

Virginia Substance Abuse Prevention Block Grant

June 2022

Gaming and Gambling Environmental Scan Report

Since 2019, there has been an expansion in gambling opportunities nationwide, with over 30 states currently offering some form of legal gambling, gaming, or sports betting. Alongside this expansion is a rise in problem gambling behaviors, and a call for increased focus on gambling and gaming within the prevention community. In 2021, the Virginia Department of Behavioral Health and Developmental Services (DBHDS) received funding from fees and taxes collected from gambling operators to support prevention efforts targeted at problem gambling and gaming. DBHDS, in partnership with the OMNI Institute, leveraged these funds to support Community Service Boards (CSBs) across the Commonwealth in conducting needs assessment efforts that would allow for a greater understanding of community behaviors, knowledge, attitudes, and environments related to gaming and gambling using two primary methods – a qualitative assessment of community readiness and an environmental scan. This report summarizes findings from the environmental scans conducted by CSBs between October 2021 and May 2022 to understand the physical gaming and gambling landscape in Virginia.

OMNI Institute is a non-profit social science consultancy that provides integrated research, evaluation, and capacity building services to foster understanding, guide collaboration, and inform actions that accelerates change toward a more equitable society.

Gambling vs. Gaming



Gambling is making or placing a bet or wager where outcomes are dependent upon chance.



Gaming outcomes are achieved mostly by skill vs chance.

Over the years the differences between gambling and gaming have become more blurred, due in part to a rise of gaming/gambling opportunities which combine skill and chance, one example being online games that allow users to take a chance on winning prizes via “loot boxes.”¹ While the environmental scan process focused largely on gambling-related issues, certain gaming-related findings came through as a result of this blurring.

Environmental Scan Process Overview

Over the years, the environmental scan process has been adapted by public health from the business sector to identify opportunities to develop and/or improve interventions, guide research priorities and inform policy.²

In Virginia, this process is being used as an opportunity to understand the current gaming/gambling landscape and note where CSBs and DBHDS may want to focus prevention efforts.

What we wanted to learn from this process:

- 1 Where do Virginians encounter opportunities to engage in gambling?
- 2 How is gambling being advertised in Virginia and how does it relate to at-risk groups?
- 3 How accessible is information about problem gambling prevention and support?

¹Gaming Law Review. Convergence Between Gambling and Gaming: Does the Gambling and Gaming Industry Have a Responsibility in Protecting the Consumer. (2019)

²Crumpton, M.A., (2015). *Strategic Human Resource Planning for Academic Libraries*. Elsevier.

Focus Areas



Brick and Mortar Establishments

Licensed physical venues that sell gambling products and/or host gambling services including lottery retailers, gaming halls, and racinos.



Charitable Gaming Hosts

Licensed locations that conduct activities such as bingo, pull tabs, electronic pull tables, raffles, and other activities for charitable purposes.



Passive Media Advertising

Advertisements that appear during routine online searches that are not intentionally focused on locating gambling and/or gaming opportunities.



Community Walks

Information/advertisements within the community people might encounter while out and about with the intent to invite or persuade them to gamble.

What was collected

CSBs were provided an Environmental Scan Guide, including worksheets to record data collected through the brick and mortar, charitable gaming, community walk, and passive media scans. CSBs identified the location, venue type, gambling type, and/or gambling options available. Additional information about ads such as type, number, location, content and presence of support ads were also collected. For the passive media scan, volunteers were asked to record the platform (e.g., TV, radio, etc.) where they encountered gambling/gaming ads, a description of people/characters represented, and to note if any information or support for problem gambling/gaming appeared.

CSBs were given the following data collection goals by scan type:



Brick and Mortar Establishments

10% of gambling licensed retailers or a minimum of 10 locations



Passive Media Scans

A 5-day record of observations from 5 adults and 5 youth



Charitable Gaming Hosts

5 locations (at least one Bingo Hall)



Community Walks

5 busy intersections/streets and 5 school zones

Environmental Scan data were collected by 40 CSBs covering all counties of the Commonwealth. CSBs were instructed to select retailers and areas that ensured representation from all counties within their catchment areas. A total of 627 brick and mortar establishments and 140 charitable gaming hosts were visited, along with 301 passive media scans and 393 community walks conducted.



"[We] learned a lot about the presence of gaming and gambling in our community. The scan opened up a new partnership with Rosie's Gaming Emporium that will be beneficial in the future as their presence expands in our community."

- Virginia Community Service Board Staff



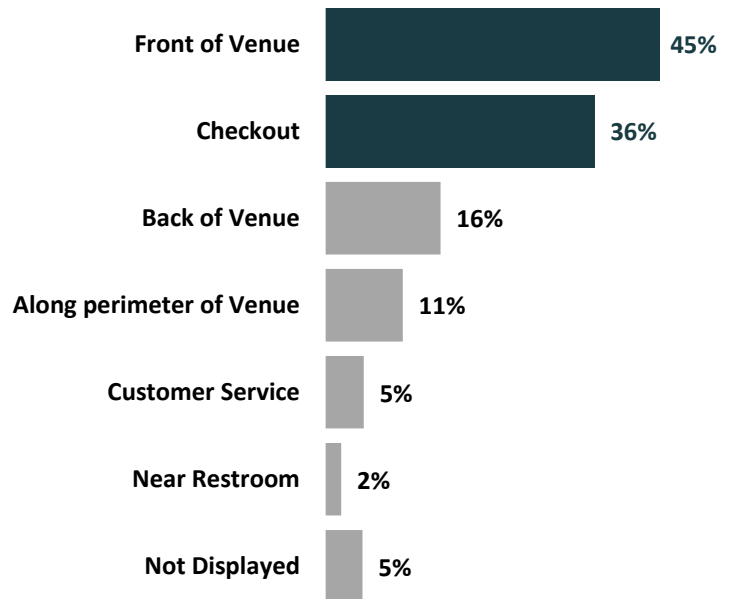
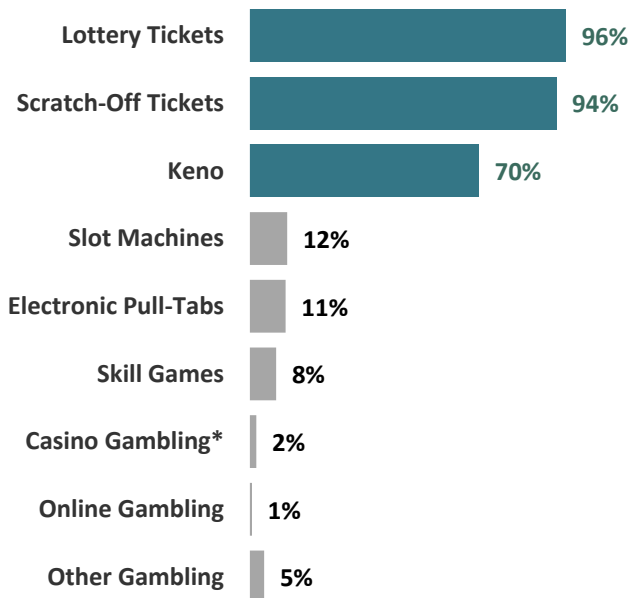
Brick and Mortar Scan of Licensed Lottery Retailers

627 licensed lottery retailers were visited as part of the effort to capture a snapshot of physical gambling venues in Virginia. Each of the 40 CSBs selected locations at random from a list of licensed lottery retailers via the VA Lottery Website. They were instructed to select 10% of the licensed venues in their CSB region (or at least a minimum of 10 venues if they had fewer than 100 lottery retailers). An equal distribution of urban and rural retailers was represented. Using a template worksheet, observers were sent to record information such as what kind of gambling was available, how many ads there were, and how these related to the wider environment of the venue.

68%
of retailers were
Convenience Stores

Lottery, Scratch-Off and Keno were available at the majority of retailers, with other types of gambling opportunities only being offered at less than 1 in 8 retailers visited

Retailers most often placed Gambling Machines or Displays at the **front of the venue** or at **checkout**, an ideal location to monitor access



**Casino gambling included activities such as blackjack, poker, craps, or roulette games.*

Note: More than one answer type could be chosen for each retailer, so percentages will total over 100%.

Almost all locations visited were accessible to people under 18 years old. Although some locations restricted access to gambling/game machines, **61% of locations had automated lottery game machines that could be used accessed by people under age 18**, creating openings for those under the legal gambling age to access gaming/gambling opportunities.

Gambling displays were most often located next to snacks and candy, followed by ATMs and tobacco. This may enable impulse purchases, foster associations with products marketed to children, and reinforce tobacco use.



Licensed Lottery Retailers should control access to lottery and scratch-off tickets, as well as other gambling/game machines, by placing them behind the checkout or customer service counters or having an ID age checker built in.

Gambling & Gaming Advertisements at Brick & Mortar Locations

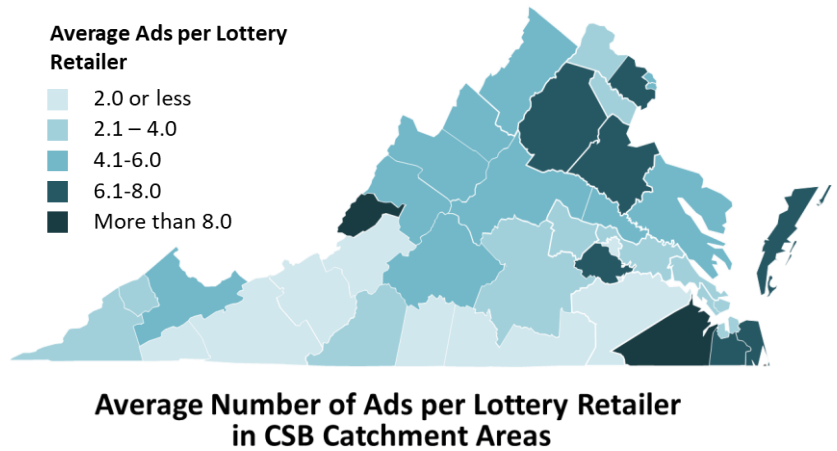
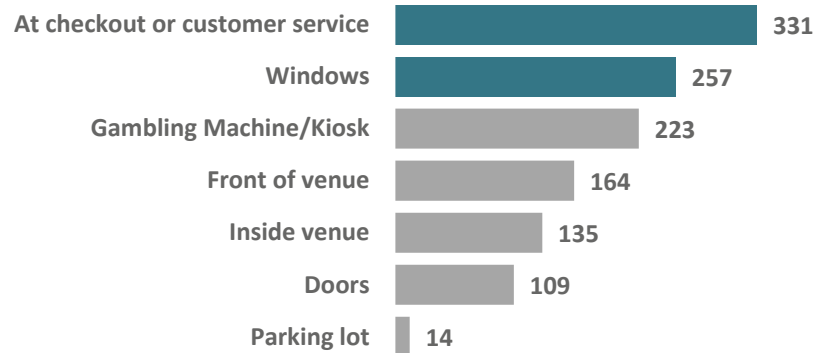
2,636 Gambling Advertisements were observed across the 627 locations

4.3 Average number of Gambling Ads at Lottery Retailers

Lottery, Scratch-Off, and Keno were advertised at the most locations, mirroring the greater availability of these offerings among retailers. Locations typically were found to have ads at checkout or on store windows, with more than half (56%) placing ads below 3 ft, which is more likely to be seen by children.

Locations were observed to most commonly have advertisements in English (92%), with a small number of locations having ads in Spanish (7%). Many locations did not appear to have advertisements depicting specific genders, though when gendered ads were observed, locations more often targeted men (1 in 5 locations). Observations of racial and ethnic groups represented in advertising that contained people, found that 20% of locations had ads featuring White/Caucasian individuals while 16% featured Black or African-American individuals. The majority of locations with ads that depicted people focused on young to middle-aged adults. However, 17% of locations had ads containing cartoon characters or game avatars which may appeal more to youth.

Ads were common at **checkout counters** and on **windows**



There was a notable lack of advertising or other signage at Lottery Retailers about problem gambling support resources

46% of locations have gambling ads containing **no information** about problem gambling support

71% of gambling advertisements at Lottery Retailers included **no problem gambling support info**

Among the 54% of locations with information about problem gambling supports, the majority of CSBs found it somewhat hard, hard or very hard to locate information regarding problem gambling support resources at lottery retailers.

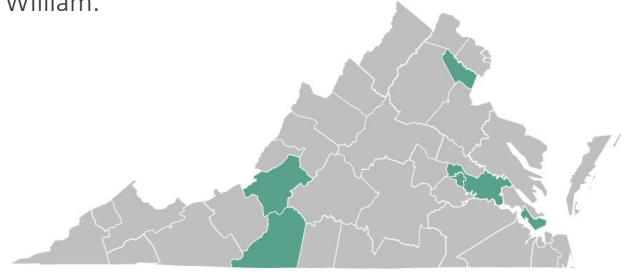
N= 238



Rosie's Gaming Emporiums

Rosie's Gaming Emporiums are gaming centers located throughout Virginia . As part of the environmental scan of physical brick and mortar gambling/gaming retailers, 5 of the 6 Rosie's Gaming Emporiums were visited. These venues were located in the following counties: New Kent, Henry, Richmond, Roanoke, and Prince William.

While one location was near a school and one was near a gym or sports facility, Rosie's are not generally near locations that primarily serve youth. Additionally, while one location was accessible to youth, the majority of locations checked ID and did not allow people under age 18 to enter the venue.



“Casino-like Environment”

Rosie's locations are described as having a "casino-like" environment, with betting machines located throughout the venue. Importantly, some Rosie's locations serve alcohol and food, leading to gambling activities being associated with these as well. One location was also noted as having a smoking section, enabling tobacco use while gambling/gaming.

The majority of Rosie's locations have narrow options for gambling, with the primary activity being gaming and placing bets on horse racing. However, the location in Prince William County also functions as a lottery retailer, selling lottery tickets, scratch-off tickets, keno, and slot machines. Additionally, locations often featured one additional gambling activity, including sports betting in Henrico, slot machines and scratch-off tickets in Blue Ridge, and electronic pull-tabs in Piedmont.



Advertising and information about problem gambling support resources were more prevalent at Rosie's Gaming Emporiums as compared to Lottery Retailers

34

Average number of **gambling ads** per location

75% of ads were in English and did not appear to target any specific demographic group. Only one location had ads with celebrities or athletes, and one location had no ads at all beyond the gambling machines themselves.

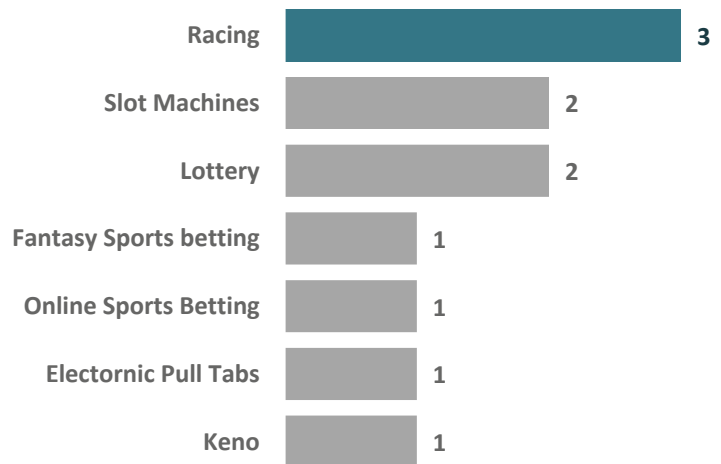
Information on problem gambling support was hard to find. One location kept Problem Gambling Helpline cards and brochures in a highly visible spot right next to the register. Otherwise, problem gambling support information at Rosie's locations was often described as hard to find or unavailable.

No ads for Rosie's Gaming Emporium were observed at other gaming/gambling locations.

90%

of gambling advertisements at Rosie's establishments included **no problem gambling support info**

Racing ads were found the most at Rosie's establishments



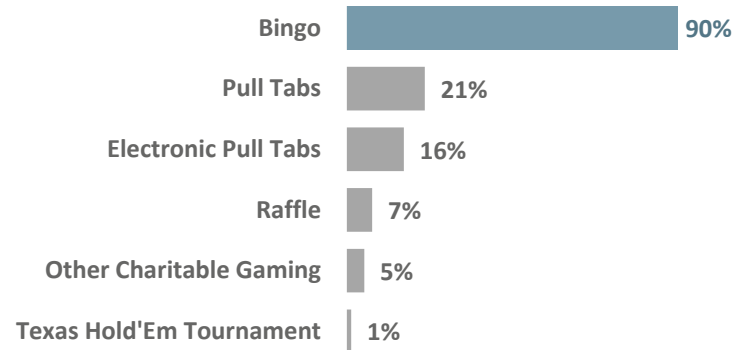


Brick and Mortar Scan of Charitable Gaming Hosts

A total of 140 licensed charitable gaming venues identified and included in this portion of the environmental scan. The goal for each CSB was to locate and scan at least five venues in their area with at least one bingo, raffle and pull-tab. To help CSBs locate venues, links listing licensed charitable gaming hosts and suppliers as well as bingo venues were included in the environmental scan guide.

A diverse set of venues were visited, the most frequent being fraternal organizations or lodges. While some establishments offered multiple types of gaming, nine out of ten offered bingo games.

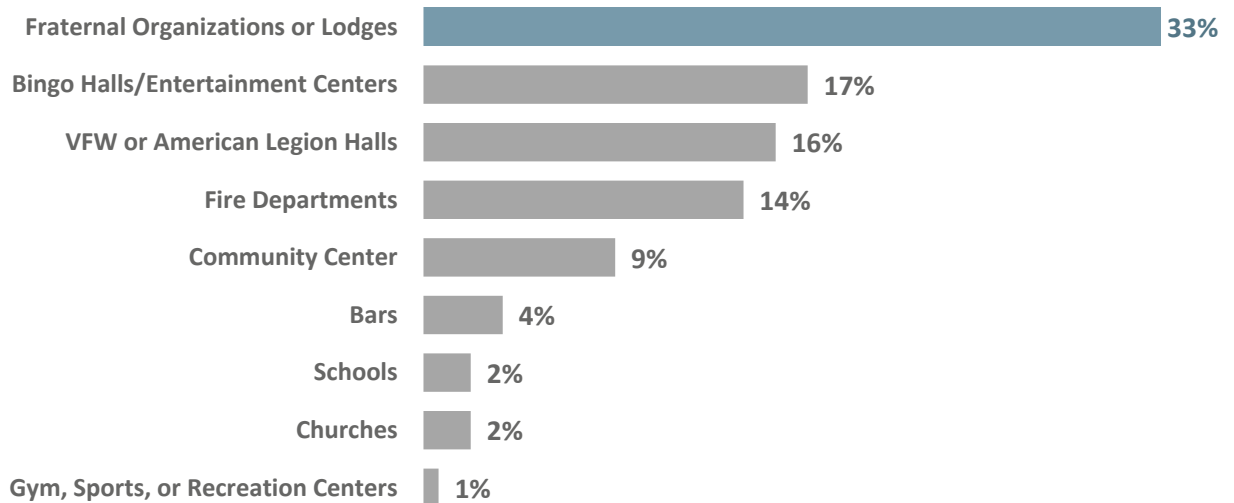
Bingo was the most popular charitable gaming offered



Note: More than one answer type could be chosen for each venue, so percentages will total over 100%.

Charitable Gaming Venues

1 out of 3 Charitable Gaming Scans were conducted at fraternal organizations or lodges such as Elks Lodge, Moose Lodge, or Knights of Columbus chapters.



There was a notable lack of advertising or other signage about problem gambling support resources at Charitable Gaming events

2.2

average number of **Gambling Advertisements** observed at charitable gaming events

99%

of gambling advertisements at charitable gaming events included **no problem gambling support info**



Community Walk

CSBs completed a community walk to visit busy areas and school zones to capture what kinds of gambling inducements people encounter in the community. The instructions for this scan were to observe 5 busy intersections or roads in their region, as well as 5 school zones. Observers brought a worksheet to each of these locations and recorded a mixture of quantitative and qualitative data. This allows us to better understand the kinds of advertisements and other inducements to gamble that people encounter as they move through the community. It also enables us to examine what kinds of problem gambling risks youth may be exposed to in areas they frequent like schools.

393 community walk observations were completed.

40% of locations had advertisements for gambling

Ads were often located near places frequented by youth



Schools (22%)



Libraries (9%)



Gyms/Sports Facilities (13%)



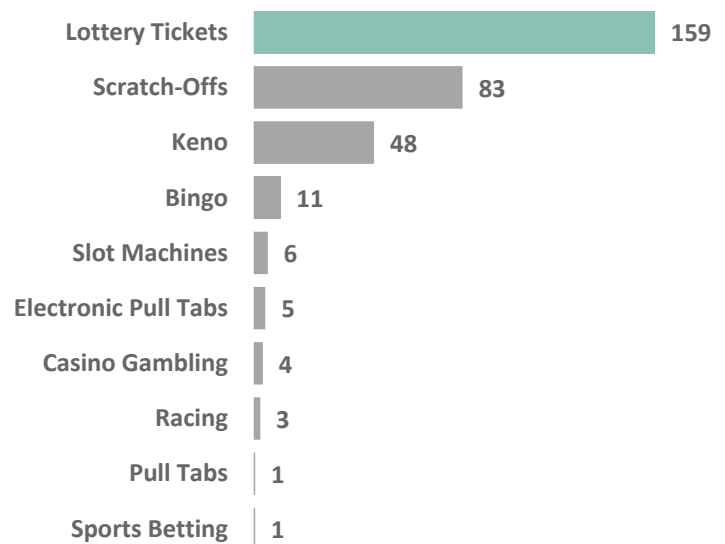
Youth Centers (4%) or Other Youth Facilities (6%)

Locations were most often found to have ads for Lottery, Scratch-off, and Keno. Fewer locations had ads for bingo, slot machines, electronic pull tabs, casino gambling, racing, and sports betting. While billboards and bus stops were expected to be common locations for gambling ads, less than 15% of ads were found in these locations. Instead, gambling ads appear in a diversity of locations within the community suggesting potential challenges for regulators

5% or fewer of ads contained unrealistic statements about winning, cartoon characters/game avatars, or athletes/celebrities. Likewise, less than 1% of ads encountered on community walks appeared to target specific demographic groups. The vast majority of ads included only text, lottery logos, or images without people.

85% of locations with gambling/gaming advertisements had no visible information on problem gambling support.

Locations most often promoted lottery-related gambling opportunities



Among the 15% of locations with information on problem gambling supports, the majority of CSBs found it was not easy to locate this information

N= 49



■ Somewhat Hard, Hard, or Very Hard ■ Neither Easy nor Hard ■ Somewhat Easy, Easy or Very Easy



Passive Media Scans

The Passive Media Scan was conducted using a different approach from the previous scans as it was meant to capture how people are encountering gambling advertisements while using different forms of media. Each CSB worked to recruit 5 adults and 5 youth to keep track of the following for five days: what media platforms they saw gambling advertisements on, how many they saw, and what type of gambling was advertised.

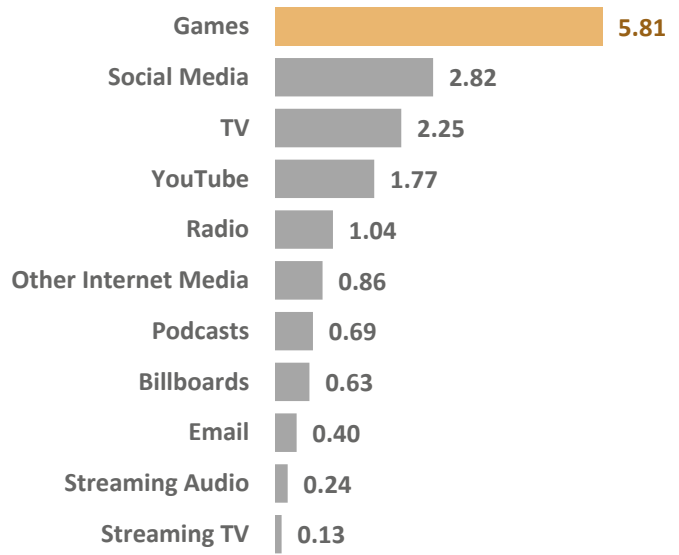
28.2 Average number of **Gambling Advertisements** over a 5-day period

The average person participating in this scan encountered over 28 gambling advertisements within a 5-day period.

While the majority of people saw three or less gambling advertisements per day, roughly 10% of participants reported seeing 10 or more gambling advertisements, indicating that some people are receiving higher exposure to inducements to gambling and may be at greater risk.

In games played on the computer, video game console, or phone, people reported seeing more than 5 gambling ads a day. Social Media and TV had the second and third highest number of gambling advertisements.

The average number of Gambling Ads per day was highest on **online gaming platforms**



Urban areas are exposed to higher amounts of gambling advertisements on media platforms.



Rural Areas
21.7 Ads



Urban Areas
37.3 Ads

People in urban areas encountered significantly more gambling ads than those in rural areas, especially through social media and TV. This includes seeing twice as many ads for sports related gambling. This suggests that these areas may be more highly targeted by advertisers and face greater exposure to gambling advertisements. While youth are not able to legally engage in gambling activities, findings indicated a similar rate of gambling advertisement exposure as among adults.

Sports Betting and Fantasy Sports advertisements are the most common type of gambling advertised in media.

Sports Betting and Fantasy Sports ads were rarely seen at physical locations in other scans, yet it was one of the most common forms people are encountering via media indicating substantially different marketing strategies for lottery products than for sports betting activities. Though at the time of these scans there were only six racinos and no built casinos located throughout the state, observers saw an average of three casino advertisements per day. Games with Loot Box mechanics were also in the top three forms of gambling advertised on media platforms. These ads allow marketers to invite users to directly click on the advertisement to go to a page where they sign up for or download the game or items, potentially increasing risks of impulsive problem gambling behaviors.

Recommendations and Strategies

Based on the findings, the following statewide recommendations are developed to help guide the development and implementation of problem gaming/gambling prevention strategies.



Sustainable Funding

Dedicated and continuous funding for prevention efforts targeting problem gaming and gambling behaviors is needed to address the current and anticipated need that will arise out of increased availability of gaming and gambling activities across the state. Efforts should be integrated into the current prevention framework by adding problem gambling and gaming into the statewide prevention logic model and aligning strategies.



Merchant Education

Statewide merchant education efforts for tobacco retailers (Counter Tools) should be expanded to include lottery retailers, recognizing the significant overlap between tobacco and lottery retailers and need for improved advertising practices.



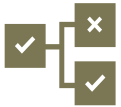
Community Awareness Efforts

Statewide and local efforts should be facilitated to educate communities on problem gambling signs and availability of problem gambling support resources to ensure community readiness to support problem gaming and gambling prevention efforts.



Expanded Protections for Consumers

With increased opportunities for gaming and gambling, efforts should be made to expand consumer protections through enforcement of ID checks and provision of training for staff at dedicated gaming and gambling establishments (Casinos, Racinos, Rosie's Gambling Emporium, and Racetracks) to recognize problem gambling behaviors and provide resources to consumers.



Advertising Regulations

State agencies and decision-makers should explore options for the regulation of gaming and gambling advertising, including placing restrictions on ad placements to minimize messaging impact on youth and restricting the number of ads per lottery retailer to minimize ad exposure in urban areas. Mandates on the inclusion of problem gambling support resources in advertising of gaming and gambling services and at charitable gaming events should also be considered.



Zoning Restrictions

State agencies and decision-makers should explore options for zoning restrictions to regulate saturation of gaming and gambling opportunities in localities, as well as proximity of gaming and gambling establishments to youth-serving organizations (e.g. schools, youth centers, etc.).



Develop a Responsible Gambling Host Association

Establishment of an association of gambling hosts (e.g. Casinos, Racinos, Rosie's Gambling Emporiums, Racetracks, etc.) can serve to facilitate collaboration with state agencies (e.g. DBHDS, VA Council on Problem Gambling, Law Enforcement, etc.) and provide a central pathway for communication, education, and enforcement.



Youth Education

Community Service Boards should implement problem gaming and gambling prevention education efforts targeting youth in order to mitigate impact of gaming and gambling advertising on youth behaviors.

Appendix

Environmental Scan Type by CSB

	Brick and Mortar	Charitable Gaming	Community Walk	Passive Media
Alexandria	10	4	10	2
Alleghany-Highlands	10	2	10	1
Arlington	10	-	10	-
Blue Ridge	28	4	10	9
Chesapeake	13	4	10	11
Chesterfield	18	4	10	5
Colonial	12	1	10	7
Crossroads	11	3	10	10
Cumberland Mountain	10	3	10	11
Danville-Pittsylvania	11	1	10	9
Dickenson	13	-	11	10
District 19	22	5	10	10
Eastern Shore	10	4	11	10
Fairfax-Falls Church	42	5	10	-
Goochland-Powhatan	10	-	10	6
Hampton-Newport News	25	4	10	11
Hanover	10	4	10	6
Harrisonburg-Rockingham	10	5	10	2
Henrico Area	22	3	10	13
Highlands	10	5	10	6

Environmental Scan Type by CSB, Continued

	Brick and Mortar	Charitable Gaming	Community Walk	Passive Media
Horizon	22	4	10	8
Loudon County	14	3	10	9
Middle Peninsula- Northern Neck	12	4	9	13
Mount Rogers	11	4	10	-
New River Valley	13	6	10	10
Norfolk	15	4	10	11
Northwestern	20	5	9	6
Piedmont	21	4	10	14
Planning District 1	10	4	10	11
Portsmouth	9	2	10	9
Prince William County	29	-	-	-
Rappahannock Area	21	5	10	4
Rappahannock- Rapidan	13	4	10	5
Region Ten	15	5	11	10
Richmond	21	3	12	17
Rockbridge Area	10	2	10	1
Southside	10	3	10	13
Valley Community Services	11	5	10	9
Virginia Beach	32	5	10	11
Western Tidewater	11	-	10	-
Missing CSB Name	-	7	-	1
Grand Total	627	140	393	301