persons level of engagement, the amount of money involved and the level of excitement generated from the pursuing the activity (Ferris, 2013).

There are inherent problems with the suggestions of Ferris due to the many ways these three elements may be combined, and the weighting that should be applied to each category. Ferris describes raffles or other lotteries as being separate from what is viewed as gambling behaviour. This is predominantly due to low cognitive involvement, small sums of money involved and reduced levels of excitement, however adds that excitement at the prospect of winning must be present in order to motivate the initial purchase.

Gambling has also been defined as an “attempt to win something on the outcome of a game or event that depends on chance or luck” (McCown W.G, 2007). Although a relatively simple definition, this removes any element of skill that is involved or used to make predictions regarding the outcome such as the training of sports teams, information available to stock brokers or the skill of players at a poker table.

An understanding of what is considered as gambling is essential in order to accurately clarify where the limits of acceptable gambling are, before the question “What is problem gambling” can be addressed. The true definition of gambling is one of much debate however is likely a combination of both McCown and Ferris. The description of the act of gambling however is best given by Wildman (1997) and it is for this reason I will use his original definition but will restrict the scope to include only the following 4 activities unless otherwise stated.

- 1) Lotto and scratch cards
- 2) Sports and TAB betting
- 3) Casino gaming (both traditional cards, roulette and Electronic gaming machines [EGMs])
- 4) Non-casino gaming

## 2.1.4 Gambling within the New Zealand context

### 2.1.4.1 Macro-culture of gambling

In 1995 casino gamblers lost \$40 million which accounted for only 5.76% of the total \$695 million that was lost to gambling across the four major gambling activities: TAB, Lotto, Non-casino gaming machines and Casino gambling. As of 2012, casino losses had increased to \$520 million in casinos with over \$2 billion being lost to gambling in total for the year (Department of Internal Affairs, 2013b).

According to Gray (2011) an estimated four out of five New Zealanders gamble with the most common forms being Instant Kiwi scratch cards and Lotto which engages over half of the adult population at least once per year (Ministry of Health, 2009).

Fougere (1989) discussed the importance of sport to the New Zealand people and how over time, it not only became a form of entertainment but also a part of the nation's cultural identity. Research conducted by Forrest and Simmons (2003) highlighted however the traditional relationship between sporting events and gambling activities. This tradition of gambling on the outcome of sporting matches is consistent with data provided by the Ministry of Internal Affairs regarding the TAB annual turnover which experienced the slowest growth from \$232m in 1989 to \$294m as of 2013 (Ministry of Internal Affairs, 2008). In comparison to the 17 year growth of 1275% in casino losses, this growth of 27% for the TAB sports betting has been somewhat stagnant however it has remained consistently high during the period of record keeping indicating it has been a long standing element of the NZ sporting culture.

This involvement is exemplified through the rebranding of the NZ Breakers basketball team to the SkyCity Breakers when they were purchased by SkyCity Casino in 2011 (SkyCity Breakers, 2014). Following this purchase of a national team the SkyCity logo was then emblazoned on the team uniforms, home stadium and merchandise further emphasizing the presence of the owners company. This however is not unique to basketball with the impact of increased spending on sports betting being listed as a key economic benefit of the 2011 Rugby World Cup. Interestingly though the TAB expenditure fell by \$50 million in 2011 over the previous year's turnover (Chadwick, Semens, & Arthur, 2011) (Department of Internal Affairs, 2013b).

The connection between sporting culture and the societal norms is emphasized through schooling systems and used as a medium through which children can be educated about values including teamwork and communication (Prettyman et al., 2010). This link is evident in NZ and was highlighted in Sport New Zealand's strategic plan where they wrote; "Sport is integral to New Zealand's culture and way of life. It helps define who we are as a nation and how we are viewed by the rest of the world"(Sport New Zealand, 2012). As gambling and sport are inextricably linked to one another, it therefore follows that gambling is also entwined within the macro-culture of New Zealand. Aside from 'family days' at the races and the involvement of children viewing professional sport, this can also be seen through the donations made by the Lion foundation donating a portion of their gaming machine profits to community run sports groups. These groups then have their equipment branded with the logo of the company (Lion Foundation, 2014).

#### ***2.1.4.2 Micro-culture of gambling***

The micro-cultural factors are elements which affect the various sub-cultures existing in multicultural New Zealand. They may include, but are not limited to categorization by ethnicity, religion, economic factors or levels of education each of which will influence the degree to which gambling has an effect upon them (Schottler Consulting, 2012).

Research by the Ministry of Health identified that being of Maori or Pacific ancestry were more likely to develop gambling problems (2009). This research however did not seek to understand the reasoning behind the increased risk factor, instead hypothesizing it was linked to lower education due to reduced opportunities, higher unemployment and geographic locations of high deprivation (Ministry of Health, 2009).

In 2007, 2000 secondary school students were surveyed during research of adolescents and their gambling behaviour. Key findings included that 36.5% of these students had gambled by the age of 10 and 3.8% could be considered to be problem gamblers (Rossen, 2008). The definitions used in this research were broad to encapsulate the complete spectrum of gambling activities which included board games and bets with friends. This approach highlights the ambiguity that occurs within the term 'problem gambling' as the limits of what constitutes harmful behaviour at the lowest level is poorly defined.

Though an increased risk factor was identified for problem gamblers within particular demographics, research has not yet been conducted as to the wider involvement of gambling within those population segments. A greater level of understanding of how non-problematic

gambling occurs may bring to light patterns which could then lead to a pattern interruption to prevent individuals developing a gambling problem.

### 2.1.5 Motivations to gamble

The motivations for gambling are varied between individuals however they can be categorized broadly through the use of the self-determination theory as a framework (Cynthia Carruthers, Platz, & Busser, 2006).

Self-determination theory uses a continuum to reflect the degree to which "motivations emanate from the self (i.e., are self-determined) using intrinsic, extrinsic and amotivation as the three types of motivation (Ryan & Deci, 2000).

Intrinsic motivation includes a highly self-determined type of motivation which is derived from the engagement in an activity for the reason of gaining satisfaction (Ryan & Deci). Intrinsic motivation has been further divided into three subcategories which include; knowledge, accomplishment and experiencing stimulation (Chanthal, Vallerand, & Valleries, 1995). The motivation for knowledge is often viewed as understanding various gambling strategies by non-pathological gamblers who rated it as their second most important factor whereas pathological gamblers rated it 8<sup>th</sup> out of a possible 23 motivational factors (Cynthia Carruthers et al., 2006). Games which require some skill such as poker or sports betting reward players with a sense of validation and accomplishment and are more likely to be intrinsically motivated than those who primarily gamble on chance based games such as lotto or EGMs. For intrinsically motivated individuals the thrill or personal reward is the primary influencer in their decision to gamble, if not controlled may lead to problem gambling as they 'chase the thrill'.

Extrinsic motivators are derived from a need to gain things that are of personal value which may include financial returns, social experiences or a sense of power. Both problem and non-problem gamblers describe winning as their primary motivator for gambling, however cognitive distortion over expectancies such as 'lucky streaks' or the gamblers fallacy led to winning being more of a motivator for problem gamblers (Platz & Millar, 2001; Walters & Contri, 1998). Gambling is also well documented as a form of stress relief or source of escapism from depression and anxiety (C. Carruthers, 1999). Jacobs (1989) suggested gamblers seek an optimal state of arousal therefore those individuals who are highly stressed and seeking an escape, typically choose activities which are repetitive. The hypnotic nature of the games design allows for the individual to disassociate from the more threatening



challenges of everyday life (Blaszczynski & Silove, 1995; Rugle, 1993). Gamblers who are motivated by achieving a sense of power or importance are motivated by interjected regulation (Chanthal et al., 1995). For some problem gamblers, gambling is a means of increasing perceived self-worth and controlling feelings of inadequacy, powerlessness or rejection (Walters, 1994). Through gambling, individuals can create an alternative identity or enhance positive feelings towards their self-image however Jacobs (1989) wrote that these may be counteracted by the view of gamblers being “losers” and therefore compel the individual to gamble in a repeating cycle.

Amotivated behaviours are "the least self-determined because there is no sense of purpose, and no expectation of the possibility of influencing the environment" (Vallerand & Losier, 1999). Essentially the individuals who are not sure what benefits they achieve through gambling or why they do it are amotivated. Self-determination theory would suggest that amotivation should lead to a lack of persistence in leisure activities however a study of university students Clarke (2004) reported amotivation as being associated with problem gambling.

Specific to the New Zealand context, studies relating to the Maori and Pasifika populations had been conducted which may be aligned with self-determination theory. Within these communities the act of playing card games is seen as a social and enjoyable way to donate money to the local marae or community church (Watene, Thompson, Barnett, Balzer, & Turinui, 2007). Lower levels of education and embedded cultural generosity has also led to distorted views of gambling where some individuals believe that all money that is put into machines is eventually paid out when they are full. This is fuelled by an idea that the machines are controllable, fair, reciprocal and generous (Guttenbeil-Po'uhila, 2004).

Although gambling is widespread throughout the country, there is a disproportionate sum of losses attributed to poor individuals. This is most likely related to the intensity of gambling opportunities with poverty stricken areas typically experiencing a greater density of EGMs per person of 1 per 75.5 in comparison to wealthier areas (1 to 465) is significant (Adams, 2004)

#### 2.1.6 Gambling and the law

The primary document governing gambling within New Zealand is the *Gambling Act of 2003* which stipulates the regulations all NZ gambling bodies must abide by. *Part 2, Section 11* of the act states: “A person must not increase the opportunities for casino gambling”. Despite

this, recent decisions by the New Zealand government have allowed SkyCity casinos to expand their table games and gaming machine capacity in return for their construction of an events centre in the heart of Auckland city (Gibson, 2013). Further to this there are only two laws governing the advertising of gambling activities which state gambling must not be advertised to anyone under the legal age and may not advertise overseas gambling opportunities (NZ Government, 2003).

It is important to note that although there are four defined categories for gambling within New Zealand legislation, the NZ lotteries commission and associated bodies are treated separately under the act (Department of Internal Affairs, 2015). Though the act states that it is an offence for any person under the age of 18 to purchase any form of instant gambling and 20 for casino gambling, no such age restriction exists at present for the weekly Lotto draw.

### 3 Chapter 3: Qualitative Data Collection Phase

#### 3.1 Introduction

The discussion in previous chapters has highlighted that there is a wealth of knowledge surrounding harmful or problem gambling. What we lack is an understanding of the societal attitudes which are present within the New Zealand population, and have contributed to gambling becomes such a common part of the 'kiwi' culture. This chapter will detail and discuss the data collection phase of this research including the participant recruitment process, interview structure and how the data was then analysed.

#### 3.2 Aims and Research Questions

In order to investigate the factors which contribute to the normalisation of gambling in New Zealand, an exploratory approach was employed. This is because the use of qualitative research techniques has proven to be the most popular and successful form in the area of problem gambling research however the same techniques have not yet been applied to the wider New Zealand society.

The aim of this exploratory research was to understand what specific gambling related factors within an individual's environment impacted their perception of gambling or affected their behavioural patterns. These factors included the presence of advertising, gambling representations in the media, social instances which involved gambling and the availability of gambling activities.

The primary research question for this study asks; whether an ausugenic environment exists within the New Zealand context?

The subsequent sub questions which narrow the focus reads as follows:

- 1) What environmental factors contribute to an ausugenic environment?
- 2) To what extent do environmental stimuli influence attitudes or behaviours regarding gambling?
- 3) In what way can government policy transform an ausugenic environment to better minimise the risk of harmful gambling behaviours being developed in individual.

### 3.3 Methodology

This section outlines the methodology before continuing to detail how it was applied to my research. Initially I will present the concept of ethnographic research before exploring gambling ethnography. The research process including participant recruitment and selection will be described. It will be followed by the data gathering and analytical process.

My research objective is to understand how gambling behaviours have grown to be considered 'normal' by the average New Zealander. Geertz famously argued that careful ethnographic study of a society's games of chance could generate insights into that society's history, structure and culture (Geertz, 1959). It is with this in mind that I chose to take the reverse of his argument to understand how sociological phenomena within a population could contribute to the normalisation of games of chance.

There are a number of techniques available to qualitative researchers including participant observation, surveys and focus groups. In the case of this research subject in depth interviews were not only the most cost effective but also likely to provide more reliable results. In depth interviews allow for individuals to share personal experiences and opinions about the sensitive subject of their gambling behaviours which they may withhold in a focus group scenario (Lincoln & Guba, 1985). Interviews were chosen because observation of participants would be not only time consuming but difficult and interviewees would be able to draw upon historical experiences to provide information (Creswell, 2003). Semi structured interviews also allowed for flexibility in the discussion topics allowing the interviewer to explore ideas and opinions in greater detail. Face-to-face interviews were the most effective as it allowed the researcher to alter questions as required and follow lines of inquiry where the participant felt strongly about a subject or displayed signs of discomfort (Cavana, Delahaye, & Sekaran, 2001).

One significant issue however was that due to the intensive nature of this interview style, only a limited number of participants were able to be interviewed and the researcher must also be conscious of the risk asking leading questions which may bias the study.

All interviews were audio taped in order to ensure that the interviewer did not miss important points in later analysis. Interviews were held in a discussion room at the University of Canterbury central library and at the Problem Gambling Foundation offices in Auckland. Interviews at Canterbury University lasted between 15 and 30 minutes each and those in Auckland lasted between 30-45 minutes. University of Canterbury interviewees were offered

the chance to win 1 of 5 \$100 Westfield vouchers as an incentive to participate. This incentive was designed to begin the gambling related thought pattern prior to the interview and diary keeping exercise taking place.

Though interviewees could base their answers on historical experiences, there was a need for recent experiences to be factored in. During their interviews, some participants were asked to keep a diary for 48 hours detailing any gambling related advertisements or activities they noticed or took part in over the course of a weekend. They were asked to record:

- *What was it?*
- *Where was it?*
- *What time did you see it?*
- *How did it make you feel?*
- *Did it influence your behaviour?*

These experiences were then incorporated into a follow up interview which sought to expand upon their diary records.

In order to validate the recorded diary experiences of participants the same exercise was undertaken in parallel with the diary participants to create a comparable baseline of stimuli which they may have witnessed. Upon return of the diaries, the researcher then visited the sites detailed in order to confirm that the records were accurate.

### **3.3.1 Sample design and participant recruitment**

To increase the diversity of qualitative data two separate groups; Diary participants and Counsellors were selected to be interviewed.

#### **3.3.1.1 Diary participants**

The criterion for these participants was limited to individuals between the ages of 18 and 24 without any prior history of harmful gambling behaviour. This age bracket was of particular interest because there was a desire to increase the validity into the future by providing insight into the next generation of potential gamblers. The technique used to select diary participants was snowball sampling due to the ease with which participants could be recruited.

In order to recruit participants an advert was posted upon the website [www.SubjectsWanted.co.nz](http://www.SubjectsWanted.co.nz) and around the University of Canterbury. A copy of the advertisement can be found in Appendix A.

### 3.3.1.2 PGFNZ Counsellors

The Problem Gambling Foundation of New Zealand (PGFNZ) is the largest provider of treatment in Australasia with 64 staff and 16 offices across New Zealand (Problem Gambling Foundation of New Zealand, 2015).

Due to previous research between the University of Canterbury and PGFNZ they agreed to allow their counsellors to speak with the researcher. This was because they had opinions and insights of the current gambling climate which were derived from their personal experiences but also from cases they had worked in the past.

### 3.3.2 Development of interview guide

The development of the semi-structured interview guide focussed questions around the primary research aims and objectives. This began with establishing questions involving the subjects name and age before transitioning to questions specifically relating to the interviewee's past experiences with gambling and more open ended questions which allowed for further probing. The creation of a guide was essential in order to maintain some form of consistency throughout the interview set however allowed flexibility regarding the development of conversation (Miles & Huberman, 1994). A copy of the interview guide can be located in Appendix B.

Commented [HM1]: Appendix B item

### 3.3.3 Data analysis techniques

The data analysis process involved a number of steps to ensure the data presented was an accurate and fair representation of the interview process (Creswell, 2003). The recorded interviews were first organised and transcribed with the diary entries where applicable with the resulting scripts serving as the raw data for interpretation. These transcripts were then read by the researcher who also noted specific themes or ideas relevant to the research. These themes and ideas were then coded using the software program Nvivo which involved grouping them in categories with similar items. The coding process has been described as the dissection of information and reflection required to make sense of the data (Miles & Huberman, 1994). Codes were assigned to units of meaning including phrases, words or ideas and included titles such as "Lotto", "Positive attitude" and "Accessibility" among others with a full list being available in Appendix F.

Significant themes or phrases were identified using frequency of usage across all participants as a key indicator. An analytical process known in Nvivo as "Query" was run to look for

relationships between these significant themes. These were organised into tables which allowed the relationships and the number of times they appeared to be easily recognised.

The findings of the research process were organised into umbrella categories and integrated into the understanding of current literature and the research questions. The results presented later in this thesis are based upon these emergent themes.

As this study had a sample of eight diary participants, the findings cannot be generalised for the entire New Zealand population. In order to reduce bias however the interviewer avoided asking leading questions and interviews were conducted in a familiar location to the interviewees but private which allowed them to speak openly (Miles & Huberman, 1994).

### 3.3.4 Ethical considerations

Due to the potentially harmful consequences of this research this research followed the guidelines established by the University of Canterbury of Canterbury ethics committee. A high risk ethics application was submitted with the following key points:

- Informed consent was obtained via each participant before the interview commenced with the interview sheet being emailed to them the evening before interview. They were then given a physical copy at the start of the interview and provided the opportunity to ask any questions.
- The sensitive nature of the interviewees answers were kept confidential through the assignment of codes to each person known only to the researcher and supervisors.
- All participation was voluntary and they were informed they had the right to withdraw at any stage should they wish to no longer continue.
- Consent for audio recording was gained from each participant.
- Contact information for local counsellors and the Problem Gambling foundation was provided to all participants in case they felt they needed to speak to a professional as a result of this study.

The ethics application acceptance letter, information sheets and consent forms for participants can be found in Appendix C, D and E respectively.

## 4 Chapter 4: Results

### 4.1 Results overview

This study involved a total of nine diary participants from the Canterbury region age 18-24 and five PGFNZ counsellors based at the national headquarters in Auckland. The diary participants consisted of four women and four men ranging from those who had abstained from gambling to those who regularly purchased Instant Kiwi scratch cards, frequented the casino or gambled online.

#### 4.1.1 Diary participant findings

Participants were assigned codes in order to maintain their privacy during the data collection, analysis and coding stages of the research. A summary of the diary participants using their code is shown in Table 1 below, along with their age and their primary gambling experiences.

Participant Code	Gender	Age	Occupation	Primary gambling experiences
M1	Male	18	Student	Instant Kiwi scratch cards, offline poker
M2	Male	22	Student	Lotto, Instant Kiwi scratch cards, casino
M3	Male	18	Student	Lotto, Instant Kiwi scratch cards
M4	Male	24	Student	Online poker, casino
F1	Female	22	Retail	Instant Kiwi scratch cards
F2	Female	24	Retail	Instant kiwi scratch cards, casino
F3	Female	19	Student	Instant Kiwi scratch cards
F4	Female	19	Student	Abstains from gambling
F5	Female	20	Student	Electronic gaming machines, Instant Kiwi Scratch cards

Table 1 Diary participant details



As shown in Table 1 participants in the diary were predominantly students due to the advertisements being distributed on Subjectswanted.co.nz which was a new site not frequented by non-students at the time. The use of this resource ensured participants were recruited in a timely manner however it is not representative of the entire population of New Zealand. Two women from the retail sector were also interviewed to provide some diversity regarding occupation.

#### 4.1.2 Forms of gambling activity

Research by Gray (2011) highlighted the fact that Instant Kiwi and Lotto were by far the most predominant forms of gambling in New Zealand with an engagement rate of over half the New Zealand population annually. The results detailed in Table 2 were found to be consistent with all of the eight participants having recalled seeing advertisements for Lotto though many had chosen not to participate, citing the poor odds as a primary reason for this.

Instant Kiwi was the second most discussed form of gambling behaviour with the participants however regarding purchase behaviours it was the most popular. All nine participants had at one stage bought Instant Kiwi scratch cards for either themselves or as a gift for another person. Three of the participants also recollected receiving them as gifts from relatives as children.

Name	Sources	References
Lotto	9	42
Instant Kiwi	8	24
Casino	6	17
Prize draws	4	8
EGMs	4	6
Table games	2	4
Sport betting	2	3

Table 2: Types of gambling activities discussed by diary participants

The casino was discussed by six participants though only three had personally gambled there. The primary reason for individuals visiting the casino was for social reasons where they took advantage of the food and beverage offers and did not intend to gamble. A primary reason for this was the development of the new Mashina Lounge nightclub located underneath the casino



Figure 2 Scene from the drama CSI

which has become popular with Christchurch residents. The legal age to enter the casino is 20 years and as a result a number of the participants were ineligible to access the venue. Participant M3 was under the required age however had had some secondary experience with the casino through his older brother who often visited the casino and spoke about his successes. Casinos were also mentioned when talking about television shows such as the popular CSI where the plot centred on the criminal underworld and casino.

The discussions surrounding prize draws was found to be somewhat confusing to participants as they did not associate this behaviour as gambling because they did not risk losing anything. Participant F2 drew the researcher's attention to a promotional campaign run by McDonalds which used a monopoly theme.

The McDonald's New Zealand director of marketing Chris Brown stated: "The promotion will see \$17.8 million dollars' worth of prizes up for grabs including holidays, entertainment packs, 1.9 million individual McDonald's food prizes and five brand new Jeeps" (Brown, 2014). When this disassociation with the term 'gambling' was explored it was described by participant F4 as a potential investment of time which could then lead to reward.



Figure 3: Advert for McDonald's international monopoly campaign

Electronic gaming machines (EGMs) were unpopular methods of gambling. Participants who had tried EGMs (also referred to as pokies) emphasised their limited experiences had been motivated by curiosity while out with friends, under the influence of alcohol. The negative language used to discuss these indicated that the interviewees did not feel they wanted to be associated with this form of gambling behaviour. An example of this was the description of the pokies being "depressing" by participant F2.

Table games and sports betting were only popular with two of the nine participants with the primary form being poker either online or in person with friends or competitors. Only participant M4 had actively engaged in sport betting with M2 expressing an interest due to his interest in sports teams, however he expressed a need for more information on how the process worked before he would "invest" his money.

#### 4.1.3 Perceptions of gambling

An interesting pattern emerged when participants were initially asked if they had gambled before. Many denied participating in gambling activities or admitted to experimenting with EGMs or visiting the casino. It was only after a list of gambling behaviours was mentioned, did they, most with a display of surprise, realize that they had gambled. What became evident was that Lotto was not immediately registered as a form of gambling to them and as such was absent from their awareness set when asked to consider their gambling behaviours. The following extract was taken from an interview with participant M1 and highlights this lapse in recall.

---

*Interviewer: Have you ever gambled before?*  
*M1: I've played Poker, does that work?*  
*Interviewer: Yeah absolutely.*  
*M1: Both. Friends and online.*  
*Interviewer: We'll come back to that soon, anything other types?*  
*M1: Nope that's it.*  
*Interviewer: Have you ever bought lotto or scratch cards?*  
*M1: Oh! Yup.*  
*Interviewer: How many times?*  
*M1: Um enough that I don't keep count?*

---

Despite his recollection of his experience with poker as a form of gambling in the past, when asked about other gambling behaviour participant M1 stated confidently that he had not taken part in any other form. When asked about Lotto or Instant Kiwi scratch cards he reacted with surprise and confirmed he had bought scratch cards often enough that he did not keep count.

When participants were asked to expand upon their perception of Lotto, all but one displayed some discomfort or light denial at the concept of this being a form of gambling some describing it as “Just a bit of fun”. The exception to this was participant F1 who had previously been employed by Lotto and acknowledged that it was gambling. She stated that lotto was a different level of gambling through the declaration that it was “not like full on gambling gambling” which she considered the casino to be for example. When asked to elaborate upon this, participant F1 explained that she felt that because Lotto was “everywhere” and said:

*“I just feel like with Lotto you can sort of buy one and stop but at the casino you're just like, a lot of the people I see like, they're there when you get there and they're still there when you leave. Like, it's more of a long haul sort of thing, the casino [laugh]”.*

This casual attitude towards Lotto was mirrored by participant F2 when she discussed how her parents played the Lotto and talked about why she had not originally thought of it as gambling;

*“My parents buy lotto tickets once a week and it's routine but I wouldn't call them 'gamblers'. It's just part of our daily routine, it's part of their lifestyle. It's what they do. I don't see a problem with it. It's not hurting anyone else. That's probably why I forgot, I just see it like that.”*

Unlike other forms of gambling, Lotto was discussed using positively framed language or in a manner which made the behaviour seem trivial. Participant F1 who was a former Lotto employee, went on to describe past customers using phrases such as “Well it’s for a good cause” when purchasing Lotto tickets. F1 rationalised that these customers were likely referencing the community organisations supported by funding from the lotteries commission, and therefore saw their purchase as a charitable donation.

Instant Kiwi scratch cards shared a similarly positive reputation among the participants which was supported by their purchasing behaviours. Participant F2 described witnessing a woman at the supermarket exclaiming:

*“Yeah I'm going to treat myself” before proceeding to purchase approximately \$50 in scratch cards.*

The practise of giving scratch cards as gifts was also reported by three of the participants. F2 emphasised that the decision to gift a scratch card was somewhat complicated saying;

*“I never give scratchy cards just by themselves. You've gotta give them with something... I feel that it's a bit of a cop out if you just give out scratchy cards, it's like “uh (unenthused) ok”. But if you give them something like a book or um like maybe a gift voucher from the mall or something then it's like “I put a little bit of thought or energy into your gift but I'm not sure what you like so here you go!””.*

Of those interviewed three participants recalled being given Instant Kiwi scratch cards as children. When asked if they would give a scratchie to a child under the legal age to purchase one, they were hesitant. Participant F2 demonstrated this reluctance saying

*“This is a problem because I want to say no but my nana, aunty and parents gave me scratchy tickets from when I was probably 10 or 11 up”.*

She went on to admit that that prior to this interview she would have considered doing so if she did not have any other gift ideas.

When discussing the casino with individuals who had been there, the language used to discuss the casino and EGMs was particularly negative. The atmosphere of the casino was described as depressing and a “down buzz” with the gamblers themselves being described as people “throwing their money away”. With younger interviewees who had not yet visited it however it was seen as more positively as a place of entertainment they would like to visit.

#### 4.1.4 Advertising and promotion

The most commonly discussed forms of gambling advertising that was witnessed by participants were Lotto and Instant Kiwi. The most commonly noted observations from the diary process were the presence of Lotto stores and the distinctive brand image or colours.

In their pre-diary interview, participants were asked to recall any advertisements about gambling behaviour they had witnessed recently. Participant F2 confidently recalled in detail an advert for Lotto she had seen on TV:

*“The one I definitely remember is the one of the dog. The guy and he’s like a billionaire who adopts a dog. And it like, pulls on your heartstrings and it’s like ooh if I buy a lotto ticket, I might be a millionaire and I might make a difference in someone else’s life and it’s not how it actually goes”.*



Figure 4: Lotto outlet at Riccarton mall

Participant F2 then sought to clarify that “Those sorts of ads I remember but I don’t know if they’re recent or not”. This failure to remember advertising or promotional material was not uncommon across the diary participants. During her pre-interview participant F4 said that she worked at a

local mall in Riccarton and when asked whether she noticed anything relating to gambling there she responded with the following:

*Interviewer: Do you spend time at the malls?*

*F4: Yeah I work at the mall.*

*Interviewer: Do you notice anything there?*

*F4: Probably but I don't really remember. I just get my lunch then go sit down and eat it.*

In her post-interview when the subject of malls was returned to, she recounted the following:

*"I was at the mall there was Lotto stores big bright colours and you know, caught your attention".*

As part of the self-ethnography process, the researcher visited the same mall that five of the participants had visited. While there a total of seven different forms of gambling were noted including in-store competitions, Lotto promotions or outlets, newspaper adverts, prize draws and opportunities to win instantly on confectionary items at the supermarket. Another four instances were noted during the 2km walk on the way to the mall including a lotto outlet at a local dairy, an Instant Kiwi advertisement at a bus stop and the McDonald's Monopoly promotion mentioned previously.



Figure 5: Advert at Riccarton mall camera store

When asked to comment on the lotto television advert she had viewed recently she mentioned that the message of the advert was confusing to her and did not seem to have any relation to gambling activity;

*"It was just one of those TV ads, it's weird actually, I didn't even get that it was lotto until the end when it said lotto. It was 2 people and it said something like 2 is better than one or something like that. One of those real... Like the Glassons ad with the ball. Nothing to do really with Glassons like, real bizarre."*

Advertisements for Lotto were also noted by the researcher during the self-ethnography online through social media platforms such as Facebook viewed via computer or through cell phone applications. These adverts were not specifically for Lotto draws and instead emphasised community contributions Lotto made to non-profit organisations. They often used popular New Zealand celebrities with large fan bases of teenagers in promotional video clips showcased via 'sponsored' newsfeed advertisements, side-bar adverts and shown on the Lotto NZ Facebook page.

This use of at times confusing or deceptive advertising was also noted by the researcher in the promotion of Lotto where the terms "Play" and "Game" was emphasised.



Figure 6: Example of Lotto advertising on Facebook



Figure 7: Screenshot image of the researcher's Vodafone promotion

The use of gambling related incentives to market products to consumers was not limited to gambling companies or in store displays. Vodafone New Zealand introduced their 'Fantastic Friday' promotion. Originally launched to offer Vodafone customers the chance to win prizes such as movie tickets or electronics, it was then redesigned to deliver personalised pre-pay mobile plans each week. The distinctive feature was the design of the application which required users to swipe down in order to mimic the scrolling appearance of EGMs.

Although EGMs were not played by the majority of participants in this study Participant F5 recounted a time where she had tried playing them:

*"Well it was nothing serious, we were just out at The Craic [a local Irish bar] y'know, having a couple of drinks sort of thing, and it was quite boring so I... one of my friends wanted to try them. I'd never played them before and had no idea what I was doing, it was all just flashing lights and suddenly I'd lost like, \$20 and I wasn't sure how"*

During the data collection period, the annual Canterbury horse races were being heavily promoted. Participant F1 had attended the event and when asked to comment on why it had not been noted in her diary she responded with the following:

*“Um, I don’t know really. I guess it’s because I just think of it as like, an opportunity to get dressed up and get drunk with my friends. It’s not something I really associate with gambling as much as I do the fashion and experience... although yeah they was a lot of that [gambling] going on.”*

The researcher was made aware that she had attended the event through a series of photos publically distributed via social media

and the following image of a toy slot machine sent the morning of the event which the participant does not remember sending. It was suggested that alcohol may have contributed to this lapse in memory.

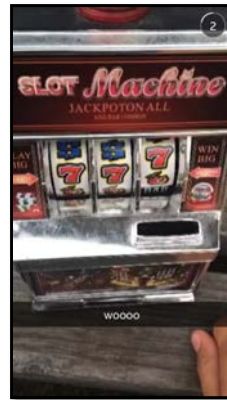


Figure 8: Snapchat message sent by participant F1

#### 4.1.5 Gambling accessibility



Figure 9: Lotto stand at a supermarket self-checkout terminal

The accessibility of gambling activities was noted by a number of participants with a primary focal point being that of Lotto and Instant Kiwi scratch cards.

Participant F1 noted that she had recently purchased Instant Kiwi scratch cards and went on to state that her most regular purchasing behaviour revolved around grocery shopping.

*“I have been grocery shopping and they have all the lotto stuff, the kiosk as you walk in and out”*

This association with grocery shopping and lotto was not unique to F1 with participant M2 also commenting;

*“When I go to supermarkets there’s definitely posters and the store, and it’s at like at checkouts”*



The decision to make Lotto tickets available for purchase at Countdown supermarket checkouts and self-service terminals was made in June 2014 amid pressures from the Lotteries Commission to increase the sale in Lotto tickets (Fisher, 2014).

PGFNZ's Chief executive Graeme Ramsey commented saying he was

*"Concerned with the increased normalization of gambling. We're saying to people - and particularly kids - it is part of a normal grocery shop."*

The presence of Lotto tickets at the supermarket checkouts was not widely remembered or noticed by participants who instead recalled seeing the kiosk at the entrance of the store more easily. When discussing the diary keeping process in her post interview participant F2 however stated:

*"It [gambling] was one of those things that you don't notice until you're doing something that is active, or you're actively looking out for it. Like at the supermarket I didn't register this at all before but I noticed that at self-service checkouts and at checkouts themselves you can now buy Instant Kiwi or Lotto tickets. For impulse buyers and it's just like, well sh\*t."*

When speaking about the accessibility of this and whether she was tempted to purchase as a result of this placement she said:

*"I didn't find it more tempting, but I did find it... I want to say out of place? Like it shouldn't be there with candy bars and treats and stuff because are like reward foods you buy after your workout or something".*

Participant F2 also recalled a time where she had needed to purchase a gift for a boyfriend's father and opted for a joke book from a local book store. On this occasion she described the purchase as being deliberate rather than on impulse.

*"It was deliberately to get scratchy cards because I was all out of ideas and I was at Whitcoulls... I guess that is kind of cheeky selling Lotto at a book store".*

When asked about what he thought led to gambling being considered so normal in New Zealand, participant M3 replied:

*"I guess it's so easy. There's kind of gambling for anyone I mean you can go complete high-roller or cheap scratchies. So it can be quite easy to just um, build*

*up almost. Like there's no one... Since you're not really limited to gambling like, how rich and poor you are, I guess it becomes normal because it's so easy"*

An interesting revelation was made by PGFNZ 1 when she discussed her attitudes towards scratchie tickets and the participation of children.

*"I think the gambling industry is so subtle that it isn't by accident that we're getting our kids to play scratchies and I think it's insidious and we shouldn't. But saying that I have participated in scratchies that have been a part of a promotion and I never even thought about the fact that I'm using a scratchy as such, I obviously wouldn't go out and buy a scratchy but if it's part of a promotion I just do it and think, yeah, there you go.. I guess if people do have a problem already then yes, that could be a trigger but I don't know [inaudible] if that would be enough to cause a problem".*

This highlighted the fact that scratch cards as a tool, were not necessarily used only by Instant Kiwi but also by other companies to increase awareness or incentivise product purchase. As they could be given out freely without purchase, they were not held under the same legal restrictions as Instant Kiwi and were able to be distributed to children under the age of 18.

An unexpected source of gambling was revealed in the interview with PGFNZ5 who recounted a number of the Maori and Pasifika had originally begun gambling at their local church. The churches regularly hold community games of 'Housie' (also known as bingo) as a fundraising event. These were viewed by church goers initially as a social form of donating to the churches however PGFNZ 5 then described how the winning of meat-packs as prizes began to shift the atmosphere to one of procuring food for the families. Seeing the success of such games in churches with Maori and Pasifika people, SkyCity Casino began offering housie as a gambling option where people could attend and play with their friends. This was seen to be a gateway for many of PGFNZ 5's current problem gambling clients.

#### **4.1.6 Attitudes towards gambling**

The attitudes of diary participants towards gambling activities such as Lotto and Instant Kiwi ranged from a neutral stance to a positive view.

##### **4.1.6.1 Neutral attitude**

An element which led to this attitude was the idea that Lotto was not considered to be 'real gambling'.

Participant F2 highlighted this disassociation and spoke about her reasoning:

*Interviewer: Why when I mentioned gambling initially, did you forget scratch cards?*

*F2: Because I think scratch cards and lotto tickets are something I don't personally associate with gambling or gambling issues.*

*Interviewer: Why do you think that is?*

*F2: Well this is just my perspective but things like instant kiwi, lotto, scratchie tickets, there's something imbedded in kiwi culture if you see all the TV adverts and that, that promote this sort of thing.*

A key element that was highlighted here was that her perception of 'gambling' as a term was strongly related to problem gambling or gambling issues rather than the actual behaviour. She then elaborated describing these organisations as part of the "kiwi culture" due to the prevalence of their marketing materials in society.

There were also signs of a casual attitude being common amongst participants regarding if and when they decided to purchase Instant Kiwi or Lotto. Participant F1 displayed what was relatively a higher level of consideration towards her purchasing behaviour when she spoke about her decision regarding whether to purchase Instant Kiwi scratch cards:

*"If I have change and I walk past a thing then I'm like "hmm I can get a coffee or I can get one" that's just sort of my thought process usually so usually I just don't get one".*

This casual attitude was reinforced by the admission by participant F4 when she was asked if she had noticed any Lotto stores or advertisements.

*"Oh yeah the Lotto store. I see that when I leave the supermarket um, yeah just walk past and don't really care".*

#### **4.1.6.2 Positive attitude**

During the analysis of the interview data, responses which displayed a positive attitude towards gambling were noted. These positive attitudes towards gambling generally related to either the experience of gambling as an activity or positive past experiences.

When speaking about whether he would consider gambling in future, participant M3 said:

*“Yes under certain circumstances I reckon it could be fun. Maybe not lotto tickets and stuff, there's no fun in that, but I think it would be different going into the casino with \$20, \$30 or so and no more money, and just having fun with that and seeing what you can get. Even if you lose it all you're still having fun”.*

What was of interest was M3 placed limits upon himself demonstrating that gambling would only be considered fun to him if the losses were of a sum he could afford to lose. Beyond this point however it is conceivable that the entertainment value would not be equal to or greater than the sum of money therefore he does not see himself as enjoying gambling beyond this point.

Participant F2 described a semi-popular tradition in university student flats that was previously known of by the researcher:

*F2: Have you heard of feast or famine*

*Interviewer: Yes*

*F2: Where flats will take their money from the flat account and split it between the flatmates and gamble it at the casino and either have a feast if they win or starve.*

*Interviewer: How many times have you done that?*

*F2: I never have but have heard of flats doing it. In my Honours year one of my classmates did it and they won like \$30k in one night. So decided to put that in the flat account and used it to pay the rent for the rest of the year. So are living quite comfortably for the rest for the year.*

The story of the tradition of ‘Feast or Famine’ has been somewhat of a student myth that circulates without any identifiable source. After the interview F2 was asked if she could provide contact details for her classmate that had allegedly benefited from feast or famine so that the researcher could approach them about the study. Participant F2 said she would pass the details of the study onto the classmate with information about the study however no contact was made and as such the story could not be corroborated.

The sharing of personal or third-party success however was not uncommon with participant M3 openly discussing past success of his brother’s casino experiences.

*“My brothers have gone a few times to the casino. Sometimes he wins, sometimes he loses. And he’s talk about that sort of, the day after”.*

Participant F5 excitedly discussed a time where she had purchased a chocolate bar that offered a promotion stating “1 in 6 bars win instantly”:

*“Oh yeah I bought a chocolate bar once but it was great I got like 6 free. I just kept picking winning ones so I guess that’s something I remember”.*

#### 4.1.6.3 Negative attitudes

Although they were not explicitly evident in the conversation, participant speech patterns were often shaped in a way which distanced themselves from the subject of what they may have perceived to be behaviour associated with individuals who suffer from a gambling problem. One clear instance of this became evident during the analysis of participant F5 when she was speaking of her experiences with EGMs.

*“Well it was nothing serious, we were just out at The Craic [a local Irish bar] y’know, having a couple of drinks sort of thing, and it was quite boring so I...one of my friends wanted to try them.”*

The interesting element here which was not discussed previously was that participant F5 began to describe what was likely her own experience “[...] it was quite boring so I” before abruptly changing the narrative to portray the impression that the following gambling behaviour was motivated by her friends actions and not upon her own initiative.

This distancing language was not unique to F5. Participant F1 also made the comment that they believed their past experiences with Instant Kiwi and Lotto differed from “full on gambling gambling”.

#### 4.1.7 Motivations to gamble

Across the diary participants the primary motivations for gambling behaviour was primarily as a form of entertainment to overcome boredom with the actual prizes being less important. This was highlighted by participant M2 who detailed his experiences playing table games in casinos both in New Zealand and abroad.

*M2: I play blackjack and poker at the casino once back at home in the Philippines and here in Christchurch.*

*Interviewer: How'd you go?*

*M2: Pretty good at blackjack, shit at poker [self-conscious laugh]*

*Interviewer: So why do you like playing table games, do you do it often?*

*M2: Table games I feel like you have more control over your winnings compared to machines so I try to stay away from slots and things like that*

*Interviewer: So is it sort of a.. Do you see it as a challenge?*

*M2: Just sort of recreation really like, I just go there to see if I can win some, or lose some. I don't go there to like actually try and accomplish something. It's not like I'm really compelled to it*

*Interviewer: So you do it as a form of entertainment*

*M2: Yeah, um it's well for me it's not, not about the winnings but more how I can do and stuff like that in a game and if I lose then it's like tough luck and go home.*

M2 also expressed his disdain for gambling activities such as Lotto and Instant Kiwi:

*"Like Lotto and scratch cards you just like leave it up to fate really. I mean you buy something, like a piece of paper and you have really slim chances of winning".*

The ability for gambling to overcome boredom was identified as being the 'what if I win' thrill despite an awareness of the participants to the odds. While discussing why he felt that Lotto was different to other gambling activities participant M1 stated:

*M1: I think it's gambling because there's a chance you might win but like, in the sense that I don't think it's gambling because realistically you're going to lose in that sort of sense. It's like what, one in a million chance you're going to win.*

*Interviewer: So because the odds are so low you don't really...*

*M1: Think it's actually gambling it's like you're just going to straight up lose*

*Interviewer: So what is the motivation since you accept you're going to straight up lose?*

*M1: That one in a million [laugh]*

When discussing the motivations of the Maori and Pasifika people with PGFNZ5, he expressed that love and shared experience was a key element of their cultures. He began with the social aspect that existed within churches where people would gather together in order to talk and enjoy each other's company while also donating to the church which was seen as being a "good Christian". As casinos began offering housie, new arrivals from the Pacific Islands were taken by relatives to experience the excitement of the casino environment as their way of expressing love. Participant M4 who was of Asian descent, described that this socialisation of gambling was not unique to the Maori and Pasifika people:

*"Well my mother has a problem with gambling so I kind of grew up around it. [...] I remember that what made it really hard for her to quit was the fact all her friends would play the slot machines too so if she didn't turn up they would judge her and ask where she was. It got pretty bad because if they saw her try and quit, then they would judge her and would keep pressuring her to go back by saying things like "Oh are you too good for us now"... It was like they didn't want to see someone get out of the habit. My mum is a really nice person and she just, well I think she just kept being bullied into going back by these people".*

This social aspect of gambling was not a strong motivator for the group of diary participants however participants F5, M1 and M3 also described that their previous gambling experiences had been with friends and at least partially motivated by social influences.

#### 4.1.7.1 Normalisation of gambling

When asked whether participants believed that gambling was normal in New Zealand, most agreed however were quick to differentiate between 'problem gambling' and what they deemed to be an acceptable level of gambling though none could clearly define the line which separated these two behaviours.

Upon being asked whether he considered gambling to be normal in New Zealand participant M3 responded:

*"Yes, I think it's normal. I don't think it's talked about heaps but it's definitely normal yeah".*

Participant M1 also described times where he had noticed people carrying Lotto tickets in their wallets indicating that they gambled but did not openly discuss this behaviour socially.

This was echoed by other diary participants and aligned with statements regarding the experiences PGFNZ counsellors had had with past clients as PGFNZ 2 described:

*“By the time people get in here they’re so ashamed by what they’ve done and it’s exasperated by the fact that no one knows, it’s a big secret”.*

In her pre-diary interview participant F2 was asked whether she believed that gambling was a normal thing in New Zealand to which she replied:

*“I think it’s one of those catch 22’s because it’s normalized in terms of advertising and I like I said with my parents and their routine, it’s the routine sort of thing but there’s a whole lot of back lash with the problem gambling radio advertisements that you hear and see and the media will always pick up on [...] if it becomes a family issue”.*

In this pre-interview reply she was positive regarding what she had described as routine gambling behaviour, however focussed more heavily on gambling after it had become harmful and affected families. During her Post-interview she was asked whether the diary experience had in anyway altered her perspective of gambling within New Zealand society and she responded:

*Interviewer: As a result of this exercise has your opinion of gambling changed at all?*

*F2: Yes, in terms of that I think it is a much bigger problem in terms of society than I originally thought. You know it’s more entrenched in like culture and our rewards processes and that than I initially thought and like seeing the instant kiwis and lotto that you can buy at checkouts and that sort of thing, they kind of I don’t know how to explain it but it’s... It puts it more into society and makes it that daily basis thing. It’s normalising it to an extent that it’s as common as grocery shopping... to the extent that I find it uncomfortable*

## 4.2 Interviews with Problem Gambling Foundation counsellors

Although the purpose of the interviews were to explore the views PGFNZ counsellors had about how gambling impacts the wider New Zealand population, the conversation unavoidably returned to problem gamblers. This may be indicative of how people only



perceive the issue of a gambling environment as affecting those with gambling issues and therefore ignore the impact it has on the wider populace. It may also speak to the level to which these individuals work has focussed their perception of gambling meaning they are less-able to associate gambling with non-harmful behaviour.

#### 4.2.1 Gambling advertisements and Problem Gamblers

Advertisements and their impact upon the broader population of New Zealand were not discussed in detail with counsellors due to the previously mentioned unintentional focus on problem gamblers. That being said a number of interesting pieces of discussion were brought up that had not been discussed with diary participants.

In PGFNZ 1 discussed that a major cause of relapse for clients of the PGFNZ services were advertising such as the Melbourne Cup races and SkyCity images or branding.

*“When people eventually come in the door they will talk about that they were relapsed around Melbourne cup week as a particular event. Once we track it back to the way of thinking about gambling over more planned and less impulsive ways of problem solving, they say the big Lotto draw or the Melbourne cup week or the promotion that I received from SkyCity [...] we’re seeing people maybe 6, 12 months after the relapse started, they finally realize maybe I’m not getting on top of this I better go in and talk to someone so we’re trying to track back historically and find out what they thought might have been the events or people issues at the time that lead to it”.*

A realisation was made by the researcher during the course of this study that websites and social media had begun to advertise gambling activities more intensely. This was likely due to the advertising algorithms which are used to tailor advertising to individual profiles based upon their interests. As a result of the online searches required for this study on gambling and visits to pages such as Lotto and PGFNZ advertising for SkyCity casino, online poker and slot machines became a regular feature. This may represent a similar experience faced by problem gamblers whose relapses were linked to advertising however it was beyond the scope of this study to pursue this further.

#### 4.2.2 Responsible gambling

When asked to express their view on the concept of 'responsible gambling' PGFNZ counsellors responded negatively to the term.

*PGFNZ 2: I personally would like to see responsible gambling removed from the gambling industry's arguments because you can't gamble responsibly, it just doesn't work. I really don't like the way they use this responsible gambling policy.*

*Interviewer: With the same sort of opinion as responsible drinking?*

*PGFNZ 2: I think when you choose to drink alcohol you know the risk and you can moderate and control the risk but I guess you can control how much you spend."*

PGFNZ 3 also had strongly negative views to the concept of responsible gambling:

*"There's nothing that we see that could be responsible about gambling, I guess. For me I don't like a gambling industry spokesperson saying something about responsible gambling because they actually have no knowledge of how that person's gambling. So they don't know if they leave the casino after putting \$200 on an action card and then go across the road, do they? Whereas it's very hard to stumble out of a pub, as they can't serve drinks to intoxicated patrons. I just feel like it's convenient, I don't like gambling industries slating what they think is responsible for when actually they wouldn't even know what people are doing, they don't know if people just spent \$500 on pokies online or maybe a poker card game and then they go off to spend another \$500 at the casino so can they really say when someone puts in their first hundred whether that's responsible or not? I don't think so."*

The difference between the normalisation of alcohol within New Zealand society and gambling was elaborated upon by PGFNZ 3 who emphasised that although both were accessible to individuals, problem gambling was a lot easier to hide due to the accessibility and private means through which one could gamble.

*“I’m aware that when I’m at a social gathering where I’m driving and I have said I’m going to drive three people home and I have two drinks and we’re leaving in an hour people can say to me “oh, what are you doing?” Whereas with gambling it can be online, on apps, doing sports bets doing all these things that no one has any awareness of whatsoever” People can leave their houses in the middle of the night and go gambling. It’s so much more subversive which is also part of the shame based element to gambling which is a big part of our work too. By the time people get in here they’re so ashamed by what they’ve done and it’s exasperated by the fact that no one knows, it’s a big secret whereas alcohol and drugs you can see if someone has a problem with alcohol and drugs. It’s a bit more insidious I think”.*

#### 4.2.3 Community funding via gambling organisations

When asked to comment on the involvement of gambling organisations such as the Lions Foundation and NZ Lotteries Commission, PGFENZ 4 commented:

*“We’re creating a dependency I think and by not fulfilling a community need. Previously it was smoking or alcohol and now it’s gambling. [...] There’s no two ways about it you’re going to take money off people and when you house the gambling and the government gets money off it as well through taxing, the people that organize it get the money off it and now by adding communities, charities and groups they’re getting money off it so those three groups are coordinating the gambling. Unfortunately if gambling was better spread through society, then poor people and rich people would participate at the same rate then I don’t think there would be that much of a problem but what we know is that poor people use it for an element of hope, amusement but ultimately hope, they’re the ones sliding down. So we’re getting that majority of people who can’t afford it and then the benefit comes to the sports or the groups, with pokies it’s not just sport there’s all sorts of groups and projects that are lining up so that just creates a ‘we must have you’ sort of scenario. One part of the community is paying and the other parts are just grateful for it”.*

#### 4.2.4 Public acceptance of gambling activities

In discussing the prevalence and apparent public apathy towards gambling behaviour in society PGFNZ 3 expressed that she believed it may be related to ignorance towards the problem.

*“I think that’s part of the danger the bulk of our society haven’t and don’t gamble so they don’t see the subtleness and its underlying intentions”.*

The idea of a marketing campaign to raise awareness within the wider public of the problem similar to what had previously been conducted regarding alcohol and smoking was then explored with PGFNZ 4.

*“I think if it was marketed at the right people it would because people are stunned when they hear what we hear [...] I think New Zealanders have a good grasp on alcoholism and smoking and we’ve eradicated smoking well, here we go, this is our new thing, in 20 years’ time were going to be trying to get rid of gambling and I think it needs to be marketed at the people who have influence and people who aren’t gambling because they’re the ones that are silent in this battle and that’s what it takes”.*

#### 4.2.5 Chapter summary and conclusions

This chapter detailed key responses made by diary participants and PGFNZ counsellors and in doing so it revealed a number of key elements which lead to the normalisation of gambling in New Zealand. These key elements include the effect advertising has upon individuals, the prolific nature of gambling related content within society and the close community relationships organisations such as Lotto and The Lions Foundation foster through their donations.

The key elements within the findings can be used in order to present a conceptual model for the normalisation of gambling which will be discussed in the following chapter.

## 5 Chapter 5: Discussion

### 5.1 Introduction

In order to address the original research questions:

- 1) What environmental factors contribute to an ausugenic environment?
- 2) To what extent do environmental stimuli influence attitudes or behaviours regarding gambling?
- 3) In what way can government policy transform an ausugenic environment to better minimise the risk of harmful gambling behaviours being developed in individual

This chapter will discuss the major findings and their interrelations in order to present a conceptual model for the normalisation of gambling. It will begin by presenting the concept of environmental normalism before continuing to present both a conceptual model for the personal level of gambling normalisation and a second model for how gambling has become normalised as a societal level. The various elements will be discussed in relation to the findings before the interrelationship of the two diagrams will be explored.

### 5.2 Concept of environmental normalisation

During the self-ethnography element of this research, it was realized that a large number of the gambling stimuli present in the participant's recorded environments were not noted in their diaries. The initial thought with which to explain this was an apathetic approach to documentation by some participants however the level of detail provided through interviews led to this being questionable as an explanation. Upon further exploration of what they had witnessed during the diary keeping process participant F3 noted:

*"I don't really remember seeing ads or anything, they just blur together [...] I don't really pay attention I guess"*

While at Riccarton mall the average number of gambling related stimuli noted by participants was two and were focussed around the Lotto store and supermarket. As discussed in the previous section relating to gambling advertisement, the researcher noted seven different gambling related advertisements.

This led to the development of the concept which will be referred to as 'Environmental Normalism' in future. Environmental normalism seeks to encapsulate the phenomena where individuals become accustomed to witnessing a form of advertising within a certain setting

and as a consequence, cease to cognitively engage with the subject leading to it not being recalled or even noticed at a meaningful level.

Environmental normalism is a development of the marketing concept of 'Advertising wear out'. The leading explanation of the repetition effects of advertising is based upon Berlyne's (1970) two-factor theory, in which he described two phases: 'Wear in' and 'wearout'.

The 'wear in' phase was described by Campbell and Keller (2003) as a phase of habituation where possible hesitancy or even hostility is held towards an unfamiliar message. The purpose of this phase is to gradually, through low levels of repetition reduce the consumers negative responses and anxiety so that they become accustomed to seeing the brand message thereby increasing the effectiveness of the advertising (Cox & Cox, 1988). The 'wear out' phase described the effect where continued repetition results in the onset of tedium arising from boredom, reduced opportunity to learn and reactance against the repeated message (Anand & Sternthal, 1990; Calder & Sternthal, 1980; Cox & Cox, 1988). It can be observed that advertisements exist to deliver messages effectively to consumers, and as such alter their delivery style in order to maintain their cognitive appeal and avoid wearout.

Environmental normalism builds upon this concept by considering what would happen if an organisation such as Lotto were to pursue a marketing strategy which deliberately intended to bring about advertising wearout. Such a strategy may include keeping a similar message and delivering it through a historically established pattern involving time of advertisement and media source. In order to remain current and keep a marginal level of interest in the product the content of the advert may be altered slightly however the fundamental message and delivery pattern would remain the same. This has been evidenced by the regular showing of the Lotto on Saturday nights and Keno (another daily lottery draw) as a twice-daily draw beginning in 1987 and 2004 respectively (Lotteries Commission, 2015). Should the wear out process be allowed to continue it logically follows that the awareness of consumers would progressively fall as a result. Environmental normalism therefore occurs at the point where the majority of consumers no longer cognitively engage with the marketing message of an organisation because they view it as being unremarkable or normal.

It may explain why individuals did not recognise Lotto initially as a form of gambling in pre-diary interviews. It may also make some progress in explaining why other forms of gambling were not recorded in their diaries however were noted by the researcher who was specifically seeking out gambling related messages within the same environments.

### 5.3 Theoretical framework of gambling normalisation

The following sections detail the gambling related elements which contribute to the normalisation process.

#### 5.3.1 Personal and societal normalisation

In order to better convey the processes which contribute to the normalisation of gambling in New Zealand drawn from the qualitative interviews, the researcher felt that it was import to divide the focus into two distinct models. The model of personal normalisation proposes the factors which contribute to an individual perception and acceptance of gambling as a normal behaviour. The societal model of normalisation considers how gambling organisations, political decisions, economics and a national culture create an ausugenic environment.

### 5.4 Model of personal acceptance

The following model proposes a way that various factors interact to create a sense of acceptance towards gambling behaviour at a personal or individual level.

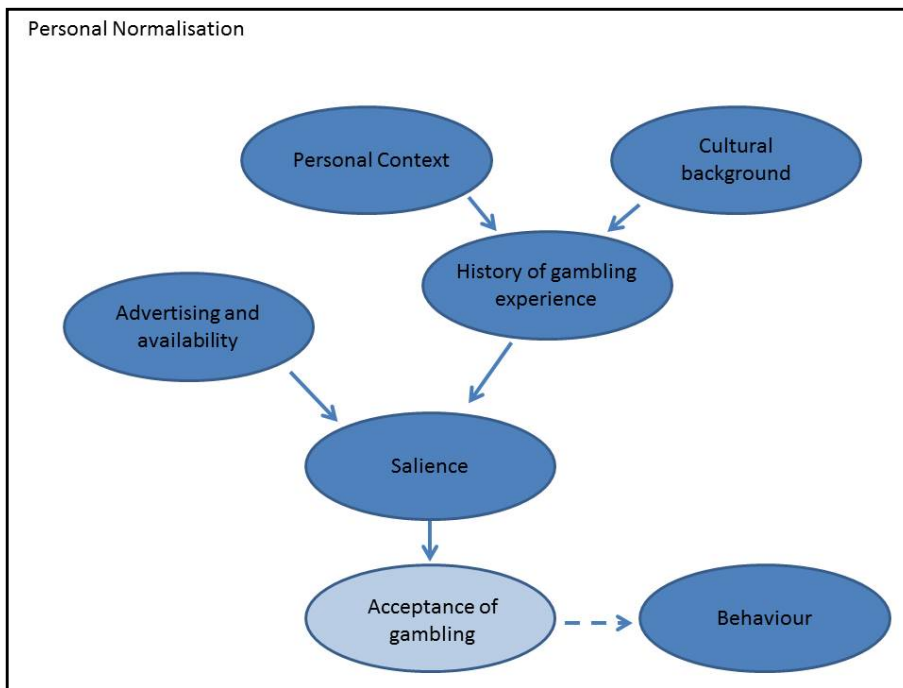


Figure 10: Personal acceptance of gambling behaviour model

#### **5.4.1.1 Personal context**

Personal context refers to the situation an individual is in as a result of their life decisions. In interviews with PGFNZ counsellors we found that individuals were more likely to gamble at times during the year where there was increased demand for money. Such times included the Christmas and New Year period where additional spending for holidays and gifts could be significant.

At a less problematic level diary participants such as F2 described that they had purchased Instant Kiwi scratch cards on occasions where they were in need of a gift for a distant relation. Participant F4, F5 and M2 also described that their decisions to gamble were motivated by a need to satiate their boredom which aligns with the concept of intrinsic motivation discussed by Ryan and Deci (2000).

In this way personal context establishes a starting point where an individual will scan their environment for options with which they can satisfy an unmet need. This may include a need for additional personal finances, gifts for relatives or sources of entertainment among others. It is logical to assume that these needs may be met through other means besides gambling however and as such, context alone does not explain their acceptance of gambling behaviours.

#### **5.4.1.2 Cultural background**

The cultural impacts that affect gambling behaviour were not explored at the micro level during the course of this study however have been previously documented in literature with focus being upon cultural minorities such as the Maori and Pasifika peoples.

In this model 'Cultural background' represents not only the ethnicity of an individual and their cultural values such as religion, but also extends to their economic situations. It has been previously discussed that individuals in poorer socio-economic areas experience higher concentrations of EGMs (Adams, 2004) and are more likely to engage in gambling behaviour as it provides them with a sense of hope.

An individual's cultural background establishes initial attitudes towards gambling behaviour which may be positive or negative. This in turn provides an initial structure of beliefs which will affect their future decisions regarding gambling but because values can shift over time, these are not finite factors immune to change.



#### *5.4.1.3 History of gambling experience*

Mischel (1973) wrote that “the best predictor of future behaviour is past behaviour” and although there is some debate regarding this concept within the field of psychology, it does have some relevance in this particular case. This element of the model is not limited only to the personal gambling experiences of the individual but also includes exposure to the behaviour through third party experiences also.

The past exposure to gambling stimuli is of importance as it was found in a study by Binde (2009) that although problem gamblers did not attribute advertising as the cause of their problems, over half of those interviewed said advertising had a marginal impact upon them with one fifth expressing that gambling related advertising felt a tangible impact. An individual's personal context may not only prime them to notice advertisements and opportunities for gambling more readily but actually increase the intensity with which they are focussed by gambling companies. This was noted by the researcher during the course of this research as social media and promoted content in search engines became increasingly focussed upon gambling with both Lotto and online casinos being prominent. The Demographic area within which they live and work also affects the intensity of gambling opportunities as evidenced in the literature by the intensive focus of EGMs in lower socio-economic areas.

In discussing attitudes towards gambling with diary participants it was noted that many of the responses regarding gambling involved direct family members or friends with some such as F2 and M4 who highlighted the direct influence of their parents on their early exposure to gambling as children. These third-party influences are not determinant of future behaviour in and of themselves. Although F2 had accepted gambling as a normal part of life and continued to purchase Instant Kiwi and Lotto tickets, M4 who had a history of problem gambling in his family abstained from the behaviour. This was despite admitting that he occasionally felt the temptation to gamble on things other than EGMs.

The cultural element previously mentioned shapes the moral framework within which an individual makes their decisions. As a result if they have grown up in an environment where gambling was encouraged as ‘game playing’ in order to create what was perceived to be a social good e.g. housie being used to raise donations to the church, they are more likely to be open to the idea of playing games elsewhere. This was seen by the increase in problem gambling within the Pasifika population when casinos began offering housie as a recreational

form of gambling which introduced predominantly Christian people to commercial gambling. The nature of Pasifika people which was discussed in the literature review, led them to ascribe falsely held positive feelings of generosity to EGMs which often led to the development of problematic gambling behaviours. This was further spread through the practise of introducing family members and friends to the casino as a means of expressing love through a shared experience as discussed with PGFNZ 5.

The social aspect of gambling where individuals discuss their experiences or notice as M1 did that others had Lotto tickets in their wallets also assists with the normalisation of gambling.

Independently neither an individual's personal context nor their cultural background adequately explains how willing they are to accept gambling behaviour as normal. When combined however these two elements begin to establish a robust frame through which gambling related stimuli within the environment may be viewed and the process with which they are assessed and either absorbed, rejected or ignored.

#### ***5.4.1.4 Advertising and promotion***

The frequency of advertising and availability of gambling activity are key elements in creating the aforementioned environmental normalisation within an ausogenic system.

Within the New Zealand context these stimuli are highly visible with the wide availability of Lotto and Instant Kiwi anywhere from supermarkets to book stores and even corner store dairies with marketing strategies which invade the home through traditional and also online media. The Lotto website boasts that at present they “now have a network of more than 1000 retailers from Houhora to Stewart Island, based in major metropolitan areas, provincial cities, and rural towns, making us an important retailer by any measure” (Lotteries Commision, 2015). Non-casino EGMs contributed the largest individual sum of \$808 million (38.6%) of the total gambling expenditure of the nation in 2014 with Lotto and Casino gambling contributing \$463m and \$509m respectively (Department of Internal Affairs, 2013a).

Despite the presence and wide availability of gambling within New Zealand, the effects upon individuals are far from uniform as was seen with the diary participants. This non-uniform effect is explained by the unique cultural and personal contexts with which an individual perceives and processes this information.

#### 5.4.1.5 *Salience*

In this context, salience is used to refer to the likelihood an individual will notice gambling related stimuli within their environment as well as the cognitive process they undertake when choosing whether to gamble or not.

Salience seeks to elaborate upon why some individuals are more prime to noticing gambling within their environment while also detailing how their cultural attitudes and personal context effect their decision making process.

It was found during the diary participant interviews that many were unable to recall instances where they had gambled or witnessed gambling related stimuli. This was not due to a lack of stimuli however as the self-ethnography revealed a number of gambling opportunities or promotions that went unnoticed by other participants. Environmental normalism goes some way to explaining why this blindness to stimuli exists however stops short once an individual does notice gambling within their environment. Salience expands upon environmental normalism by detailing the cognitive processes which lead an individual to either choose to engage in gambling activity or to abstain.

PGFNZ 1 described that the decision made by past clients to gamble was sometimes rationalized as follows: If the individual had \$100 available to spend on Christmas they may feel that it would be a somewhat lack-lustre occasion. With that in mind the past clients were said to believe that by taking the \$100 and “investing” it in a form of gambling, they could increase the amount of money available and therefore a better Christmas would be had. This was considered a viable option because the experiential difference between a bad Christmas with \$100 and a bad Christmas without \$100 was perceived as unsubstantial. Should the gambler be successful however the perceived benefit of the additional capital outweighed the potential loss and as a result gambling was the only “logical outcome. This concept is pictured below in Figure 11 with the green and red line showing the perceived benefits of both the loss of \$100 vs the potential positive outcome of gambling with the \$100 shown in Red and Green respectively.

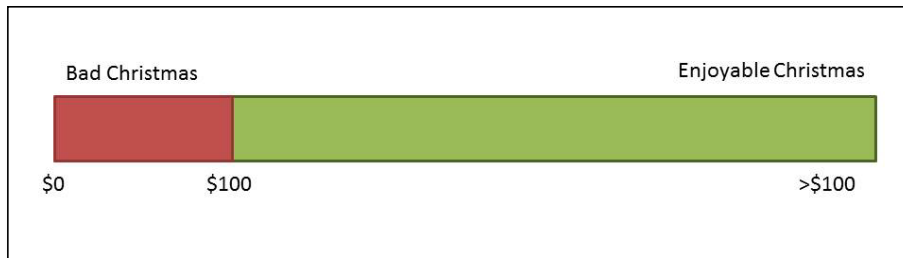


Figure 11: Perceived difference of Christmas quality

The key elements here were notably the perception of gambling as an “investment” and the relative difference between perceived benefits and losses of the gambling behaviour.

Though this cognitive process was particularly used by problem gamblers in order to justify their gambling behaviours, diary participants without histories of gambling addictions displayed some of the same motivations at a reduced level. Participant M1 described that on the occasions where he had purchased Lotto tickets or noted their advertisements, a key motivator was the potential to gain a significant sum of money if he was to win. Participant F1 likewise discussed her purchasing decision process revolving around the cost benefit of gambling however in her case the sacrifice of not getting a coffee was enough to convince her not to gamble due to the high odds that she would not win playing Instant Kiwi. The perception distortions problem gamblers experience regarding the odds of winning and associated benefits seem to be represented at a lower level in M1 though not with F1 which suggests that regardless of their gambling history, there is a cognitive process which will determine whether an individual chooses to gamble that is unique to their personal history and circumstance.

This salience impacts upon the individual’s awareness of gambling advertisements, their processing of the information and opportunities within their environment and thus influences their behaviour as a result. The precise cognitive process which is undertaken and the subsequent effect on the decision making process was beyond the scope for this particular paper however may be explored in future research.

#### 5.4.1.6 Acceptance of gambling

The final outcome for this model is the individual's acceptance of gambling as a normal behaviour. This is exemplified either by failure to easily recognise what behaviours constitute gambling, being blind to stimuli due to environmental normalism or actively participating in gambling behaviours.

An acceptance of gambling may also be demonstrated through an individual's apathy towards the behaviour as exemplified by participant F4 when she stated:

*"I guess it [gambling] is always there, but I really don't give it much thought".*

This acceptance is the result of previous experiences with gambling either personally or through secondary sources which have exposed them to the behaviour and led to the formation of attitudes. These attitudes may be positive, negative or neutral in nature and may not be openly displayed as was seen with the negative attitude represented in the study via the use of distancing language.

#### 5.4.1.7 Behaviour

Academia should seek to provide tangible evidence to give greater understanding of real world phenomena. In this study the aim was to understand what factors led to the ausogenic environment being created and how it could be better managed.

The behaviour of non-problem gamblers is of great interest as their actions contribute to a wider culture of gambling and should be explored further however was beyond the scope of this work. As a result, 'behaviour' as an outcome of acceptance has been included however there is no definitive connection or explanation at this stage that could predict how such an acceptance influences behaviour. It is thought however that it would likely involve similar motivations such as the personal context of the individual at the time of decision, their cultural background and attitudes towards gambling combined with awareness and availability of gambling. It is not possible at this point to propose a robust model which factors these principles in without a larger subject group and significant time to explore this element to the degree it has been conducted regarding the motivations of problem gamblers.

### 5.5 Model of societal normalisation

In order for a behaviour to become normalised, acceptance must extend beyond the individual to the wider society which allows collective action to occur (May & Finch, 2009). The previously discussed model of personal acceptance in Figure 10 although useful, does not

explain how a society grows to accept behaviour. As a result there is a need for a secondary development which expands upon this concept to provide a fuller understanding. Figure 12 below takes the concept of individual acceptance and implements it within a larger structure in order to provide a better understanding of how New Zealand society has normalised gambling.

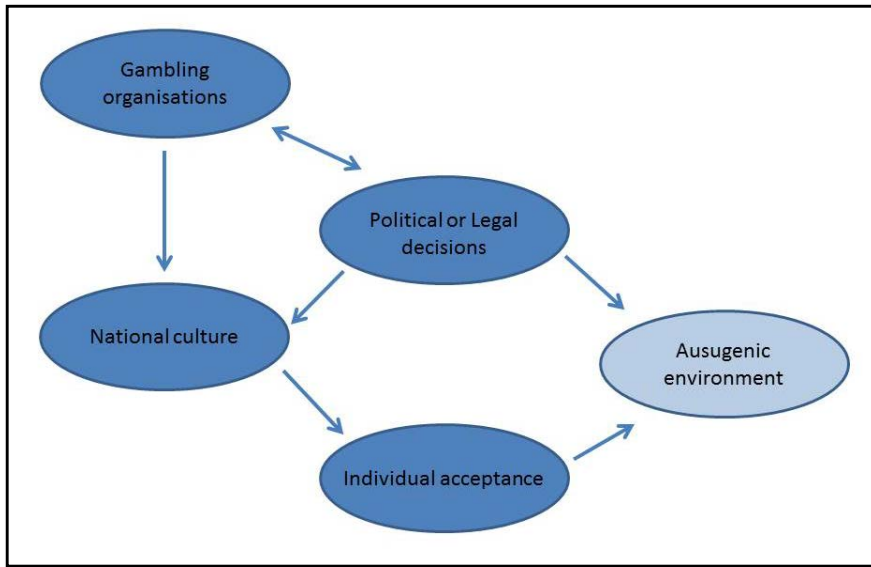


Figure 12: Model of societal normalisation of gambling behaviours

#### 5.5.1.1 Gambling organisations

Perhaps the most significant force in the process of normalising gambling within New Zealand are the organisations which create not only the opportunity to gamble, but also promote the incentives for participating. The major players in the gambling industry are Lotto who also run Instant Kiwi and the Daily Keno draw, the TAB sports betting, the Lions foundation who control non-casino EGMs and of course the casinos with SkyCity Auckland being the largest. Though these organisations contribute to the normalisation process directly represented in Figure 10's 'Advertising and promotion', they also influence normalisation through other actions focussed on imbedding themselves into the 'National culture' and influencing 'Political and legal decisions'.

#### 5.5.1.2 Political or legal decisions

In recent New Zealand news the National government came under heavy criticism having made an agreement with SkyCity Casino to allow for an additional 240 EGMs among other table games and policy changes detailed by Professor Linda Hancock of Melbourne University in a letter attached in Appendix G. In return for these concessions, SkyCity had agreed to construct a convention centre for the city valued at \$402 million in 2013 however the costs have allegedly increased to over \$500 million which has led to a process of renegotiation currently being undertaken between the government and SkyCity (Edwards, 2015).

The deal struck between the National Government and SkyCity was controversial as it opposed sections of *The gambling act of 2003, Part 2; subsection 11* which states: “A person must not increase the opportunities for casino gambling” (New Zealand Government, 2003). In the article by Edwards, SkyCity described the government as being a “Tough negotiator” as they requested government assistance to cover the increased costs of the convention centre.

The ability of SkyCity to strike a deal with the government which overrode the laws governing gambling within New Zealand emphasises the strength of this one organisation within the political structure of New Zealand. This is not an isolated with the Lotteries Commission currently being treated separately under the Gambling act and are granted autonomy of governance under the law with the restrictions being framed as suggestions such as:

*“In making any rules under this section, the Lotteries Commission must have regard to the desirability of—*  
*(a) minimizing the risk of players or participants in New Zealand lotteries becoming problem gamblers; and*  
*(b) minimizing the risk of under-age gambling.” (New Zealand Government, 2003).*

Unlike other age restricted gambling activities such as casinos, Lotto has been granted autonomy to govern themselves and abides by only two laws regarding gambling advertisements as listed in the literature review of this paper. As a consequence they are able to market during peak hours of the day and screen their featured draw during family movie times, 8pm on a Saturday night which was one of the most remembered childhood gambling experiences of the diary participants.

In a democracy the laws of a country should represent the conscience and will of the population. When gambling is treated as normal and organisations are allowed political power, then they become able to influence the laws and thereby the people as has been seen with SkyCity and the proposed casino expansion.

#### **5.5.1.3 National culture**

Though laws establish the laws by which citizens of a country must abide by, they do not seek to establish the cultural values which evolve over time. New Zealand has a strong culture of sport and are proud of their both local and national teams which include the NZ SkyCity Breakers and the All Blacks. Gambling organisations are well aware of this trend and have positioned themselves in order to take advantage of this national culture.

In 2014 gamblers lost \$311 million dollars at the TAB betting on horse racing, rugby and other sports. As a traditional form of betting this is of little surprise however the shift in marketing of events such as horse racing from traditional venues such as pubs is a new development. In the past horse racing was perceived by diary participants to be an activity for older men and of little interest but during follow up questions regarding their weekend two participants described their positive experience at the races. Marketed as a day out for the family or an opportunity to get dressed up in fancy clothing and consume alcohol, race events such as The Melbourne Cup have become iconic on the social calendar with smaller versions appearing annually in major cities around New Zealand. While at these events, the TAB logo is prominently displayed and the commentators discuss the odds of particular horses with regards to the successful pay-out of winnings. Though it may not be considered by attendees as a gambling opportunity and event, they are still exposed to heavy gambling behaviour which feeds into their personal acceptability of gambling.

The sponsorship of community organisations by Lotto NZ and the Lions Foundation as PGFNZ 5 said, leads to a dependency upon their services and embeds them within Kiwi culture. These community organisations include but are not limited to cultural organisations such as the World Buskers Festival in Christchurch, community services like community fire brigades and children's sport teams (The Lions Foundation of New Zealand, 2015). Though they are promoted as being highly charitable with large sums being donated to the communities, in 2014 they donated approximately \$40 million to community organisations. To put that in perspective however, that equates to 4.9% of their total taking for the same year. These donations were not viewed kindly by PGFNZ personnel who believed The Lions



were misrepresenting their donation, which would be better described as a reallocation of funds from at risk communities to causes which would better convince communities to accept them as a necessary part of life.

#### *5.5.1.4 Individual acceptance*

The factors which contribute to an individual's acceptance of gambling were discussed in Figure 10 and the same principles apply here. This model expands upon these however by expanding the considerations to the societal factors which govern their life including laws and cultures they are surrounded by.

When the average individual considers participating in an activity it is safe to assume that they will, at some level consider the legality of their actions and possible repercussions. It therefore is logical that as a point of reference the law acts as a framework to determine what is normal and acceptable behaviour within any given society and legal behaviours are therefore more widely acceptable. This does not apply to all behaviours as the law only states what is legal. It is then left to society to determine what activities they condone and form collective attitudes as a result. The limited restrictions on gambling advertisements which contribute to the environmental normalisation of gambling via prolific distribution of their gambling messages may be interpreted as the practise being condoned and encouraged by the government. This approval of gambling behaviour could also be seen in the creation of Bonus Bonds which are similar to investment bonds but instead offer returns as a prize draw or lottery.

These societal attitudes were reflected in diary participants when they recalled times where their gambling experiences were socially motivated through peer groups or parental influences. A key element of the normalisation process in Figure 1: Model of the components of normalization process theory (May & Finch, 2009), was that of cognitive participation and collective action which speak to the need for behaviours or beliefs to be echoed around multiple individuals within a society in order to affirm their position.

If an individual perceives that their cultural surroundings suggest that behaviour is not only condoned by their government, peers and society as a whole it becomes much easier for that behaviour to become normalised.

#### *5.5.1.5 Ausugenic environment*

The final outcome of these previous elements is an environment where gambling as an activity is prolific and widely accepted across all levels of society. This is reinforced by the advertising and availability of gambling made possible with government consent in the form of political deals or legal concessions, a national culture which relies upon gambling as a source for community funding and actively participates in the activity and finally of the mass acceptance of gambling by individuals within the society.

An ausugenic environment becomes difficult to manage due to the fact that it is self-perpetuating and through the nature of environmental normalisation fades from the consciousness of people. Gambling as an activity was viewed by diary participants as either a positive source of entertainment or a social experience and only considered in a negative light once the fear of being labelled as a “Problem gambler” arose.

In order to address the ausugenic environment within New Zealand its existence must first be recognised before the various elements can be addressed individually to dismantle the culture of normalised gambling.

## 6 Conclusions

### 6.1 Research questions revisited

This study sought to establish whether an ausugenic environment exists within the New Zealand and aimed to answer three specific research questions. Those research questions were as follows:

- 1) What environmental factors contribute to an ausugenic environment?
- 2) To what extent do environmental stimuli influence attitudes or behaviours regarding gambling?
- 3) In what way can government policy transform an ausugenic environment to better minimise the risk of harmful gambling behaviours being developed in individual?

#### 6.1.1 Environmental factor summary

It was determined from participant interviews that gambling is considered to be a normal behaviour for New Zealanders to participate in. The responses of diary participants, PGFNZ mental health counsellors and the self-ethnography gave insight into the current societal structure within New Zealand and discussed ways with which the gambling industry had become embedded within it.

A significant outcome of this process was the conceptual model shown in Figure 12: Model of societal normalisation of gambling behaviours. In this model and the following discussion, links between the gambling industry and government were highlighted paying particular attention to SkyCity and the Lotteries commission as well as a brief discussion surrounding the government condoned Bonus Bonds scheme. The political and legal treatment of gambling activities and the extent with which they are able to market their products widely, is very different to other R18 products such as cigarettes and alcohol which are heavily restricted.

The national culture of New Zealand and its heavy emphasis on sports and sport betting has also contributed to the normalisation of gambling through brand representation at matches, media broadcasts and the sponsorship of national teams by gambling companies. This relationship between communities and gambling organisations is also strengthened through the sponsorship of community organisations by the Lion's Foundation and Lotteries Commission which lead to a perceived dependence on their services as a means of obtaining funding.

The mass acceptance of gambling within a society is reinforced through collective action and social interactions which encourage gambling behaviours to persist. Essentially when an individual observes their social environment and perceives gambling to be a normal part of life, they are less likely to speak out as was seen with participant F2 who witnessed a woman purchase \$50 of Instant Kiwi tickets and felt socially obliged to stay silent. This silence then acts to reinforce the societal acceptance as behaviours go unquestioned and become normalised.

These elements establish the framework which allows gambling organisations to embed themselves within the culture of New Zealand and have their products become normalised. As a result of this it becomes difficult for services such as PGFNZ or concerned communities to challenge issues such as EGMs in their communities, or gambling at a cultural level. This is because environmental normalism means that the majority of people would not recognise their concerns as being of significant consequence.

#### **6.1.2 Effect of environmental stimuli upon attitudes and behaviours**

It was found during the course of this research that many of the participants had difficulties recalling instances where they had either witnessed or participated in gambling activities. This was highlighted by the differences found between the diary keeping experiment and the self-ethnography where a number of gambling related stimuli were noted by the researcher though only a small percentage were recorded by participants. This paper proposed the concept of 'Environmental normalism' as a development of advertising wearout theory which meant that individuals had become so accustomed to seeing gambling in their environment, it no longer registered in their awareness set.

The proposed model of personal acceptance found in Figure 10 explored the factors which led individuals to become more or less aware of gambling stimuli within their environments. These included their cultural background and considerations to their personal contexts which affect their perception of the environment.

The advertising and availability of gambling was found to contribute to the process of environmental normalism and the idea that it may have been an intentional strategy by gambling companies such as Lotto was discussed. It was also found that individuals when considering their past gambling behaviours did not initially consider Instant Kiwi or Lotto to be gambling activities instead choosing to focus on EGMs and sports betting. This

emphasised the success of Lotto marketing campaigns use of terms such as ‘gaming’ and ‘play’ as a way to distance their brand away from the negatively framed term; ‘gambling’.

The filter an individual uses when observing their environment and gambling opportunities within it was captured by the Salience section of the diagram. This represented the likelihood that they would notice gambling related stimuli within their environment and used their history of gambling experience in combination with the advertising available for them to perceive.

The outcome of this was to understand the process with which an individual would personally come to hold an attitude and behave in regards to gambling. In the research it was found that participants were more likely to explicitly state positive or neutral views on the activities they had either personally experienced, had seen personal relations experience or aspired to try such as the casino. There were also subtle indications of negative attitudes through the use of distancing language when discussions surrounding behaviours typically associated with harmful gambling arose. The model in Figure 10 also included a tentative link between the personal acceptance of gambling and the individual’s behaviour but stated that more research was required in order to understand this process further.

## 6.2 Recommendations for changes in government policy

As a result of this research it is vital that the government implements policy which can begin to address the individual elements of the existing ausogenic environment in New Zealand. The following are suggestions of particular areas of importance which could serve as starting points for the discussion:

- 1) The laws governing the advertising of gambling in New Zealand are no longer adequate to safeguard the New Zealand people from the potential harmful consequences of gambling.
  - a. It is with that in mind that the recommendation is these laws be revised to restrict the allowable time they may be shown to minimise the risk that children are exposed to them.
  - b. An age restriction of 18 years be implemented for any commercial gambling activity and that The Lotteries Commission should be held to the same level of accountability under the law as casinos and other gambling organisations.
  - c. Government should make no new amendments or commercial deals that contradict the *Gambling Act of 2003* with special attention being paid to the

section which reads there should be ‘no attempt to increase the opportunities to gamble’.

- d. The use of the term ‘Gaming’ in relation to gambling activities such as Lotto, Instant Kiwi, Keno and EGMs is misleading and attempts to mislead consumers regarding the nature of these activities. It is therefore strongly recommended that any gambling organisation be forbidden to use the terms; game, gaming, play or any other which could be viewed as misleading to the consumer.

2. The Ministry of Health should begin a mental health campaign which seeks to raise awareness of specifically what determines gambling behaviours and how a culture of acceptance contributes to harmful gambling within communities. There has been precedent for such a wide appeal strategy exemplified by the White Ribbon campaign which sought to reduce incidents of domestic violence by encouraging people to speak up and intervene when they believed a person was at risk.

3. The New Zealand Government should commit to a nationwide sinking-lid policy on all non-casino EGMs ensuring that the no new machines may be introduced in communities. Due to the particularly high rate of harm these machines cause, the desirable number in communities would be zero however the outlawing of these machines would not be the most practical nor efficient means of removing them. Instead a 5-10 year plan to remove them should be implemented and may be based upon the banning of new machines being introduced should older machines break down. Financial incentives for the venue owner may have to be offered via a buy-back scheme however that would be for the policymakers to decide the details of.

### 6.3 Implication for mental health practitioners

For health workers operating within the field of problem gambling this research provides new insights into the gambling environment which could be developed further to assist in the treatment of problem gamblers.

The model of personal acceptance of gambling in particular could be used to change the way the motivations of problem gamblers are thought of. As was described by PGFNZ 1, incidences which trigger gambling relapse are explored by PGFNZ counsellors with clients

however this may not be going deeply enough into their underlying motivations as to why they chose to gamble. By looking at the environmental factors and attitudes held by wider populations beyond those of problem gamblers themselves, it is possible that a greater understanding of problem gamblers motivations may be discovered which may assist in their treatment practices.

#### **6.4 Limitations and opportunities for future research**

This research was conducted for a Masters level thesis at the University of Canterbury and although the findings and concepts presented were substantial, there were some limitations which must be considered.

The most significant limitation was the small number of diary participants from whom data could be extracted. A key issue behind this was that the research was completed over a period of eight months with limited funding meaning that there was little time to recruit participants. There is an opportunity in future for a similar but wider reaching study that includes participants from different areas of New Zealand to compare and validate the findings of this work.

The research focussed upon individuals between the ages of 18-25 in order to establish the attitudes that a new generation of gambler would carry into the future. This however does mean that some findings regarding personal attitudes towards gambling will not translate to older generations. This presents the opportunity for not only a similar study across different age groups but also a longitudinal study which measures how an individual's attitude towards gambling alters over time.

Although the research focussed on the acceptance and normalisation of gambling within New Zealand, the proposed models of social and personal acceptance may be translatable to other fields of study also. Most obviously it is possible that a similar study be conducted in New Zealand to understand the nation's relationship to alcohol or other behaviours which are considered normal yet have the potential to cause harm in excess.

#### **6.5 Contribution to literature and final thoughts**

This research sought to differentiate itself from past work on gambling by stepping back from the heavily focussed area of study surrounding problem gambling. By instead addressing the wider cultural attitudes towards gambling activities, it provided new insight into how everyday New Zealanders between the ages of 18 and 24 perceive gambling activities. In

doing so it presented the concept of environmental normalisation as not only a potential strategy for brands such as Lotto but also as a problem for government departments, consumer interest groups and mental health professionals to overcome when seeking to address cultural attitudes.

The concept of an ausugenic environment was presented for the first time. This could serve as a foundation for future gambling research which focusses upon the society within which gambling occurs, rather than the gambling behaviours of individuals in isolation.

The two models of normalisation for both 'personal acceptance' and 'societal normalisation' build upon past literature however are presented in a way that would be useful to those not well versed in the technical language of academia.

As a result of this research we can clearly recognise the presence of an ausugenic environment within New Zealand and the significant elements which contribute towards its perpetuation. In order to manage and mitigate the potentially harmful effects of these elements upon the wider population, recommendations for policy alterations by government were made and future mental health campaigns were also proposed.

When gambling is considered normal in New Zealand and gambling organisations are allowed to shape and manipulate the environment of every day Kiwis, it is important that strong action be taken in response. If allowed to continue and the process of environmental normalisation continues to reaffirm the presence of gambling within New Zealand, it will become increasingly difficult to address the harm caused by problem gambling due to the inability to recognise gambling or reluctance to discuss the subject.



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## 8 Appendices

### 8.1 Appendix A: Participant recruitment advertisement

Subjects Wanted 

[Researchers](#) [Participate](#) [About](#) [Contact Us](#)

#### Gambling in New Zealand

##### Description

I am seeking research participants to better understand why it is considered normal to gamble in New Zealand.

Participation will involve 2 short interviews and participants will carry a journal with them over a period of 2 days. In these you should write down any things you see or hear relating to gambling and record how you responded as a result.

Participation is limited to 30 participants in total.

To reward your participation, you will be entered into a draw to win 1 of 6 \$100 Westfield Mall vouchers.

If you have experienced problems with gambling in the past, you will not be eligible for the study.

Please contact Hugh Mack to register your interest or find out more information.

Thank you,

Hugh Mack

[hugh.mack@pg.canterbury.ac.nz](mailto:hugh.mack@pg.canterbury.ac.nz)

##### Reward

1 in 6 participants will win a \$100 Westfield voucher

##### Duration

20 Minute interview and diary keeping exercise

##### Conditions

Limited to first 15 men and 15 women. Aged between 18 and 24. Have participated in some gambling activity before (Lotto, Instant Kiwi etc). No history of problem or harmful gambling.

##### Location

University of Canterbury

##### Expires

Feb. 22, 2015

##### Ethics Approval

This project has been reviewed and approved by the University of Canterbury Human Ethics Committee, Private Bag 4800, Christchurch 8140; email [human-ethics@canterbury.ac.nz](mailto:human-ethics@canterbury.ac.nz).

##### Get in Touch!

[hugh.mack@pg.canterbury.ac.nz](mailto:hugh.mack@pg.canterbury.ac.nz)

## 8.2 Appendix B: Interview questions for diary participants

Questions for Semi-structured pre-participation interview:

What is your name and how old are you?

Have you gambled before?

What types of gambling activity have you participated in?

When was the last time you gambled and what type was it?

What type of gambling advertisements if any, do you remember seeing over the last week?

Do you think gambling in New Zealand is normal?

Is there anything else you would like to add?

Questions for post-interview:

How did you find the diary keeping process?

What were the most common things relating to gambling you noticed?

Was there anything that surprised you about gambling in New Zealand?

Do you think you are more, less or similarly aware of gambling advertisements in New Zealand?

Has your opinion on whether gambling is normal in New Zealand changed as a result of this diary exercise?

Is there anything else you would like to add?



### 8.3 Appendix C: Letter of approval from University of Canterbury ethics committee



HUMAN ETHICS COMMITTEE

Secretary, Lynda Griffioen  
Email: [human-ethics@canterbury.ac.nz](mailto:human-ethics@canterbury.ac.nz)

Ref: HEC 2014/109

22 September 2014

Hugh Mack  
College of Business, Economics & Law  
UNIVERSITY OF CANTERBURY

Dear Hugh

The Human Ethics Committee advises that your research proposal "How does the Ausugenic environment normalise gambling behaviour in New Zealand?" has been considered and approved.

Please note that this approval is subject to the incorporation of the amendments you have provided in your emails of 16 and 19 September 2014.

Best wishes for your project.

Yours sincerely

A handwritten signature in black ink, appearing to read 'L. MacDonald'.

Lindsey MacDonald  
*Chair*  
*University of Canterbury Human Ethics Committee*

## 8.4 Appendix D: Information sheet for diary participants and PGFNZ counsellors



Department: College of Business and Law

Email: [hugh.mack@pg.canterbury.ac.nz](mailto:hugh.mack@pg.canterbury.ac.nz)

16<sup>th</sup> July 2014

### How has gambling behaviour become normalised in New Zealand

#### Information Sheet for Diary Participant

This research is conducted by Hugh Mack to provide insight into how gambling has become normalised within New Zealand society. Findings shall be used to write a Masters level thesis for the MCom programme at the University of Canterbury.

Your involvement in this project will be to carry a diary over a period of 2 days where you leave your home and venture into a populated area (this may be a mall, supermarket or university) and record the following:

- 1) A brief pre-interview to establish basic demographic information, perceptions of gambling and answer any questions you may have relating to the study.
- 2) Any advertising (lotto, instant kiwi etc), TV shows about winning money, viewed examples of gambling (Pokie/slot-machines in real life or on TV) and others which you notice during the course of your day. This should include any examples you witness inside or outside of your home. This record should include what type of stimuli you experienced, at what time of day and where it occurred.
- 3) Your personal response emotionally to these stimuli and any thoughts you have as a result of the experience.
- 4) A brief post-diary interview to discuss your experiences during the process and whether your perceptions of gambling have changed as a result.

In the performance of the tasks there is some risk of emotional distress resulting from an increased level of awareness to gambling promotion. Should you have any significant past involvement with gambling you feel may impact the study, you are required to inform the researcher and accept that you may be removed as a candidate.

## 8.5 Appendix E: Consent forms for diary participants and PGFNZ counsellors

Counselling is free of charge to the gambler, their family and others affected by problem gambling.

### Consent Form for Diary Participant.

I have been given a full explanation of this project and have had the opportunity to ask questions.

I understand what is required of me if I agree to take part in the research.

I understand that participation is voluntary and I may withdraw at any time without penalty though failure to complete the task will mean I am not eligible for any reward offered by the researcher. Withdrawal of participation will also include the withdrawal of any information I have provided should this remain practically achievable.

I understand that any information or opinions I provide will be kept confidential to both the researcher and listed supervisors and that any published or reported results will not identify the participants.

I understand that a thesis is a public document and will be available through the UC Library.

I understand that all data collected for the study will be kept in locked and secure facilities and/or in password protected electronic form and will be destroyed after five years.

I understand the risks associated with taking part and how they will be managed.

I understand that I am able to receive a report on the findings of the study by contacting the researcher upon conclusion of the project

Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

### Consent Form for Interviewee.

I have been given a full explanation of this project and have had the opportunity to ask questions.

I understand what is required of me if I agree to take part in the research.

I understand that participation is voluntary and I may withdraw at any time without penalty though failure to complete the task will mean I am not eligible for any reward offered by the researcher. Withdrawal of participation will also include the withdrawal of any information I have provided should this remain practically achievable.

I understand that any information or opinions I provide will be kept confidential to both the researcher and listed supervisors and that any published or reported results will not identify the participants.

I understand that a thesis is a public document and will be available through the UC Library.

I understand that all data collected for the study will be kept in locked and secure facilities and/or in password protected electronic form and will be destroyed after five years.

I understand the risks associated with taking part and how they will be managed.

I understand that I am able to receive a report on the findings of the study by contacting the researcher upon conclusion of the project

Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

## 8.6 Appendix F: List of nodes and frequencies created during data analysis

Name	Sources	References
Lotto	8	28
Instant Kiwi	6	19
Casino	5	15
Prize draws	3	6
Table games	1	3
EGMs	2	2
Negative attitude	5	15
Positive attitude	6	13
Gambling location	5	17
Advert	7	17
Gambling type	6	41
Gambling loss	2	2
Purchasing habits	6	16
Review later	1	2
Normalisation	6	12
Childhood influence	4	10
Possibility	4	5
Prizes	6	10
Luck	5	8
Problem gambling	2	2
Locus of control	1	4
Entertainment	4	12
Social element	4	7
Online gambling	1	1
Memory lapse	3	5
Parental influence	3	6
Economic trade-off	2	2
Neutral attitude	2	4
Media	4	6
Age	3	4
Family	2	3
Accessibility	2	6
Gift	1	3
Emotional content	1	1
Social blind eye	1	2
Reward	1	2

## 8.7 Appendix G: Letter by Professor Linda Hancock

To: Commerce Committee  
From: Prof. Linda Hancock

RE: New Zealand Convention Centre Bill 2013

This submission is from Prof. Linda Hancock of Deakin University, Melbourne, Australia.  
I offer the following comments in relation to the New Zealand Convention Centre Bill 2013

### Specific Comments:

#### 1. Concerns about the concessions granted to SkyCity Auckland casino

*In return for the construction and operation of a \$402 million International Convention Centre (including construction and fit out of \$315 million)*

*The Government has agreed to the following:*

- *Extending SkyCity's Auckland casino licence, due for renewal in 2021, to 30 June 2048, and amending it to cover all of SkyCity's properties in Federal Street*
- *Allowing an additional 230 "pokie" machines*
- *Allowing 40 extra gaming tables*
- *Allowing a further 12 gaming tables, with SkyCity able to swap each table for an automatic table game that seats up to 20 players*
- *Allowing up to 17 per cent of electronic gaming machines to accept banknotes greater than \$20, but only in restricted areas*
- *Allowing ticket-based and card-based cashless gambling across the Auckland casino (Ticket in-ticket out), with differential limits applied to the amounts that could be deposited and withdrawn*

This section deals with:

- **The detrimental impact of increased gambling footprint of SkyCity Auckland (Auckland Casino) and expansion of gambling (electronic gaming machines, table games and automated gaming terminals)**

Auckland Casino is not a destination casino in a remote location but a casino located in a prominent position in the largest city in New Zealand, in an area with a densely settled residential community, tourists and daily business commuters. It is thus easily accessible by foot, car and public transport. Expanded gambling facilities pose considerable risk to international and domestic university students, tourists, city dwellers and to other groups who are considered vulnerable to problem gambling. In these circumstances, the provisions in the Bill raise concerns about the impact of expanded gambling facilities being granted to SkyCity Auckland Casino, on increased incidence of risky and problem gambling. This is concerning in light of the fact that the NZ government Cabinet has acknowledged the likely impact on problem gambling:

‘The increased opportunities for gambling may potentially increase the incidence of problem gambling, which is a significant health issue in New Zealand that affects some groups disproportionately and contributes to poverty and socio-economic inequalities’ (p. 1).

Internationally, impact studies link exposure to gaming machines with harms, especially in relation to vulnerable/disadvantaged population groups and to those

living within two to five kilometers of venues<sup>1</sup> (Productivity Commission, 2010; Smith and Rubenstein, 2009). On the basis of research evidence on accessibility to gambling, the increase in gambling facilities will impact in terms of increased exposure to risky and problematic gambling for those from the Auckland suburbs surrounding the casino and given its size, accessibility and location, on the Auckland region.

- **Allowing 12 gaming tables to be converted to automated table game consoles for 240 individual players**

Automated table games (for example, Rapid Roulette and Baccharat) are relatively new products that seem to be the latest addition to casino gambling product line-ups. For example, the Australian –manufactured StarGames has developed a fully automated roulette, Aussie Roulette, that uses touchscreen technology and a central controller.

They epitomise the platform of successful revenue-generating continuous automated console/individual player stations that has proven so successful with high-revenue generating electronic gaming machines [or in US terminology slots and video lottery terminals]. They are also the form of technology most associated with loss of control or player ‘dissociation’ that results in patrons going into ‘the zone’ of lack of control that results in them spending more time and money gambling than they intended. As the Australian Productivity Commission states:

Gaming machines dominate as the form of gambling where dissociation is most likely (figure 4.5) — which is a probable reflection of the continuous nature of play and the lack of social contact while playing (Błaszczynski and Nower 2007; Hing and Breen 2002)<sup>2</sup>.

Table games have an element of sociality to them and can also enable dealers and pit bosses to observe player behaviour and to observe the signs of risk and problem play that are an integral part of the SkyCity Auckland Host Responsibility Program and the 32 or more Player Identification indicators that can trigger protective interventions.

These ‘automated table games’ only differ from electronic gaming machines in that they link any number of players to a central automated, semi automated or central dealer with the roulette wheel or cards (in the case of baccharat) appearing on a central screen and on individual players’ consoles.

These machines are promoted by manufacturers as more efficient than table games in terms of revenue. At Crown Casino Melbourne the installation of over 250 of these terminals has been a resounding success in terms of revenue but has also been associated with significant reductions in floor staff as banks of 50 or more machines require at most only an announcer on a microphone. As StarGames promotion of the use of semi automated terminals at Crown

<sup>1</sup> See Productivity Commission, 2010. Gambling Final Report, Productivity Commission, Melbourne; Smith, G. & Rubenstein, D. (2009). *Accountability and Social Responsibility in Ontario's Legal Gambling Regime, Final Report*. Ontario. Ontario Problem Gambling Research Centre.

<sup>2</sup> Productivity Commission, 2010. Gambling Final Report, Melbourne. Productivity Commission.

Casino Melbourne says:

Crown, cognizant of its management agreement in Victoria, required a semi-automated game, so that it could be classified as a single table as opposed to a multi-terminal slot machine.

"Our game of Rapid Roulette is different. We use a real roulette wheel and a real dealer. However, we have an advantage in that we automate the bet process, and add extra functionality.

"Players can place their own bets via their own terminal. They don't have to place their chips on a table and find that some other player has grabbed their winnings,"

Rapid Roulette at Crown, with 12 betting stations, is classified as a single table game according to the regulatory authorities in Victoria. The joint venture patent involving Crown and Stargames specifies that the game is based on the "dealer-determined game, dedicated to electronic betting at the table..."

"We are still experimenting with different limits from \$1 to \$20, to establish the best mix," said Mr MacDonald. The maximum \$500 bet equates to a total outlay of \$30,000 per game if all spread betting options are taken. "To date, the \$10 and \$20 minimum outlay tables are performing extremely well,"

Of the product Kelly says:

Imagine a game that has the traditional qualities of roulette – the same odds, a real roulette wheel and dealer - the game of pure chance and excitement of the ball landing on a winning number. Add dedicated touchscreen terminals and extended betting features incorporated in a clever, imaginative patent application lodged in countries around the world – and the results are extraordinary.

The new game of Rapid Roulette has been operating at Melbourne's Crown Casino for the past few months, attracting queues of both table game and slot players – and all the while, exceeding profitability of their American Roulette tables by more than 75%.

Rapid Roulette's benefits have a flow-on effect. The compact unit reduces labour overheads for the casino by increasing the number of betting positions for each game. As it's semi-automated, there is optimal game play, with the spin rate jumping from an average 36 games per hour to 45. Floor space is also maximized, offering a modular choice of six to 24 terminals per game.

Indeed, profitability is not the only reason to explain Rapid Roulette's winning streak. Players can also bet on slot options such as mystery jackpots, progressives – and even quinellas and trifectas, if they're racing enthusiasts. Perhaps most importantly, initial indications at Crown's 350 table, 2500 slot complex show that the players have taken to the game with an absolute passion<sup>3</sup>.

From the above it can be concluded that:

-the Bill, in permitting regulatory concessions for the introduction of new fast-loss technology automated 'table games' will result in the introduction of products marketed as more profitable (ie harmful) that result in reduced harm minimisation oversight by staff and reductions in the number of floor staff.

- The Bill makes no stipulation that any such machines need to be a compulsory part of the Focal player tracking system since this is voluntary and restricted to certain players.

<sup>3</sup> Kelly, J. 'New game revolutionizes roulette' Accessed August 10 2013 at: [http://gamingfloor.com/features/Rapid\\_Roulette.htm](http://gamingfloor.com/features/Rapid_Roulette.htm)  
Aussie companies spin a straight-up



- **Allowing up to 17 per cent of electronic gaming machines to accept banknotes greater than \$20, but only in restricted areas**

De-regulating note acceptors anywhere in the casino is problematic from the point of view of harm minimization. As noted by the Productivity Commission:

(T)he capacity for regulation to be targeted at those with problems, or at risk of experiencing substantial harm, without much effect on recreational gamblers. The need to uphold the principle of self-responsibility is reduced if 'responsible' people can still freely undertake an activity without burdensome constraints. For instance, it is hard to see what degree of freedom is lost by a capacity to insert no more than \$20 of cash into a gaming machine while the credit balance is above \$20, as recommended by the Commission (chapter 11). Nothing stops a gambler inserting more money when the balance falls below \$20, and given their usual intensity of play, this will occur only rarely for 'responsible' gamblers. Indeed, it even increases the demand on them to behave responsibly by actively requiring them to think about the personal consequences of investing more. Where such a measure would act most would be on impulsive people spending continuously at very rapid rates (p. 3.14).

Allowing \$100 note acceptors will also make money laundering more attractive. It is well recognised that casinos are frequently associated with money laundering and allowing \$100 note acceptors will increase the attractiveness of the casino to such activities.

- **Allowing ticket-based and card-based cashless gambling across the Auckland casino (Ticket in-ticket out)**

Ticket-in ticket out is problematic from the point of view of tracking player behaviour as it is not part of card-based play and will therefore not be included in the Focal data analysis. If high limits are allowed for money in and money out via tickets in restricted areas, this will also attract money launderers as the ticket – out at values of \$5000 are very attractive to money launderers.

## 2. Harm minimization measures that 'lack teeth'

- **A predictive model created by Focal Research which analyses loyalty data as a tool to identify players who are at risk from gambling harm;**

This is a model based on robust research that has been tested at various sites including Saskatchewan for which I provided international comment. However it will not have much power as a harm minimization tool if it is not implemented across the casino and for all patrons. In this respect if entry to the casino were to be via a player card for all patrons (with loyalty cards kept separate) then there would be a good fit with the current observation based indicators harm minimization host responsibility program. As laid out in the Bill, the Focal player tracking will be ad hoc and will not necessarily achieve the aim of harm minimization.

- **A voluntary pre-commitment system whereby Single Terminal Gaming Machine players may elect to restrict the amount of time they play and/or the amount they spend on machines over a selected period;**

As verified in Australian research (Productivity Commission 2010) for precommitment to be useful as harm minimization it should be mandatory and via a universal player ID (eg card) system. If modeled on the Crown Casino Melbourne Play Safe, this is largely ineffectual as players are told when they have reached their limit but are not stopped from playing on.

- A doubling of the number of Host Responsibility Executives employed at SKYCITY Auckland so as to provide 24hr/day, 7 day a week, coverage at the SKYCITY Auckland site

The use of staff depends more on how they are organized and the effectiveness of the interventions are.

- A requirement that the issuance and redemption of Ticket In Ticket Out (TITO) tickets and some cashless gambling credit above \$500 in non-restricted areas is linked to suitable player identification. The specific detail concerning thresholds for player identification is set out in the Annex.

As argued above ticket in-ticket out is not a good system and attracts money laundering.

### 3. Impact of the proposal on Auckland City Council's 'sinking lid' policy on numbers of electronic gaming machines

The proposal brokers a new convention centre in return for legislation that increases gambling opportunities, the size of the gambling floor area and the number of machines and tables at SkyCity Auckland Casino. By giving a long-range contract to 2048, the Bill undermines the provisions previously laid down under the Gambling Act 2003 mandating independent impact assessments as part of a regular process for reviewing the operator's suitability to continue to hold a casino license.

The Auckland City Council's Regional Development and Operations Committee adopted the Auckland Council New Zealand Racing Board (TAB) Venue Policy and the Auckland Council Class 4 Gambling (Pokie) Venue Policy effective from 24 July. This policy replaced that of the seven former councils to create a regionally consistent approach and places a sinking lid on the number of class – 4 EGMs and a cap on the number of dedicated TAB premises in Auckland<sup>4</sup>.

The current Auckland city Council policy of a sinking lid on the number of non-casino gaming machines aimed at decreasing the density of machines, was a response to concerns about the high level of gambling-related harms associated with gambling (an estimated at 10% of NZ gambling revenue came from Auckland in 2010)<sup>5</sup>. From a public policy perspective, the proposal to expand the casino will directly undermine this policy. When Auckland city Council reviewed its gambling machine policy in 2010, '97 percent of the nearly 4000 submissions on the draft policy were in

<sup>4</sup> Auckland Council 'Gambling venue policies' Accessed July 2 2013 at <http://www.aucklandcouncil.govt.nz/en/planspolicies/projects/councilpolicies/gamblingvenuepolicies/Pages/home.aspx>

<sup>5</sup> Cooke, M. 2010. 'Shift on sinking lid', East & Bays Courier, 2 April 2010, citing Problem Gambling Foundation CEO Graeme Ramsey.

favour of retaining the sinking lid approach<sup>6</sup>. Auckland City Council quotes a reduction of machines in class-4 venues from over 5200 in 2004 to 4054 in March 2013<sup>7</sup>. To then grant an increase of 470 additional EGMs to Sky City Casino under the International Convention Centre Bill is a step backwards that will exacerbate the risk of gambling-related harms for those whom the sinking lid policy is meant to protect.

#### 4. Impact of Extending the License to 2048

The Government has agreed to extend the SkyCity Auckland Casino licence, due for renewal in 2021, to 30 June 2048.

New Zealand currently has a system of casino regulation that is acknowledged international best practice by the Australian Productivity Commission in its 2010 international review and by international gambling research experts<sup>8</sup>. SkyCity Auckland Casino is currently subject to mandatory independent assessments of the social and economic impact of the Auckland casino under section 134(3) of the Gambling Act 9

S.134 Application for renewal of casino venue license.

**(1) The holder of a casino venue licence may apply to the Gambling Commission to renew the licence.**

(2) An application under subsection (1) must be—

(a) made in the period that is at least 1 year but not more than 2 years before the date on which the licence is due to expire; and

(b) on the relevant form; and

(c) accompanied by a casino impact report.

(3) A casino impact report must be prepared by a person approved by the Commission as independent of the applicant, and must—

(a) report on the expected social and economic effects on the local and regional areas affected by the operation of the casino, and on New Zealand generally, of—

- (i) the continued operation of the casino; and
- (ii) the closure of the casino; and

<sup>6</sup> Figures attributed to City Vision councillor Cathy Casey in Cooke, M. (2010) 'Shift on sinking lid', East & Bays Courier, 2 April 2010.

<sup>7</sup> Howarth, 2009 p. 5 and Auckland City Council Meeting, August 13, 2013 Item 9 Auckland Plan Committee, 'New Zealand International Convention Centre Bill – Auckland Council Submission, p. 14. Accessed August 14, 2013.

<https://www.google.com.au/#fp=971f53ad680182e3&q=auckland+city+council+submission+on+sky+city+casino+to+gambling+commission>

<sup>8</sup> See for example, Delfabbro, P. 2013, 'SkyCity Auckland: Host Responsibility Programme: Submission to Gambling Commission, New Zealand, January.

<sup>9</sup> Parliamentary Counsel Office, New Zealand Legislation, Gambling Act 2003, at <http://www.legislation.govt.nz/act/public/2003/0051/latest/DLM209306.html>

(b) report on matters identified by the Gambling Commission.

(4) The Gambling Commission may specify the research to be undertaken in preparing a casino impact report.

(5) The applicant for renewal of a casino venue licence must pay for the casino impact report.

#### **136 Information and matters to be considered**

**Before deciding whether to renew a casino venue licence, the Gambling Commission must consider—**

(a) the application; and

(b) the casino impact report; and

(c) any additional information or evidence provided by the applicant or person with a significant influence at the Gambling Commission's request; and

(d) any written submissions and other written and oral evidence; and

(e) the compliance record of the applicant and persons with a significant influence; and

(f) any views conveyed by a local authority after an opinion poll or community consultation process; and

(g) the results of investigations under [section 125](#).

Under the Act as it stands, reviews of the operating license would be due in 2021 and 2036<sup>10</sup>. Extending the Auckland Casino license to 2048 as outlined in the draft Bill would remove the opportunity for the Gambling Commission to assess an independent report on the social and economic impact of the casino and for community stakeholders to put their views to the Gambling Commission concerning the operation of the casino and its social and economic impacts. This would in particular, impact on community stakeholders such as Auckland City Council and would directly undermine the intent of the current Gambling Act 2003; which outlines a rigorous process involving a casino impact report prepared by an independent third party, but paid for by the license holder, which reports on the expected social and economic effects of the operation of the casino, both locally and regionally if the casino is allowed to continue operation or if it were to close. In other words, the draft Bill takes away both the process and the option of withdrawal of license by giving overall precedence to a license up to 2048. The public protections lost by extension of the license would be considerable and would undermine the capacity for regulators to enforce consumer protection and public health measures that may be merited. The extension of the licence which is currently to 2021 to June 30<sup>th</sup> 2048 appears to be in conflict with Cabinet's understanding that '(a) failure to fulfil its obligations under its host responsibility programme could lead to the suspension or cancellation of SkyCity's casino operator's licence'. What Cabinet seems to be saying is that it needs the Bill to have preeminence when concessions are inconsistent with the Gambling Act 2003 'or any regulations, rules or licences made or granted under that

<sup>10</sup> Auckland City Council Meeting, 2013

Act<sup>11</sup>. The Cabinet brief acknowledges that 'the Bill is inconsistent with fundamental common law principle of equality before the law, to the extent that it modifies the Gambling Act 20013 to give effect to the regulatory concessions. However the Bill reflects a commercial arrangement whereby the Crown and SkyCity receive roughly equal benefit'<sup>12</sup>.

Concerns about the concessions granted to SkyCity Auckland casino

What does the agreement involve?

In return for the construction and operation of a \$402 million International Convention Centre (including construction and fit out of \$315 million)

The Government has agreed to the following:

- Extending SkyCity's Auckland casino licence, due for renewal in 2021, to 30 June 2048, and amending it to cover all of SkyCity's properties in Federal Street
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- Allowing up to 17 per cent of electronic gaming machines to accept banknotes greater than \$20, but only in restricted areas
- Allowing ticket-based and card-based cashless gambling across the Auckland casino (Ticket in-ticket out), with differential limits applied to the amounts that could be deposited and withdrawn

The concessions will begin on the day the main construction contract is signed and apply for the length of the agreement between SkyCity and the Government, which is 35 years

...the agreement says that if the regulatory concessions are changed before the 35 year period is up, SkyCity will be compensated by the Government under the agreement<sup>13</sup>.

## Conclusion

The Bill outlines the overarching purpose of the NZICC Agreement 'to provide economic benefits to New Zealanders'. It is really a form of PPP (Public Private Partnership) where the beneficiaries are said to be the Crown and SkyCity but the real payment comes from the losses of the (mainly) community members who will gamble on the expanded facilities outlined in the Agreement.

The Howeth International Convention and Exhibition Centre study (2009) established a clear business case for an international convention centre; with an optimistic

<sup>11</sup> Office of the Minister for Economic Development, July 8 2013, The Chair, Cabinet. New Zealand International Convention Centre Bill 2013: Approval for introduction, at para 5 to 8. Accessed August 20 at <http://www.med.govt.nz/sectors-industries/regions-cities/pdf-docs-library/nz-international-convention-centre/information-release/cabinet-papers/NZICC-Bill-2013-Approval-for-introduction.pdf>

<sup>12</sup> Office of the Minister for Economic Development, 2013, The Chair, Cabinet at para 12.

<sup>13</sup> International Convention Centre – Questions and Answers. Accessed August 19 at: <http://www.med.govt.nz/sectors-industries/regions-cities/pdf-docs-library/nz-international-convention-centre/international-convention-centre-QA.pdf>

benefit-cost ratio of 1.433 (which translates into a benefit to the economy of \$1.433 for ever \$1 spent)<sup>14</sup>.

Aside from the short-term stimulus to jobs of the construction phase, a convention centre with capacity for 1000 delegates would create about 800 new jobs and attract up to 35 additional conferences of between 150 and 2500 delegates per year (an additional 22,000 additional international visitors and more than 200,000 extra visitor days, worth approximately \$85.4 million in tourism-related expenditure per year<sup>15</sup>. It is therefore questionable as to why this venture needs to be captured by gambling interests, which will also dictate the location. This points to the efficacy of a non-casino provider being able to tender for establishment of an International Convention Centre that could be run profitably without being part of the for-profit model based on expanded gambling machines/revenue.

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<sup>14</sup> Howarth, 2009, p. 5

<sup>15</sup> Howarth, 2009, p. 5.

Appendix A.

Brief bio: Prof. Linda Hancock

**Professor Linda Hancock (Ph.D)** has a Personal Chair in Public Policy at Deakin University.

Past professional roles include a number of Ministerial appointments as Chair of the Independent Gambling Research Panel of Victoria (2000–2004); Commissioner, Victorian Law Reform Commission; and Presiding Member on the Social Security Appeals Tribunal. Other positions include: Director of the Corporate Citizenship Research Unit at Deakin University and Partnerships Manager at the Deakin University Alfred Deakin Research Institute (ADRI).

In terms of international public policy, Prof. Hancock was appointed 2008–2011 as Research Director for the Responsible Gambling Fund UK (RGF, formerly the Responsibility in Gambling Trust) - the national charity responsible for commissioning research, prevention and treatment of gambling in the UK. She regularly reviews for Australian and international journals and publishing houses and for New Zealand, UK and Canadian provincial governments.

Her recently published monograph, *Regulatory Failure? The Case of Crown Casino* (Australian Scholarly Publishing, 2011), interrogates responsive regulation theory and reports on original empirical research on casino Codes of Practice on responsible gambling and responsible service of alcohol, based on interviews with 225 Crown Casino workers via a partnership with the union, United Voice.

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