G4 Responsible Gambling Code of Practice

Addendum

Social Games

January 2020



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Introduction

This document is to be considered as an addendum to the G4 Responsible Gambling Code of Practice, January 2020 and is to be used as a guide only.

Definition of Social Games

Social games are typically played online or on mobile devices, and have some form of social element. This social element is typically found in the fact that players either play against each other live in real time or asynchronously.

Some games that can be played online might look like gambling but do not meet the legal definition of gambling. These games may involve a game of chance for a prize and may use gambling mechanics such as cards or dice, but crucially from a legal standpoint, might not constitute as gambling under legislation if the prize is not money or money's worth.

Social games may be free or paid to enter, for example by paying for extra spins/credits/tokens or chips, but do not offer a cash prize. While payment is usually not required to initiate pay, monetization is a significant part of many models.

Types of Social Games

Social casino games

Social casino games look, sound and play like gambling games, but they do not pay out real money and encourage players to connect with their online networks via social media. Examples are online slot style games, roulette, poker and bingo and are offered on a variety of social network platforms (such as Facebook, Google play store and Apple App store) or directly via a developers website.

Free Game

Game access and play is free of charge, with the developers costs covered by advertising within or around the game. Some free games are "Advergames", which brands develop for their customers or communities.

Freemium Game

Access and play is free, with certain additional and special features – for example extra lives, extra energy, tools or maps to expand the game experience are available for a real money payment.

Paid Game

A player who does not want to see advertisements within the game they are playing can choose to pay for an advertisement free experience.

Subscription

A common game payment, often used in console games. A player who pays a subscription for a game may pay a monthly of annual fee for access to the game or special features within it, such as extra lives or extra spins.

Social games and Responsible Gambling

The boundaries between social gaming and commercial gambling have become increasingly blurred as a result of the exponential growth in use of social media for gaming and gambling. An increase in the convergence between the products of traditional gambling and social gaming and significant investments by companies developing new products or ways of marketing existing products.

While playing social games does not appear to be harmful in itself (for the vast majority of players) we are much less clear on whether in some circumstance it leads on to, or causes, more harmful behaviours. The development of unrealistic expectations (e.g. that gambling is an easy way to make money) has the potential to increase gambling participation generally and create more harmful patterns of play for those that do gamble. Additionally, many social games with casino themes utilize features that are regulated, prohibited or not possible in regulated gaming environments, such as high frequency of play and speed, or lack of minimum age policy and enforcement.

Furthermore transitional risks especially for young and vulnerable people are expected in social gaming, through the development of positive attitudes, normalisation, and unrealistic expectations towards monetary gambling.

Many social casino game companies that promote simulated games via social media are now owned by gambling operators, but are not always subject to the same regulations as gambling advertisements. Advertisements can often interrupt game play or app usage, offer links or videos to the social casino game, take over the entire screen with specified minimum viewing time and offer incentives for new players. As it is recognized that social games may function as a gateway to monetary gambling, the operator who offers both (social games and monetary gambling) is expected to be extremely careful in its cross-over operations, and implements adequate risk-monitoring tools.

Requirements and Guideline

According to the ISGA (International Social Games Association) social games operators and developers will abide by all applicable laws and regulations. Examples include laws and regulations covering consumer protection, transparency, advertising, virtual items and privacy.

Social Games Transparency, Mechanics & Functionality

Games are designed to be fun and easy to understand for the intended audience. They are never designed to mislead or trick players, for example by intentionally providing false information or being deceptive. In general, games operators should consider the average consumer who is reasonably well informed and reasonably observant and circumspect. For example, where a game is designed for a particular group of consumers, such as children, it is desirable that the games operator assesses the game from the perspective of the average member of that group.

Terms of service should be accessible to the player before they play the game. For example: casino-style social games should specify that the games are intended for use by those 18 or older and/or provide advice to parents and teens on making smart choices online.

Social games should not lead players into believing they will be more successful at real-world activities. For example: car driving simulators should not deliberately lead people to believe they are acquiring real-world driving skills. Casino-style games should not deliberately lead players to believe they will be successful at real money gambling games.

Purchases and Payments

When players are offered the opportunity to make a payment within a game, it should be transparent what the payment is and what it will provide. The terms and conditions of purchase for games or items within games (in-game purchases) should be clear – whether for virtual credits, additional lives, boosters, character upgrades or any other bonus features.

Where payment mechanisms are under the control of games operators, default settings should allow purchases to be made only with the player's explicit consent. Players can choose to modify these settings.

Where platforms dictate payment mechanisms, games operators will comply with the platform's payment policies and any applicable consumer laws. Games that are designed for children should not contain direct exhortations to children to buy items in a game or to persuade an adult to buy items for them.

Virtual Items and Secondary Markets

A "virtual item" is any in-game item, virtual credit or virtual good that can be accumulated as a direct result of the outcome of the game or pre-purchased for the use exclusively on the game platform. Virtual items cannot at any time, be exchanged for real money or items of tangible real world value. Social games operators do not facilitate or permit the trading of virtual items via platforms or third party websites. The above principles shall not apply to a reward program which is associated with: 1) participating in a game; or 2) purchasing virtual items in both these cases provided that the reward is not linked in any way to the outcome of the game.

Ratings and Parental Controls

Support and encourage the use of parental controls to ensure age-appropriate content. Promote and provide information on how to use parental controls via Smart Social Gamers safe play portal – smartsocialgamers.org

Advertising

Advertisements should comply with all applicable advertising laws and regulation. Games should not be advertised as 'free' where purchases are mandatory. Game operators should use advertising targeting tools where available, to target advertisements to the intended audience, while respecting privacy laws and regulations including those regarding collecting personal information from children.

When assessing marketing directed at children, games operators should take due account of the way messages are presented and of the context of those messages. Advertisements for casino-style games should not be deliberately or explicitly directed at those aged below 18 years.

Privacy

The operator complies with all applicable privacy and data protection laws and have effective privacy policies. Players are able to easily access a game's privacy policies. Players are able to request deletion of their public profile from the game provider and the company should cease using their personal data upon request in accordance with applicable laws. Game operators should provide players with the option to choose whether they share their game activity publicly when playing on a social network.

Complaints and Account Suspension

The operator makes customer support available to players. The operator has an internal process to suspend and/or close a player's account in a timely manner when requested to do so by the player. If a games operator discovers that a player whose account was previously closed opened a new account, the operator should investigate the circumstances with that player and determine whether the new account should also be closed.