

2015

Social media marketing and gambling: an interview study of gambling operators in Australia

Sally M. Gainsbury
Southern Cross University

Daniel L. King
University of Adelaide

Nerilee Hing
Southern Cross University

Paul Delfabbro
University of Adelaide

Publication details

Post print of: Gainsbury, SM, King, DL, Hing, N & Delfabbro, P 2015, 'Social media marketing and gambling: an interview study of gambling operators in Australia', *International Gambling Studies*, vol. 15, no. 3, pp. 377-393.

Published version available from:

<http://dx.doi.org/10.1080/14459795.2015.1058409>

ePublications@SCU is an electronic repository administered by Southern Cross University Library. Its goal is to capture and preserve the intellectual output of Southern Cross University authors and researchers, and to increase visibility and impact through open access to researchers around the world. For further information please contact epubs@scu.edu.au.

Social media marketing and gambling: An interview study of gambling operators in Australia

Sally M. Gainsbury^a, Daniel L. King^b, Nerilee Hing^a, Paul Delfabbro^b

^aCentre for Gambling Education and Research, Southern Cross University

^bSchool of Psychology, University of Adelaide

Accepted for publication in *International Gambling Studies*

Gainsbury, S., King, D.L., Hing, D., Delfabbro, P. (published online 11 Jul 2015). Social media marketing and gambling: An interview study of gambling operators in Australia. *International Gambling Studies*. DOI: 10.1080/14459795.2015.1058409

Available at: <http://www.tandfonline.com/doi/full/10.1080/14459795.2015.1058409>

All correspondence should be addressed to

Dr. Sally Gainsbury, Centre for Gambling Education and Research, Southern Cross University, Po Box 157, Lismore NSW 2480, email: sally.gainsbury@scu.edu.au

Abstract

Social media has become an established tool to engage and maintain customer loyalty. However, its successful use involves a balance between promotion, public relations, and corporate social responsibility. Nineteen individuals working in the Australian gambling industry were interviewed. The aim was to explore how gambling operators are using social media to engage with users and promote products, their considerations underpinning these actions, and the extent to which responsible gambling practices are included. All operators were active on social media and used these platforms to attempt to increase customer engagement and strengthen existing relationships. Gambling-related content was usually balanced against non-gambling content, or operators focused exclusively on non-gambling content. Sales goals or raising revenue were not direct aims of social media use. Operators sought to use social media as an indirect way to maintain their customer base and attract new customers via favourable ratings and information transfer. Few operators provided specific responsible gambling messages, despite being mindful of the dangers of targeting vulnerable populations, specifically youth and problem gamblers. This study is unique as it provides an in-depth first-hand account of how gambling operators are using social media.

Introduction: Social Media and Marketing

Social media provides companies with opportunities to engage directly with existing and potential customers, using a range of strategies beyond the 'one-way' promotion of a message which characterizes traditional marketing. Marketing objectives for social media may include improving relationships with existing customers, building market share, enhancing brand awareness, encouraging product trial, and ultimately increasing sales revenues (Laroche et al., 2012; Weber, 2007). Content created on a company's social media profile is typically only seen by those opting in to these sites; however, users sharing content with their networks broadens the audience viewing the statement, picture, post, or tweet and operators can pay to promote their content to a broader audience. Consequentially, many social media marketing campaigns aim to generate the digital equivalent of 'word-of-mouth', in the knowledge that both positive and negative user interactions are often collapsed into a unitary measure of popularity (e.g., page views, 'likes') (Shang, Chen, & Liao, 2006). The aim of this study was to examine how these marketing strategies may be employed in the specific context of the gambling industry.

Changes in Facebook regulations have allowed some direct gambling opportunities via this platform. However, Knight (2012) argues that the social networking sites of online gambling operators do not simply replicate online gambling sites; rather they are used to portray a brand's personality to engage and create excitement in their communities. This is achieved through providing content of interest to potential consumers, as well as exclusive promotions and odds that may convert customers to active engagement with the site or venue (Behmann, 2013). Interview studies involving gambling operators suggest that respondents perceive social media to be a relatively useful tool to increase website traffic and to raise interest, awareness and eventually increase sales (Behmann, 2013). This is consistent with an interview study with online gamblers, which found evidence of increased gambling amongst existing gamblers in response to Internet gambling promotions (Hing, Cherney et al., 2014). An audit of social media sites of Australian gambling operators showed that operators commonly combined gambling and non-gambling content and that key messages were positively framed, and tended to use a range of cross-promotional tactics to emphasize fun, entertainment, and winning (Gainsbury, Delfabbro, King, & Hing, 2015).

Research on brand engagement via social media has found that relationships between consumers and the brand, product and company all positively influenced trust and brand loyalty (Habibi et al., 2014; Laroche et al., 2012). Huang et al. (2014) showed that emotional investment in a company had the greatest influence on purchase intention for virtual goods as compared to other factors. Engagement may be linked with positive reputation. Consumers are more likely to purchase online from a brand they know or trust (Kim, 2012), rather than considering unfamiliar brands, which demonstrates the importance of brand reputation. Brand equity, which is the value of a brand to consumers, of land-based casinos has been positively associated with better-performance (Tsai, Cheung, & Lo, 2010). Facebook and Twitter have proven to be effective platforms for Las Vegas casinos to communicate directly with current and potential customers and specifically promote their brand (Stansberry & Strauss, 2015). This was borne out in a study of Australian online gamblers which found that reputation is the most important factor in choosing an online gambling site (Gainsbury, Russell, Blaszczynski, & Hing 2015). These studies suggest that the potential benefits of social media for gambling operators include building brand reputation and increasing consumer engagement in an attempt to increase sales.

Social media may also engender potential risks in that companies usually have to forgo some control over communications. Users can generate often unverified information

and share ideas publicly, which could differ from views that the company might wish to promote (Aula, 2010). Underscoring these concerns is the finding that, in social media contexts, negative posts can have five times the effect of positive ones (Corstjens & Umblis, 2012; Powers et al., 2012). Accordingly, some gambling operators have resisted social media marketing strategies due to fear of losing control over, or interference with, their brands (Behrmann, 2013). Social media can also create expectations of immediate responses thereby imposing a burden on staff time or risking a company's ability to exert control over any escalating negative stories concerning the organisation (Cox, Martinez, & Quinlan, 2008). Additionally, a company's own social media posts will be scrutinized so that any company caught manipulating information or making inappropriate posts can experience severe reputational damage (Aula, 2010; Cox et al., 2008). Behrmann (2013) concluded that gambling operators perceived how social media can be valuable, but were reluctant to embrace its full potential and continued to rely upon more traditional communication and promotions strategies.

Because social media use occurs in the public arena, it is important for the industry to be seen as acting in accordance with accepted social norms to prosper and survive in the long term (Ihlen, Bartlett, & May, 2011). Although cultural differences exist, companies are expected by most governments, activists, the media and consumers to demonstrate a duty of care or corporate social responsibility by acting ethically and, ideally, demonstrating their benefit to the community (Anderson & Landau, 2006; Porter & Kramer, 2006). However, promises of corporate social responsibility are not blindly accepted by consumers and firms have been criticized for using CSR initiatives as a form of manipulation or deception if these are perceived as insincere (Becker-Olsen, Cudmore, & Hill, 2006; Cloud, 2007; Orford, 2012). As with other risky products such as alcohol, gambling operators must abide by regulations on appropriate advertising. This often requires inclusion of responsible gambling messages. Despite this, an analysis of 12 leading UK alcohol brands found no Facebook posts explicitly recommending responsible drinking and only two brands including permanent responsible drinking messages on their social media pages (Nicholls, 2012). Nicholls (2012) describes how all major UK alcohol producers have active CSR programmes and claim commitment to responsible drinking, yet their marketing vigorously promotes alcohol as an everyday norm, undermining their CSR statements. Studies of social media suggest that substantially greater efforts are required if safe drinking messages are to successfully compete with alcohol promotion (Burton et al., 2013; Nicholls, 2012). Failure to promote responsible standards for products indicates a lack of CSR activity. Questions have been raised regarding the effectiveness of corporations' ability to self-regulate, along with calls to ban social media marketing for alcohol (Hastings et al., 2010; Leyshon, 2011).

Very few studies have considered the use of social media by gambling operators. However, the potential impact of advertising of gambling products has prompted numerous government inquiries and debates (Binde, 2014; Hing, Cherney et al., 2014; Hing, Vitaris, Lamont, & Fink, 2014). Community and political concerns have been raised regarding the potential impact of social media use by gambling companies, especially on potentially vulnerable populations such as problem gamblers and youth (Burrell, 2014; Derevensky & Gainsbury, in press; Gainsbury et al., 2015; Gridley, 2013; Hing, Cherney et al., 2014; McMullan & Kervin, 2012; Victorian Responsible Gambling Foundation, 2013).

In summary, little understanding exists of how gambling operators are engaging with social media for their promotions. Therefore, it is presently difficult to formulate community and policy responses to reduce any potential harm to individuals and the community. Accordingly, this study aimed to explore how gambling operators are using social media to engage with users and promote products and services; their considerations and strategies

underpinning these actions; and, the extent to which responsible gambling practices are included in social media engagement.

Methods

Twelve interviews with 19 individuals representing different sectors of the Australian gambling industry were conducted. Several interviews were conducted with more than one operator representative. Gambling companies represented including land-based casinos (n = 6), clubs (n = 3), hotels (n = 1), lotteries (n = 5), and land-based and online wagering providers (n = 6)¹. Attempts were made to interview individuals who were responsible for the company's social media strategy as well as responsible gambling policies. Invitations for interviews were sent to casino, lottery and wagering operators, and to relevant industry groups representing hotels and clubs. Companies regulated across most Australian jurisdictions were represented, as were large and smaller venues. Interviewees included Chief Executive Officers and individuals responsible for marketing, communication, digital marketing, responsible gambling, international development, customer intelligence, and community engagement. Invitations sent directly to individuals known to the research team were all accepted. Therefore, the sample is not representative of all gambling operators within Australia, and may not include operators less willing to be involved in research. Due to commercial sensitivities, participating individuals and organisations are kept confidential. Direct quotes have been altered where necessary to maintain confidentiality.

Interview Questions

The interview protocol was semi-structured and encouraged respondents to clarify and elaborate on responses where appropriate. The interview questions included:

- a) How is social media being used by gambling operators to promote gambling products (platforms used, types of promotions)?
- b) Who is the intended audience for social media promotions?
- c) What is the impact of social media on use of products (e.g., increase in active customers, changes in gambling behaviour, transition between modes of access)?
- d) What are the perceived motivators, advantages and disadvantages (opportunities and threats) related to using social media for promotions?
- e) To what extent are responsible gambling frameworks considered in the use of social media?
- f) What considerations are given regarding exposure of vulnerable groups to social media promotions including children, adolescents and problem gamblers?
- g) What are some considerations for future use of social media, including any perceived trends or changes or potential responses should regulations change?

Interview Analysis

All interviews were digitally recorded and transcribed verbatim by a professional service. Thematic analysis was employed to identify, analyse and report response patterns (themes and sub-themes) in order to organise, describe and interpret the information in rich detail (Braun & Clarke, 2006). This was an iterative approach involving immersion in the data through reading and re-reading of transcripts. Responses were then summarised and coded according to each interview question. Themes and sub-themes were identified, interpreted and labelled. To ensure validity, a review of the process and results by the research team was

¹ Note, one of the wagering providers interviewed also operates lotteries

conducted, including by those who had conducted the interviews, to ensure credibility, applicability, consistency and neutrality.

Results

Use of social media by gambling operators

Social media use was typically integrated in a strategic business and communication plan before any official use. The most consistent aims were to increase brand awareness and customer engagement. As reported by one interviewee: *“it’s primarily a brand channel – for the voice of the brand to speak to customers, to listen to customers, and have conversations with customers as well.”* This view was also articulated by another interviewee who stated: *“One of my biggest challenges is differentiating the brand. Differentiating the brand is done in many ways, but to me, one of the best ways of doing that is adding personality and tonality and engaging more effectively with fans, customers, audiences and social media has a really effective way of doing that.”*

One respondent described fostering an increased sense of loyalty and a more personal relationship with the brand or venue as being the “Holy Grail” of social media use: *“the Holy Grail is great and two-way relationships with as wide a group of consumers as we possibly can to generate a degree of brand endorsement and brand advocacy”*. For most interviewees, increased brand and operator engagement via social media was intended to translate into more engaged customers who would visit their venue/website. Interviewees noted that increased engagement and visitation may not lead to increased gambling, but would nonetheless be considered a positive outcome that may eventually increase profits, while simultaneously creating greater customer loyalty. Additionally, social media was intended to increase direct sales through a broader reach, extend the brand, build and protect a reputation, and engage with the broader community. One interviewee mentioned using social media for employee recruitment.

Social media platforms

Most operators began by using limited platforms. A minority described initially using multiple platforms, but subsequently curtailing these to those perceived to be most relevant, or maintaining a minimal presence on less relevant platforms. By far the most commonly used platform was Facebook, followed by Twitter. Interviewees recognised that various platforms had different audiences and strategic uses. Facebook was used to post information and seek customer feedback, whereas Twitter was used more as a broadcasting platform for immediate and time-sensitive news. Some operators also used YouTube, Instagram, and Pinterest.

Posted content

Social media was generally integrated into a company's larger marketing campaign. Content promoted via more traditional marketing channels, including print and television, was often incorporated into social media. However, content was also tailored for specific social media channels. Users following gambling operators on social media platforms were considered to be opting in to receive relevant notifications and updates. Therefore, interviewees often discussed taking care to ensure that information posted was recent, relevant, of interest, and aimed to maximise engagement. Interviewees were generally mindful of using platforms for interactive communication as much as possible, in comparison to the one-way push used in traditional advertising. Most interviewees described the different types of content they would post on social media platforms. Many also had a core team of

employees with permission or responsibility for making posts. The following represents the primary types of content discussed.

(a) Direct gambling advertisements and product promotions

These posts contained relevant information and opportunities offered, such as new products, gambling opportunities, and promotions including competitions and special offers. Lottery and wagering operators typically reported using social media to advertise opportunities to bet/purchase tickets. Wagering operators described occasionally publishing odds, but doing this as a “*news broadcast*” or for information, as users were not perceived to need too many promotions via these channels. One operator gave the example of a post wishing a particular person or team good luck for an event, and listing the odds as secondary information. Another gave the example: “*we make sure that if we’re getting one gaming message out that we balance it clearly with a hotel deal or a food and beverage deal or a general property comment.*” Another interviewee described ensuring that social media was about having conversations and fun. To this end, operators specifically avoided posting messages deemed to be “*too commercial*” as this was considered counterproductive to developing positive customer relationships. In contrast, another operator reported using social media to promote special offers only available for followers, most of which were betting opportunities. Other operators reported not using social media for direct advertisements and not mentioning specific gambling products. This was particularly the case for EGM operators facing regulations restricting EGM advertising within certain jurisdictions (e.g., NSW): “*The legislation requires that you can only advertise gaming machines ... to club members on an opt in basis which then makes it very hard to use that with a social media network because how do you know who’s opted in and who hasn’t and then you’re sort of restricting all that sort of sharing and posting and disseminating that I guess that viral sort of stuff that social media is great for.*” EGM operators in other jurisdictions (e.g., QLD) had fewer restrictions and could promote gambling services; however, as with other land-based venues, social media was also used to promote in-venue activities.

Several operators discussed paying for advertisements or specific content to be posted to walls of followers, or targeted audiences. This activity was generally viewed differently from more standard social media use, as it was targeted and directed, similarly to traditional advertisements. One interviewee described often paying to ‘boost’ a post/ad: “*So [X]’s got about nine thousand likers, but generally, when we put a post on [X], it reaches about 2,000 people, but we might boost and do like an [X] ad on Facebook, and that can reach 60,000 people.*” Another reported advantage of advertising via social media was that specific audiences could be targeted to people opting in or indicating interest in receiving content. This was considered more cost effective than blanket media marketing.

(b) Customer engagement

Most gambling operators acknowledged two-way communication as an essential component of social media use; users were encouraged to post comments and operators often tried to engage with users. One interviewee discussed a strategy of posting content and encouraging followers to ‘Like’ this, which would share the content within their own networks and increase brand exposure. Another interviewee pointed out that: “*We want to ask questions about first, who do you Like in race? Who – ? Obviously, hoping that they respond to you or retweet you – and you are then talking to their 5,000 followers*”. Social media platforms were regularly monitored for customer feedback, with responses made by appropriate staff. The public and immediate nature of social media meant that particular care was needed to respond to comments in an appropriate and timely manner: “*So if people post*

something on a Sunday morning at three in the morning, they don't expect to wait 'til Monday 9am for a response".

(c) Wins and community engagement

Community stories were an important part of social media content, especially for lottery and EGM operators to demonstrate their community contributions. This content included details of community grants and funding, as well as sharing stories of winning customers. Several interviewees discussed using social media to highlight large wins. While publicising details of wins face privacy restrictions, operators can promote broader stories of gambling successes.

(d) Venue visitation

Social media platforms were commonly used to promote events in land-based venues (e.g., food, beverage, entertainment, special offers), modified opening hours, other venue changes and customer relevant notifications (e.g., restaurant offers for 'followers' on social media that could be redeemed in venues). One interviewee, in reference to land-based venues, reported that they *"will then promote usually their range of services and also including any gaming services they offer usually as well. But generally they use it more for general promotion of the venue and probably more for meals."* Others described how members could earn loyalty points for engaging in social media, for example by 'checking in' on Facebook. In some cases, prize draws would be offered for those who engaged via these platforms. These strategies were designed to encourage customers to monitor a company's site and posts, and increase visitation to land-based venues.

Target audience for social media engagement

Several interviewees acknowledged social media as an important channel to engage with younger Australians, particularly operators whose traditional core customer base was older, including lotteries and EGM venues. As one respondent reported: *"So there's a lot of interest out there ... to actually look at how [to] leverage social media more efficiently I think particularly to attract that younger generation ... which is typically in a segment that hasn't always been that well-serviced."* However, older people were also acknowledged as active users of social media who could be engaged through these platforms as: *"the growth of, not old people but mature aged people ... is pretty strong on Facebook."*

Several operators also described targeting adults (*"men mostly"*) aged over 30, because younger adults have less disposable income and were less valuable customers. Similarly, more affluent individuals were preferred targets. One respondent described their target audience as: *"upscale sports nuts."* The target audience on social media was users based in the jurisdiction where the operator was regulated. Most interviewees indicated that users who engaged with them on social media were likely to be existing customers; although none reported being able to match up their customer databases with their social media followers in any systematic way.

Social media was also considered useful to engage with new customers, particularly through enhancing brand salience, building customer relationships, and encouraging customers to visit their site (or venue). Some interviewees described targeting users of a competitor to reach relevant users: *"the reason why you wanna use someone else's word is that you're trying to leverage off their above the line in advertising."* Another described targeting advertisements to people expressing interest in their products or related products, based on websites visited and their social media profiles.

Successful use of social media was generally measured by level of engagement achieved and impact of the profile. For example, getting thousands of 'likes' for a post was

considered successful; however, one high profile person sharing content could generate much greater exposure. Several interviewees specifically targeted celebrities and attempted to have their content promoted by them. One example was asking celebrities visiting the venue to be ‘ambassadors’ and send promotional content to their large number of followers in exchange for exclusive privileges or complimentary services. One wagering operator described establishing relationships with key sports and racing personalities and using these networks to reach a larger social media audience: “*So a lot of times, we’ll target influential people on Twitter.*” One interviewee mentioned that balance was required, as it was not helpful to be seen as trying too hard to engage with celebrities, although some operators may do this: “*I don’t think that [marketers] should [be] engaging too much with high-profile sportsmen just cold.*” Some operators had official sponsorship relationships with various sporting codes, teams and individuals. These may include exclusive permission to post logos, photos and other official materials.

The impact of social media on use of products

All interviewees acknowledged difficulties with measuring the impact of social media use on product usage and customer behaviour. One respondent commented: “*the jury’s still out on the effect of social media ... Not in terms of its usage or uptake or anything like that, but it’s the effectiveness of it as an actual marketing channel.*” For this reason, return on investment of social media use was perceived as generally unclear. However, most individuals considered social media use an important investment. To evaluate its effectiveness, most operators tracked performance internally or through an external monitoring company. Key metrics included number of followers and engagement measured through shares, liked/favourite, click-through to websites, the percentage of followers engaged with various posts and the type of followers who shared content (e.g., highly-connected individuals). One interviewee mentioned measuring sentiment of comments, to ensure that positive comments outweigh negative posts. These metrics provided feedback on types of content and posts that were popular and generated brand engagement, which could also be analysed in terms of follower demographics on some platforms, such as Facebook.

Most operators were unable to track links between social media and sales/revenue, particularly for gambling products. One interviewee did consider social media, and Facebook specifically, as a modestly valuable tool for customer acquisition, stating that “*Facebook would be probably in the top 20 but not in the top 10 in terms of volume and effectiveness*”. Similarly, the interviewee perceived “*it has modest effectiveness in that way in driving new customers*”. However, this was considered a confounded relationship; “*Are they worth more to us because they’re a fan or actually, are they a fan because they are more in range customer, and therefore, they are more likely to like our page?*” Several interviewees described using social media as just one part of a wider digital marketing strategy that included online advertisements and targeted emails. Email marketing was mentioned to have wider reach than social media promotions.

Perceived motivators, advantages and disadvantages related to using social media

All interviewees noted distinct advantages and disadvantages of having an active social media presence.

(a) Brand engagement

Most respondents indicated that the primary motivation behind active social media engagement was because consumers want to interact with companies and brands through these channels. Being present and visible for customers was therefore important, and allowed operators to convey a brand’s ‘personality’ more effectively. As one respondent commented:

“The social media guys are saying, “Hang on. This is all about engagement. This is about us creating fun conversations around sports with our customers and friends of our customers.... sometimes the social media team will relent and will put a commercial message on our page. Other times if they’ll say, “No. It’s too commercial. It dilutes the value of this relationship and we’re not going to put it on the page.” One interviewee described implementing analytical tools to compile discussion on social media about the brand. For example, people are encouraged to post content using hashtags, or ‘check in’, which will be promoted to users’ own networks, and compiled by the operator. However, another interviewee discussed how gambling is not always an activity that people seek to share with their networks: *“gaming’s a very personal thing so it doesn’t have that brag-ability that eating in a [celebrity chef] restaurant has”*, making it less conducive to social media in some ways.

(b) Customer feedback

Several interviewees described that immediate feedback was quite important to alert operators to any technical problems within their sites, thus replacing the helpdesk, as people could use Twitter or Facebook to lodge complaints and notifications, with forums a way of resolving problems. Another individual described the importance of being able to learn about customers through feedback, thus helping to focus engagement strategies. However, the ability for customers to create content was considered a major potential disadvantage of social media use. Constructive criticism and negative feedback were generally considered valuable to allow appropriate changes to be made. Nonetheless, several interviewees described the difficulty of dealing with public complaints. *“You get a lot of curly complaints you actually have to handle, and we have to work very closely with the legal one, publicly. And then you have to try and take them offline to handle them and try not to handle it in a public domain.”* Care was generally taken with content to avoid offending anyone, inflaming arguments or promoting negative feedback. One interviewee suggested that *“there’s very little content that would offend anybody anyway that they’d have a feeling that they need to respond to or troll² about.”*

(c) Reputational damage

Several respondents discussed the potential for inappropriate or inaccurate posts. An interviewee mentioned the difficulty of containing negative feedback that had gathered considerable attention on social media platforms, regardless of whether the operator had acted appropriately or simply made a mistake: *“You become the destination for anybody that wants to shout at you.”* This was cited as a potential disadvantage, making the operator hesitant to become overly active via these channels: *“If you get social media wrong, then you can really put people’s nose out of joint and they have a readymade channel to voice their grievance and that bounces back on very quickly”*. Another interviewee described considerable damage to a competitor’s brand reputation following a complaint going viral.

Most operators had considered the potential for conflict or disagreement from users and had policies to address them. Several interviewees described not responding to all posts, including negative posts, because this was too resource intensive, and because a response might amplify rather than quell the disputed point. One operator described its policy of responding publicly to any user on a single topic twice, and inviting further offline communication to resolve outstanding issues. Several operators described generally trying to remove the conversation from the public domain as quickly as possible. Responding promptly to customer feedback, particularly negative comments, was considered important by

² In Internet slang, a troll is a person who interrupts communications, often with threats and personal abuse (Shin, 2008).

most operators. Others reported that responding to posts often involved consulting their legal team.

Several interviewees noted the problem of fake or unofficial profiles being created on social media. Two respondents described how operators monitored for imposters and then contacted social media platforms (e.g., Facebook or Twitter) to have them shutdown.

(d) Cost and staff resources

Several interviewees acknowledged that, although an active social media presence is critical, it incurs considerable cost, mainly because significant staff time was required to establish policies, create content, and monitor pages and profiles, including user feedback. As one respondent described: *“It’s not at all free. It’s actually got a fairly invisible cost which is the amount of time it can take. So actually, some of our social media channels are some of our most expensive marketing channels in the digital space.”* Some companies monitored social media platforms regularly. Other operators engaged external companies to monitor their platforms and alert them if something required an immediate response. Operators also appeared to monitor competitors’ use of social media and several respondents mentioned learning from their actions and reactions. This included monitoring negative feedback on particular content posted and modifying their strategies accordingly.

Some interviewees reported that social media was becoming less effective as an advertising channel, particularly Facebook, which had changed how posts were promoted. Whereas previously a post was pushed to all followers who had opted in or ‘Liked’ a page, Facebook now restricts this content, but offers ‘boosts’ that can be purchased to increase the number of followers who are shown content. Thus, advertising via social media now has a more explicit price tag to maximise views for selected content. Nevertheless, social media was described as being relatively cost effective compared to traditional advertisements, which may reach a wide but not necessarily targeted audience.

Inclusion of responsible gambling in social media

Most interviewees had considered responsible gambling in their use of social media. Any content posted was reported to conform to advertising guidelines, including responsible gambling codes of conduct. Consequentially, in jurisdictions with these limitations, operators were generally not attempting to promote gambling products on social media: *“We can’t actually use that within the context of specific gaming machine promotions at this point in time. So they’re not really doing anything in that space typically.”*

Many interviewees stated that they involved responsible gambling personnel in developing social media strategies. One operator mentioned that its marketing team was trained in responsible gambling and adhered to responsible codes of conduct. Several interviewees mentioned that most, if not all, marketing campaigns have multiple levels of approval in terms of responsible gambling policies. A few operators had posted responsible gambling information on their social media page, most commonly in the About Us heading on Facebook. Some linked to responsible gambling sections of their websites, while other operators occasionally integrated responsible gambling messages into social media posts. For example, print ads posted as graphics would include the small print responsible gambling warnings. Some operators reported promoting responsible gambling messages during Responsible Gambling Awareness Week and at other key times. However, not all respondents considered social media an appropriate platform for responsible gambling and problem gambling messages as it may be perceived as paternalistic and inappropriate for a forum designed to be entertaining and fun. One operator mentioned that “gamble responsibly” slogans on social media platforms polarised some users, prompting negative feedback about being told what to do.

Exposure of vulnerable groups to social media promotions including children, adolescents and problem gamblers

(a) Age

Age restrictions are difficult or impossible to enforce on most social media platforms, being based only on stated age which can easily be falsified, or is not assessed. Operators can set the age of users permitted to view and 'like' their Facebook fan page, but controlling whether content is shared with minors in a user's social network is impossible. Several operators had restricted their Facebook page from being followed by minors and targeted advertisements were limited to adults aged over 18, 20, or 25. One operator had also restricted its followers on YouTube to 18+. One interviewee described approaching Twitter Australia to discuss implementing an age gate on their Twitter account, similar to several US alcohol companies. Another operator mentioned that, if they became aware that a follower was under 18 (e.g., through their posts or profile, etc.), they would block them.

(b) Problem gambling

Social media platforms have various policies regarding the provision of gambling content. One interviewee stated that mentioning odds was against GooglePlus' code of conduct. Several operators reported strategies for identifying posts that may relate to problem gambling. For example, a post indicating any level of problem would be referred to the responsible gambling team, who would attempt to contact the user and follow-up via another channel: *"anything to do with problem gambling, there is myself and then there's one other person, then you've got the team out there that reports to the team leader that reports to somebody else."* Several operators described following similar procedures as when they were alerted to a potential gambling problem through other channels (e.g., in person, email, telephone). Another interviewee described taking actions to remove from digital marketing anyone revealed to be a problem gambler. This action could occur via sending an email, where possible, as well as blocking them on Facebook and Twitter.

Considerations for future use of social media

Several gambling operators had only recently created social media profiles. Most agreed they were likely to refine them over time in response to changing marketing conventions, customer preferences, technological advances, and preferred platforms. Some interviewees mentioned that Facebook may lose popularity with younger audiences.

Several operators were unsure how regulators would react to social media and raised the possibility of more restrictive regulations. Additional regulation was generally viewed negatively as this may interfere with promotions or be unfeasible; *"They're sort of saying, 'Well, out of 140 characters, we want 25 percent of the news for responsible gambling messaging.' And you're going, 'Err!'"*. Some respondents indicated that operators were trying to educate regulators: *"So there's consultation papers ... I think anyone can make a submission to that. Well obviously, as I said, we're talking to them"*. Another stated: *"We're having some real education processed with the regulator of our social media ... So it's really trying to educate them to say, 'This is not the biggest danger in the world.' Just trying to explain it to them"* Respondents also reported being cautious: *"We're very mindful of the code and we moderate, self-moderate to a large extent in that space so ... we are seen to be doing the right thing."*

The changing nature of social media platform policies was also mentioned by several operators as being challenging to work with. Facebook was specifically mentioned for the increased payment it now required to promote content to an audience of followers: *"Facebook themselves are a law unto themselves in terms of what they do and what they'll change and what they start charging for"*.

Discussion

This study examined the marketing approaches of gambling companies on social media, including promotional methods employed to influence gambling behaviours. The results showed that social media engagement appears to be crucial for marketers and is increasingly embraced by gambling operators. Interviews provided useful insights into the views and reported use of social media by operators across all sectors of the gambling industry. In general, industry representatives described taking a relatively conservative approach in their use of social media and recognised its limited role in the promotion of gambling products. Social media was not reported to be purposefully used to exacerbate gambling, or to target vulnerable populations including minors. Instead, operators reported that they largely use social media to engage with existing customers and potentially reach users who are already interested in gambling products. Specific conversion to sales and increased revenue was not a direct goal reported by most operators, who generally considered that social media advertising was unlikely to make a substantial difference to gambling behavior.

Facebook was most commonly discussed platform used, with Twitter, YouTube, Instagram and Pinterest also used by some operators. Overall, these channels were not used primarily to promote gambling products, particularly by land-based venues with other products and services. Operators that did specifically mention gambling products reported commonly doing so sporadically, balanced with a majority of non-gambling content. Some operators posted advertisements that were run via other media (e.g., billboards, print and television ads). Some operators also posted notifications of promotions and upcoming events, as reminders of betting/gambling opportunities. Only operators offering online wagering and lottery could link directly from social media channels to an active betting site. Linking from social media to betting was not mentioned by any interviewees, and only customers with accounts could log-in to place bets online.

Operators typically tracked their social media use, but none were able to measure its impact on sales, revenue, customers, or other commercial metrics. Moreover, the study revealed a gap between expectations from social media use and what was actually being measured. This was consistent with other industries' use of social media (e.g., Behmann, 2013; Habibi et al., 2014). Most operators were measuring the number of active users, posts, or visitors, which is relatively standard practice (Habibi et al., 2014); however, this approach might often not produce the most insightful assessment of the outcomes of social media engagement. Companies could be sensitive to other metrics such as consumer trust, loyalty, idea generation, and market insights to provide feedback and improve their social media strategies.

Successful use of social media was measured in terms of brand engagement and was imprecise because it was difficult to interpret return on investment. All operators were clear that involvement with social media did have a cost. This was most easily measured in terms of resources required (time, salaries) to ensure that the brand's social media presence was managed appropriately. Indirect costs may include reputational damage, which may occur through negative feedback, whether accurate or not. This relates to the caution reported with social media use as companies have no control over how consumers engage with the brand (Fournier & Avery, 2011). Poor relationships between customers within a company's social media community can have a negative impact on trust (Habibi et al., 2014). More commonly, gambling operators reported using social media channels to try to engage customers by running competitions, asking questions, and posting relevant articles, links and stories. Several operators mentioned using social media as a way to respond to customer comments, complaints, and queries. These channels were used by a few operators to publicise wins, although this was not overly common. Operators of land-based venues most commonly described using social media to promote events or offers to encourage venue visitation,

beyond gambling opportunities. These results are consistent with research suggesting the vital role of community building and engaging customers with the community in social media contexts (Habibi et al., 2014; Mangold & Faulds, 2009).

In relation to potential risks, all operators appeared to be mindful and cautious about ensuring that social media was not used to promote excessive gambling and did not target vulnerable populations, consistent with Australian advertising codes of conduct. However, they could not control others sharing content with minors, although several operators had age gates on their Facebook pages. All operators had policies for monitoring social media profiles closely. Any information suggesting that an individual had a gambling problem was reportedly acted on following policies and procedures similar to those used for other channels. Most operators discussed taking action to gather further information, conduct discussions offline [‘take the conversation offline’ is slang], and in some cases, block the individual from further involvement with their social media pages and direct them towards support. Several operators mentioned that their responsible gambling managers worked closely with the social media team, both to review content prior to posting, and to be involved if problem gambling issues arose with individual users.

Despite these stated concerns, policies were mixed on actively promoting responsible gambling messages via social media. Several operators included responsible gambling messages and information on their Facebook profiles, although this was generally in the About Us tab, which was not well promoted or likely to be viewed by many users. Some responsible gambling messages were present on advertisements shared on social media. Some interviewees felt that social media was not an appropriate channel for discussing responsible gambling and that users would not like these messages. This is consistent with the previously conducted audit, which found that most operators did not incorporate responsible gambling messaging into content posted (Gainsbury, Delfabbro et al., 2015).

Methodological considerations and conclusions

This study’s conclusions are limited in that only a selection of gambling companies were approached and agreed to be interviewed. Given that social media promotion is constantly evolving, many operators’ social media strategies may have evolved since interviews were conducted and will continue to change. Another limitation is the assumption that gambling operators would give full disclosure of business strategies, which may not be in their best interests (e.g., commercial, long-term strategy, ethical). Furthermore, as some interviews had multiple participants, a social response bias may have been present. However, the interviews were largely consistent with a previously conducted audit (Gainsbury, Delfabbro et al., 2015). The findings should be considered as an insight into how gambling operators themselves perceive or wish others to perceive their social media strategies. Research is needed to explore the use of social media by gambling operators further, for example by investigating the shift in marketing efforts towards social media and the impact of this marketing on consumers. Larger ethical questions surrounding the promotion of gambling products via social media need consideration, for example, is it responsible for gambling operators to use strategies such as customer engagement and brand advocacy that draw attention away from gambling products and can these promotions be compatible with a responsible approach to gambling?

Gambling operators tended to view the impacts of gambling promotion via social media as being largely contained to preexisting gambling customers, with only limited or benign effects for other audiences. Use of social media does increase the overall promotion of gambling. This exploratory study indicates that gambling operators do consider codes of advertising conduct and attempt to engage with customers and potential customers, without promoting excessive gambling, misleading customers, or targeted vulnerable populations.

However, a lack of responsible gambling messaging and problem gambling warnings in social media communications and difficulty in age gating these platforms suggest that ongoing monitoring of the impacts of these communications may be warranted.

Conflict of Interest

SG and NH have received research funding from organisations with various interests in gambling, including beneficiaries of funding, including through taxation, government contributions funded by gambling levies, and income. The authors have no other real or perceived financial or non-financial conflicts of interests directly or indirectly related to this research to declare. PD and DK have no conflicts of interest to declare.

Funding

This study was commissioned by Gambling Research Australia - a partnership between the Commonwealth, State and Territory Governments. GRA had no involvement in the research design, conduct, analysis or the preparation of this paper.

GRA was not involved in the study design, research collection, analysis, and made no contributions to this manuscript. There are no constraints on publishing.

Bios:

Dr Sally Gainsbury is a clinical psychologist whose research into gambling has covered the areas of responsible gambling strategies, electronic gaming machines, warning signs, Internet gambling, and online treatment options. She is the Editor of *International Gambling Studies*.

Dr Daniel King is a Senior Research Associate and Clinical Psychology Registrar in the School of Psychology at the University of Adelaide. His primary research expertise is technology-based problems, with a specific focus on digital gambling, social media, and video-gaming.

Professor Nerilee Hing is the Founding Director of Southern Cross University's Centre for Gambling Education and Research. Her research interests include problem gambling, responsible gambling, gambling amongst vulnerable populations, impacts of gambling, help-seeking for gambling problems, and gambling and new technologies.

Associate Professor Paul Delfabbro is based at the School of Psychology at the University of Adelaide where he lectures in learning theory and advanced methodology and statistics. He is the author of over 200 reports and papers in various areas of social policy, including gambling and child protection and has completed numerous research projects for State and Federal Government Departments. In the area of gambling, he has undertaken studies in the prevalence of gambling in adult and adolescent populations, experimental studies of gambling behaviour and analyses of the effectiveness of harm-minimisation strategies.

References

- Anderson, H., & Landau, I. (2006). *Corporate social responsibility in Australia: A review*. Corporate Law and Accountability Research Group. Monash University: Melbourne, VIC.
- Aula, P. (2010). Social media, reputation risk and ambient publicity management, *Strategy & Leadership*, 38(6), 43-49.

- Becker-Olsen, K. L., Cudmore, B. A., & Hill, R. P. (2006). The impact of perceived corporate social responsibility on consumer behavior. *Journal of Business Research*, 59(1), 46-53.
- Behmann, M. (2013). *Analysis of the role of social media marketing and communication in the online gambling market*. Honours Thesis. University of Malta.
- Binde, P. (2014). *Gambling advertising: A critical research review*. London: Responsible Gambling Trust. London.
- Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative research in psychology*, 3, 77-101.
- Burrell, I. (2014, Mar 1). Gambling Bill threatened by concerns over surge in pre-watershed adverts seen by children. *The Independent*. Retrieved from <http://www.independent.co.uk/news/media/advertising/gambling-bill-threatened-by-concerns-over-surge-in-prewatershed-adverts-seen-by-children-9162398.html>
- Burton, S., Dadich, A., & Soboleva, A. (2013). Competing voices: Marketing and counter-marketing alcohol on twitter. *Journal of Nonprofit & Public Sector Marketing*, 25(2), 186-209.
- Cloud, D. L. (2007). Corporate social responsibility as oxymoron: Universalization and exploitation at Boeing. In S. K. May, G. Cheney and J. Roper (eds), *The debate over corporate social responsibility* (pp. 219–231). New York, NY: Oxford University Press.
- Corstjens, M., & Umblijs, A. (2012). The power of evil: The damage of negative social media strongly outweigh positive contributions. *Journal of Advertising Research*, 52(4), 433–449.
- Cox, J. L., Martinez, E. R., & Quinlan, K. B. (2008). Blogs and the corporation: Managing the risk, reaping the benefits. *Journal of Business Strategy*, 29(3), 4-12.
- Derevensky, J., & Gainsbury, S. (in press). Social casino gaming and adolescents: Should we be concerned? *International Journal of Law and Psychiatry*
- Fournier, S., & Avery, J. (2011). The uninvited brand. *Business Horizons*, 54(3), 193-207.
- Gainsbury, S., Delfabbro, P., King, D.L., & Hing, N. (published online, Feb 3 2015). An exploratory study of gambling operators' use of social media and the latent messages conveyed. *Journal of Gambling Studies*. DOI 10.1007/s10899-015-9525-2
- Gainsbury, S., Russell, A., Blaszczynski, A., & Hing, N. (published online March 7 2015). Greater involvement and diversity of Internet gambling as a risk factor for problem gambling. *European Journal of Public Health*. DOI: 10.1093/eurpub/ckv006
- Gridley, H. (2013). The increasing harm from advertising and promotion of gambling in sport. *InPsych*, June. Retrieved from <https://www.psychology.org.au/publications/inpsych/2013/june/gambling/>
- Habibi, M. R., Laroche, M., & Richard, M. O. (2014). The roles of brand community and community engagement in building brand trust on social media. *Computers in Human Behavior*, 37, 152-161.
- Hastings, G., Brooks, O., Stead, M., Angus, K., Anker, T., & Farrell, T. (2010). Failure of self-regulation of UK alcohol advertising. *British Medical Journal*, 340: b5650.
- Hing, N., Cherney, L., Blaszczynski, A., Gainsbury, S., & Lubman, D. (2014). Do advertising and promotions for online gambling increase gambling consumption? An exploratory study. *International Gambling Studies*, 14(3), 394-409.
- Hing, N., Vitartas, P., Lamont, M., & Fink, E. (2014). Adolescent exposure to gambling promotions during televised sport: an exploratory study of links with gambling intentions. *International Gambling Studies*, 14, 374-393.

- Huang, C. C., Fang, S. C., Huang, S. M., Chang, S. C., & Fang, S. R. (2014). The impact of relational bonds on brand loyalty: The mediating effect of brand relationship quality. *Managing Service Quality*, 24(2), 184-204.
- Ihlen, O., Bartlett, J.L., & May, S. (2011). Corporate social responsibility and communication. In O. Ihlen, J.L., Bartlett, & S. May (Eds.) *The handbook of communication and corporate social responsibility*. 1st Ed. John Wiley & Sons Inc. pp 3-22.
- Kim, J. B. (2012). An empirical study on consumer first purchase intention in online shopping: integrating initial trust and TAM. *Electronic Commerce Research*, 12(2), 125-150.
- Knight, L. (2012). *Social media for the gambling sector*. Blog post, 4PsMarketing. Retrieved from <http://www.4psmarketing.com/blog/social-media-for-the-gambling-sector>
- Laroche, M., Habibi, M. R., Richard, M. O., & Sankaranarayanan, R. (2012). The effects of social media based brand communities on brand community markers, value creation practices, brand trust and brand loyalty. *Computers in Human Behavior*, 28(5), 1755-1767.
- Leyshon M. (2011) *New Media, New Problem? Alcohol, Young People and the Internet*. London: Alcohol Concern.
- Mangold, W. G., & Faulds, D. J. (2009). Social media: The new hybrid element of the promotion mix. *Business horizons*, 52(4), 357-365.
- Matook, S., Brown, S. A., & Rolf, J. (2015). Forming an intention to act on recommendations given via online social networks. *European Journal of Information Systems*, 24(1), 76-92.
- McMullan, J. L., & Kervin, M. (2012). Selling Internet gambling: Advertising, new media and the content of poker promotion. *International Journal of Mental Health and Addiction*, 10(5), 622-645.
- Nicholls, J. (2012). Everyday, everywhere: alcohol marketing and social media—Current trends. *Alcohol and Alcoholism*, ags043.
- Orford, J. (2012). Gambling: Government and industry promotion of a dangerous form of consumption. *Community Psychology and the Socio-economics of Mental Distress: International Perspectives*, 32.
- Porter, M. E., & Kramer, M. R. (2006). The link between competitive advantage and corporate social responsibility. *Harvard business review*, 84(12), 78-92.
- Powers, T., Advincula, D., Austin, M. S., Graiko, S., & Snyder, J. (2012). Digital and social media in the purchase decision process: A special report from the Advertising Research Foundation. *Journal of Advertising Research*, 52(4), 479–489.
- Shang, R., Chen, Y., and Liao, H. (2006). The value of participation in virtual consumer communities on brand loyalty. *Internet Research*, Emerald Group Publishing Limited
- Shin, J. (2008, March). Morality and Internet Behavior: A study of the Internet Troll and its relation with morality on the Internet. In *Society for Information Technology & Teacher Education International Conference* (Vol. 2008, No. 1, pp. 2834-2840).
- Stansberry, K., & Strauss, J. (2015). Standing out in a neon crowd *PRism* 12(1):
- Tsai, H., Cheung, C., & Lo, A. (2010). An exploratory study of the relationship between customer-based casino brand equity and firm performance. *International Journal of Hospitality Management*, 29(4), 754-757.
- Victorian Responsible Gambling Foundation (2013). *Gambling and young people: Impacts, challenges and responses*. Victorian Responsible Gambling Foundation: Melbourne, VIC.
- Weber, L. (2007). *Marketing to the Social Web: How Digital Customer Communities Build Your Business.*, John Wiley & Sons, Inc., Hoboken, New Jersey .