

# Appendix E

## Evaluation of the NSW Digital Gaming Wallet Trial 2024



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# Executive Summary

## Trial background, aims and technology

- In 2023 the NSW government appointed an Independent Panel on Gaming Reform to oversee a trial of new cashless gaming technology in response to a recommendation from the NSW Crime Commission, based on the Project Islington Inquiry.
- The research objectives were to explore the **feasibility** and **acceptability** of implementing cashless gaming technology in NSW clubs and hotels, and to gain insights from the technology on: reducing gambling harm; impact on the industry and staff; infrastructure and cost requirements for implementation; and the overall user experience and perceptions of the technology.
- New digital gaming wallet technology allowed patrons to transfer money from non-credit bank accounts into intermediary accounts which were accessible through smartphone apps or a physical card, from which they could then transfer money onto electronic gaming machines (EGMs). During the trial, legacy systems (cash, loyalty cards and tickets) were still able to be used to play gaming machines.
- The main differences between existing systems and the technology trialled were: (a) the establishment of a link between bank accounts and a venue-based gaming account which necessitates the use of identity verification and establishes identity-linked gambling on EGMs and (b) improved harm minimisation tools (e.g. player activity statement) made more accessible to users via an app.
- A total of 14 venues and 2,388 EGMs were included in the trial. Slightly different technology solutions, with similar functionality, were rolled out by three technology providers from March to September 2024.
- Promotional materials were developed by Liquor & Gaming New South Wales (L&GNSW) to communicate the trial objectives, invite community participation and to provide information on how to join. These materials were distributed to venues at the start of the trial. Revised marketing material was disseminated in August 2024, which referred to the technology as a 'digital gaming wallet' instead of 'cashless gaming'. There are no functional differences between 'cashless gaming' and 'digital gaming wallet' referred to in this report.

## Method

- Trial participants were required to agree to consent for their data to be used in the trial evaluation and to have their de-identified data be used for research purposes (162 users as at end August 2024, including mostly industry personnel, signed up). Participants were also provided an option to provide consent to provide feedback (which only 19 users selected). The latter consent would enable people to be individually contacted for additional survey or interview work.
- Ethics approval was obtained from the University of Adelaide on 21 May 2024: School of Psychology subcommittee project number 24/5. This report was peer reviewed in November 2024.

- Stakeholders consulted as participants in the evaluation research included users of the technology (a very small number due to low take up of the digital wallet), non-user patrons (patrons who used gaming machines at participating venues but were not participating in the trial, and were contacted by venue staff for expressions of interest in participating in the research), venue staff (from gaming floor staff to venue managers), gaming industry experts and partners and gambling support advisors nominated by the Independent Panel and L&GNSW, including researchers, support advisors, advocates, and people with lived experience of gambling harm.
- In-depth interviews were conducted online with all stakeholder groups: users (1 of 3 genuine users who consented to be contacted for research purposes), non-user patrons who used gaming machines at participating venues (15), venue staff (40), gaming industry experts (16) and gambling support advisors (14).
- Online surveys were conducted with users (2 of 3 consenting) and venue staff (44).
- Data collection occurred between July and September 2024.
- Patrons and lived-experience participants were incentivised for their involvement in research activities by offering them a gift card. These gift cards were not redeemable at gaming venues or cash for gambling credits.
- Survey data was analysed by subgroups of interest where sample size allowed, including metro/regional, club/hotel and gaming manager/gaming floor staff.
- Thematic analysis was used to analyse qualitative interview feedback against the research objectives. Illustrative quotes are used throughout the report, identified only by random ID and stakeholder group.
- Objective data from the Centralised Monitoring System (CMS) was collected from all venues participating in the trial and analysed to evaluate the impact of the digital gaming wallet on revenue and turnover at each venue. Data from May 2023 to end-August 2024 were analysed.
- Deidentified patron gaming app data for genuine and active users (14) were provided by all technology providers to evaluate usage of the digital gaming wallet, including use of harm minimisation features, modifications of limits and other interactions with the technology.

## Findings

- The digital gaming wallet trial was run on a voluntary basis with legacy systems remaining in place. Consistent with other voluntary trials, the uptake by patrons was found to be very low. Moreover, very few patrons overall (and even fewer frequent gamblers) reported intending to use the technology in the future.
- According to industry personnel, this largely aligns with historical patterns observed during the introduction of new technologies in the gambling sector. Most experts consulted in this research had anticipated low initial adoption rates, with gradual growth over time, which is consistent with the findings from the first months of the trial.

- The consensus view across all stakeholder groups interviewed was that take-up of the digital technology would continue to be low if legacy systems remained in place even if the technology is rolled out more widely.
- Anecdotal accounts of the technology's functionality from users, staff and industry experts suggested that it mostly worked well, despite some minor technical glitches/issues that were resolved during the trial.
- The evaluation suggested that, under a voluntary adoption model, the personal perceived costs vs benefits for end-users is crucial. The primary benefit of a digital gaming wallet for users should be convenience; however, this trial was unable to demonstrate this benefit to users. Barriers to uptake (i.e. sign-up requirements) and the relative ease and convenience of existing legacy systems deterred patrons from switching. Additional features, such as increased access to personalised information through the app, safety in being cash-free, harm minimisation tools and enhanced tracking for anti-money laundering (AML) purposes, did not provide compelling incentives for patrons to switch to the new system.
- Misconceptions about the technology were common, such as the assumption by a number of non-user patrons that the technology would come with mandatory prescribed limits (it did not). Negative misconceptions shaped some of the views and intentions related to digital gaming wallets.
- The harm minimisation tools integrated into the technology, such as Player Activity Statements, take a break or self-exclusion, and support contact information, were universally recognised as features that would enhance patrons' ability to self-manage their gambling. In particular, being able to access these features through the app was noted as an advantage in that it could reduce barriers to use by eliminating the need to approach staff; thereby improving accessibility and expanding the range of harm minimisation strategies available to users. Despite the availability of limit-setting features in the trial technology, feedback indicated that very few patrons are likely to utilise them under a voluntary scheme. They were perceived by patrons to be targeted at others with gambling problems, and not appropriate for their own gambling. However, over half of the 'genuine and active' users (i.e. not industry personnel testing the technology) in this trial did set a limit (9 of 14), mostly a combination of time and money limits (averaging approximately three and a half hours per day play limit and \$300 per day spend or loss limits). Due to the small sample size, no statistically robust conclusions could be drawn between limit setting and spending behaviour in the trial.
- Non-user patrons who had prior experience with setting limits in other gambling contexts, reported that reaching these limits had often led to them modifying or removing these limits. Gambling support experts highlighted the risks of easily changed limits. This suggests a challenge in encouraging sustained limit-setting behaviour among patrons, (although only one user increased their limits during the trial).
- Non-user patrons would prefer a hybrid model (where both anonymous cash and account-based play, such as a digital wallet, is permitted), but concurrently felt that a voluntary scheme would not achieve the government's perceived goals in relation to harm minimisation. They also pointed out that mandatory use



could reduce gambling harm but could also decrease revenue, which would negatively impact industry and decrease government revenue. Most patrons opposed making it mandatory, as they felt in control and did not want to be tracked.

### ***Under a mandatory model***

- Initial feedback from non-user patrons and anecdotal evidence from venue staff indicate that the digital gaming wallet is largely viewed negatively, with perceptions stemming from concerns that it eliminates cash usage, undermines user autonomy and choice, and exposes them to data privacy and security risks.
- The perceived lack of clarity of the purpose of the technology, what it is designed to achieve from a government perspective and how it will be rolled out appeared to fuel fear and suspicion amongst non-user patrons and some venue staff, including that the technology would track them, reduce their choice and control and be against their own self-interests.
- While some non-user patrons, and many staff, feel that moving to a digital system is inevitable and acceptable, they raised concerns about the impact on specific groups of patrons. Infrequent or casual gamblers might not express concerns about being 'tracked' but may find that the sign-up process is a 'hassle' and not worth the time it would take to be able to play gaming machines. However, frequent gamblers or those who devote more time and money to gambling are more likely to be resistant to the technology because of fears about their behaviour being controlled and/or tracked. These patrons said they were likely to reject the technology, even if it was mandatory for gaming machine use, thus stop using gaming machines at all.
- Feedback from all respondents suggests that the patrons most likely to reject or be excluded from using gaming machines in the event this technology is rolled out will be patrons with lower technological literacy or confidence - particularly older patrons. However, this should not be generalised to all older patrons, some of whom were interviewed and were comfortable using digital payment methods (e.g. for shopping).
- Moreover, industry respondents argued that tourists and casual gamblers who entered the venue as visitors might find the sign-up process cumbersome and time consuming. Industry respondents also expressed particular concerns that international tourists would not be able to complete the sign-up process for some providers (since it requires Australian ID and bank account).
- However, some infrequent gamblers also indicated that the actual process of using digital wallets would not have a strong impact on their gambling (Section 3.4.1) because of the infrequency of their gambling. This implied a distinction between the barrier to sign-up and ongoing use of the technology.
- Under a mandatory rollout, patrons and industry personnel anticipate a decline in venue patronage and gaming revenue; both from patrons choosing not to use gaming machines under the technology requirements, and incidental reduction in spend from less harmful gambling and/or illegal activities.

- Speculation about how the industry would recover following a projected 'dip' in revenue vary widely. Many industry personnel predict that there will not be a full recovery (i.e. gaming revenue returning to similar levels) which could lead to venue closures and reductions in staffing levels. This is predicted, by industry stakeholders, to have greater impact on smaller, regional and border town venues that face competition from nearby alternatives in QLD, ACT, VIC and SA (though it is noted that additional gaming machine reform is in progress in some of these states). Smaller regional venues may also struggle to absorb the costs of the rollout; facilitate connectivity required for digital payments; and may have a smaller and less accepting customer base.
- In contrast, gambling support advisors suggest that the reduction in gaming revenue may be less severe than anticipated by industry stakeholders, as initial rejectors will gradually return to gaming machine usage under the new system. They argue that individuals motivated to gamble may be initially reluctant but will navigate the necessary steps to adapt to the changes, as occurred during the COVID pandemic with QR codes and sign in.
- Whether or not a mandatory account-based gaming system will alienate players and drive them to alternative gambling methods (including online gambling) is disputed between stakeholder groups.
- Most industry personnel and patrons expressed concerns that such a shift is likely. Gaming industry experts cited past behaviours during COVID lockdown (where many people shifted to gamble online) and in overseas trials of mandatory carded play, which led to gambling in less regulated environments with fewer protective factors. Conversely, gambling support advisors argue that existing research and the return to gaming machines post COVID lockdown supports the theory that most land-based gamblers remain 'loyal' to this format and will navigate barriers (within reason) to continue to gamble in this way.

### ***Harm minimisation tools to be in place under a mandatory model***

- While there is widespread consensus that harm minimisation tools are beneficial options to have to empower users to manage their own gambling, careful consideration is needed regarding the design of 'friction points', limits and responses to effectively minimise gambling-related harm. Key questions arise:
  - Are current deposit delays (up to 5 minutes delay on the second and subsequent deposits from bank to gaming wallet before the funds can be used, and/or geofencing) sufficient to encourage reflection and a break from gambling? Some patrons, staff and gambling support advisors suggest it is not sufficient.
  - If a money limit is set, will it be default deposit limits or maximum spend limits?
  - How would default universal limits be decided?
  - To what extent can limits be changed and what can prevent most users from setting their limit to the maximum to gamble in an effectively unrestricted way?
  - What needs to happen when a limit is approached (e.g. an alert) and when a limit is reached (e.g. is the player cut off for 24 hours)?

- A comprehensive list of harm minimisation suggestions from all respondents is compiled in chapter 6.
- Many stakeholders recognise great potential for leveraging data-driven communication to proactively engage users by identifying harmful behaviours before they escalate and providing timely access to support, tools and information. By delivering these interventions at moments when users are not actively gambling, stakeholders believe they can effectively capture attention and promote safer gambling behaviour.
- Stakeholders representing professional gambling support, counselling and treatment service providers voiced the opinion that the digital wallet represents an important wider message around the potential for gambling harm in society; by normalising protective features across the board (they often used the analogy of car seatbelts, where there was low initial acceptance of seatbelts among the public but legislation to make wearing seatbelts mandatory was enforced regardless, in the interests of public health).
- Achieving a balance between implementing limits to effectively minimise harmful gambling behaviour and ensuring that most gamblers are not inconvenienced presents a significant challenge. Currently there is no clear solution to this issue.

### ***Impact on venue staff***

- There is widespread agreement that, during the rollout of a mandatory framework, venue staff will bear the brunt of responsibility for encouraging patrons to adopt the technology and managing patron frustrations. This is likely to affect staffing levels, resource allocation, training requirements and workplace stress.
- Most respondents anticipate an initial rise in staff workload during rollout of mandatory technology, with some venues possibly needing to hire additional staff to support this transition. However, experts and managers believe that while the workload may increase initially, this will stabilise over time and potentially lead to a lighter workload as the technology automates certain staff functions. The trial showed that, while resources were required for training and patron recruitment, overall workload did not increase significantly under the hybrid model.
- Staff will still be needed to act as ‘champions’ of the technology, thus investment in training, support and establishment of clear expectations will be critical for successful implementation of the technology.

### ***Evolution not revolution***

- Account-based gaming is a well-established system and is not entirely new as it is an extension of existing technologies which industry experts claim have gained acceptance over time. Patrons expressed few concerns about data privacy and security issues in localised venue systems, as there are perceived

personal benefits from sharing data in loyalty schemes that are not perceived to have government involvement.

- Industry stakeholders advocate for changes to occur incrementally to alleviate their concerns about the consequences of a major abrupt change.
- For the gaming industry, this innovation aligns with changing consumer preferences for cash-free transactions and positions the industry to remain relevant and accessible to digitally-savvy, younger audiences.
- However, according to industry experts, the costs associated with rolling out digital gaming wallet or mandatory account-based gaming are significant, particularly for smaller venues which will require more time and planning to manage these expenses in the short-term.
- While some stakeholders consulted in this research advocate for the diversification of entertainment and hospitality offers, gaming revenue plays a significant role in the viability of many venues. According to industry personnel, a decline in revenue may lead to reduced community funding and impact patrons who rely on venues for social interaction.

## Conclusions on the feasibility and acceptability of the technology

- The trial aimed to assess the feasibility and acceptability of digital wallets in gaming venues.
- **Acceptance:** Willingness to adopt was low, with patrons favouring legacy cash systems. This lack of acceptance stemmed in part from fears about government involvement. While the specific nature of government involvement was unclear to most patrons, many assumed the ‘worst’. This included fears of being controlled, being forced to limit their gambling, and having their gambling activity being scrutinised by state and federal government agencies such as the ATO and Centrelink. Objectives behind the technology should be clarified to be aligned with advice from all respondent groups.
- However, even patrons who accepted the technology’s purpose remained resistant to adoption because it was voluntary, as there was an absence of additional benefits and incentives to use the new system over existing legacy systems.
- Overall, results from the trial indicated that cashless gaming technology is currently not acceptable to venue patrons in NSW.
- **Feasibility:** While the technology is currently functional, the digital wallet faces barriers such as low demand and high barriers to uptake in the sign-up process. The research indicated that a consumer-centric offering and less onerous sign-up process may be necessary for wider adoption, including addressing the following issues:
  - **Maximise choice and flexibility:** If a mandatory system were contemplated, then there should be flexibility in the enrolment, such as might be achieved by employing the industry-suggested ‘tiered Know Your Customer (KYC)’ arrangement for low or infrequent users. Allowing a low spend threshold with anonymous cash or through basic KYC may greatly reduce the barriers for

visitors and casual gamblers, without any AML or harmful gambling consequences. However, controls and monitoring of any such system would need to be in place to ensure it does not undermine AML or harm minimisation imperatives.

- **Minimise the ‘cost’** to patrons by clarifying data privacy and security implications (i.e. clarifying the government’s role and how this compares to other data collected in venue).
- **Minimise barriers to uptake** by streamlining the sign-up process by reducing the time, number of steps, and requirements from patrons, including developing a universal KYC process that can be applied to multiple steps and venues (but only done once by patrons). We note that due to the digital wallet being a financial product, additional steps are required to sign up to the digital wallet when compared to other user-based programs like loyalty programs.
- **Improve the user experience** by addressing technical glitches such as issues with disconnecting and connecting to machines.
- **Ensure regulatory compliance and data security:** by undertaking Know Your Business (KYB) and an information management system audit across all venues in NSW (as required by financial service providers), and have regulators work with the banking industry to establish a mutual understanding of the purpose and requirements of digital gaming wallets.
- A wider rollout of the technology across NSW will need more time and investment before it can be feasibly implemented. As above, there are design improvements and testing that will need to be completed before all providers are able to roll out a solution; the minimum timeline estimated by providers in this study was three years. This may vary depending on whether existing technology infrastructure in venues is used, with the necessary standards and checks in place. There was consensus among stakeholders that the technology system should accept cash, which will increase overall feasibility and acceptability of the technology solution. Account-based gaming can satisfy AML requirements by removing anonymity from play and there is anecdotal evidence that cash is better for some patrons for budgeting and controlling their gambling. Keeping cash is also anticipated to reduce resistance (compared to what was seen in this trial) and increase acceptance, without interfering with any objectives of the technology.
- Ultimately, the decision will fall on policy makers to determine whether the technology is rolled out as voluntary (i.e. with a ‘hybrid’ model) or become mandatory, noting that:
  - **A hybrid model** would better suit patron and industry preferences and enable a more staged approach to reform, but this would be likely to have less of an impact on harmful gambling.
  - **A mandatory model** would potentially have more impact on harmful gambling in the short-term but according to gaming industry stakeholders, is likely to have a detrimental impact on the industry and result in the closure of some venues.
- Based largely on stakeholder feedback, the trial suggests that a hybrid model with voluntary limits will have limited impact on gambling habits and gambling-related harm due to lack of use, at least in the short

to medium term (i.e. next 12 months). Accordingly, if the government aims to achieve meaningful and effective harm minimisation and AML through this technology, then a discussion around mandatory implementation would likely be central to these deliberations.

- Under any harm minimisation scheme rolled out in this technology, normalising the use of limit setting tools (including labelling them appropriately as ‘monitoring’ or ‘budgeting’ tools) and use of personalised information generated by the technology is likely to be key to its effectiveness in addressing harmful gambling.
- In order to be most effective, most stakeholders felt limits and exclusions should also be centralised and applied to all NSW venues that users may visit. Challenges with non-centralised self-exclusion methods are well-recognised in gambling literature. However, this does not mean that the digital gaming wallet or gaming accounts need to be centralised across all of the state.

### **Final take-home messages**

- Some of the issues impacting acceptance of the technology were based on misconceptions by patrons or reflect normal barriers or reluctance to transition to new technology. However at a functional level, the digital technology generally worked well as it was intuitive, simple, easy to use, with straight-forward menu navigation, and industry personnel and gambling support stakeholders see a lot of potential benefits for users, particularly in harm minimisation features, once the technology is normalised and users have more time to adopt.
- The principal technological improvement required is a faster onboarding and registration process.
- Having to link to an Australian bank account makes this technology solution time-consuming and onerous for some people.
- Patron recruitment is difficult and patrons would prefer to use legacy systems for their own convenience.
- The incorporation of responsible gambling features, particularly limit-setting and player activity statements, was well received.
- However, the consensus was that limit setting features would only be used if they were made mandatory, and therefore the impact on harm minimisation is contingent on this.
- Venues and patrons would prefer an incremental shift to the new technology, with legacy systems remaining in place for some time, rather than an immediate shift.

### **Strengths and limitations**

- A strength of the study was that it: (a) utilised both qualitative and quantitative methods from multiple stakeholders to triangulate views on the impact of the digital wallet technology; (b) had access to both self-report as well as objective data; (c) interviewed respondents with direct or first-hand experience of the technology.

- However, a number of limitations need to be taken into account. The principal challenge was that the low uptake of the technology severely limited the data available from users, meaning that conclusions cannot be drawn from the user data. Much of the insight into patron receptivity to the technology arose from non-users who were generally older patrons, so it is possible that this may have led to a more negative appraisal of the technology. A few non-user patrons held a strong, negative bias toward the technology, which impacted their feedback.
- The sample of non-user patrons reflected the age profile of the venue's patrons being somewhat skewed towards older individuals (8 of 15 were aged over 65 years). Such older cohorts, arguably, tend to be less likely to be familiar with, and amenable to the adoption of, new technology and this could have generated more negativity towards adoption and usage.
- The use of opt-in convenience sampling also means that stakeholder views will be influenced by potential conflicts of interest or personal experiences. For example, industry staff may respond in a way that is consistent with their personal interests and lived-experience respondents may have particularly strong views about the potential risks of gambling.
- Overall, adaptations made to the trial methodology, including the expansion of respondent groups to include non-users, provided useful insights into the potential barriers to use. It is concluded that the long-term impact of the technology on patrons and venue staff will depend on the exact form it takes, and how it is rolled out.

# 1 Introduction

## 1.1 Background

In 2024, the NSW government appointed an Independent Panel on Gaming Reform to oversee a [trial of cashless gaming technology](#), in response to a recommendation from the NSW Crime Commission that cashless gaming be introduced in the [Project Islington Inquiry into Money Laundering via Electronic Gaming Machines in Hotels and Clubs NSW](#). The government's commitment was to install the cashless technology on at least 500 machines in a representative sample of pubs and clubs across metropolitan and regional areas.

The NSW government established the [Independent Panel on Gaming Reform](#) to oversee the cashless gaming trial among other harm minimisation programs. The Panel consists of members from industry, law enforcement, cyber security and union representatives, a person with lived experience, and experts and academics in the field of gambling and public health. Liquor & Gaming NSW (L&GNSW) and The Cabinet Office provides Secretariat support to the Panel.

3arc Social were commissioned as a research partner to evaluate the trial by conducting research with patrons, staff, and industry stakeholders to provide insights into the feasibility and acceptance of cashless gaming technology in hotels and clubs. The outcomes of this evaluation will inform the Panel's recommendations to the NSW government.

### 1.1.1 Trial and research aims

The Independent Panel approved the following objectives for the trial:

Examine the feasibility and acceptance of implementing cashless gaming technologies in all clubs and hotels in NSW and in doing so gain insights from the technology on:

- reducing gambling harm in NSW clubs and hotels
- the club and hotels industry and the people they employ, and
- the infrastructure and cost requirements for clubs and hotels in relation to any rollout of cashless gaming technology
- reducing money laundering in NSW clubs and hotels (**not** part of this evaluation)

Feasibility and acceptance are defined as follows:

**Feasibility:** the extent to which the cashless gaming technology can be effectively implemented into clubs and hotels across NSW. This includes factors that may affect implementation including demand, ease of delivery, practicality (in terms of costs, required resources, etc.), flexibility, fit to population, and some aspects of acceptance (see definition below).

**Acceptance:** the willingness of key stakeholders, especially end users, to adopt and use cashless gaming technology upon implementation and in a real-world setting. Acceptance is made up of



multiple factors, including (among others) usability, perceived usefulness, level of security, and social norms.

The purpose of the evaluation report is to provide insights to ensure the objectives of the trial are met.

Importantly, the capacity of the technology to reduce money laundering in NSW clubs and hotels will **not** be addressed as part of this evaluation given limitations of the methodology outlined below. The money laundering component of the trial is out of scope for the research. The terminology used in this report is outlined in section 2.8 Glossary. This report was peer reviewed in November 2024 and feedback was implemented prior to the final version being published.

## 1.2 The digital technologies

The current operation of all gaming machines in NSW requires the use of cash for patrons to gamble. This can be done by inserting cash into the gaming machine, using a physical loyalty card or ticket that is topped-up with cash, or using paper tickets. These will be referred to as 'legacy systems'. Carded play with club membership has been used across many venues for a number of years, meaning that the concept of carded play is familiar to many patrons where this technology exists. During the trial, legacy systems remained in place alongside the new digital gaming wallet technology.

The technology enables people to transfer money from any non-credit bank account into an intermediary account (which is connected to the venue-based gaming account) established by the technology provider, which is accessed through a smartphone app (downloadable on IOS or Android) or a physical card, which in turn can transfer money onto EGMs.

To set up the technology, patrons needed to register an account (either as a member of the club or part of the loyalty program at a hotel) at the venue trialling the technology<sup>1</sup> which allowed patrons to:

- Download the app.
- Undergo a KYC (Know Your Customer) identity check<sup>2</sup> to enable them to set up the new account that forms the basis for the digital wallet and link their bank account to the digital wallet.
- Verify their identity at the venue and with the financial service provider.

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<sup>1</sup> Using a digital gaming wallet required an account/record on the provider's member database, in order to record balances and transactions. Potential users did not need to be existing members of the club or hotel; becoming a member was often the first step in the sign-up process for the digital gaming wallet

<sup>2</sup> Based on AUSTRAC AML/CTF procedures that require collection and verification of reliable and independent documentation to verify customer identification through original photographic primary identification documents, original primary non-photographic identification documents and/or original secondary identification documents (AUSTRAC, 2024).

- Be prompted to set a time or money limit during sign up, though this was voluntary and could be changed at any time. All solutions had to have spend and time limits, but the types of these varied by provider including daily and monthly limits, spend, deposits and loss limits.
- Transfer money to the gaming wallet or account (once the patron's identity was verified through the KYC process).
- Connect to EGMs via 'tapping' their phone or their card (note: carded play required a pin number).
- Once gambling was complete and they ended the session (either by ending the session on the machine or the app or by leaving the EGM vicinity), then the funds on the gaming machine were transferred back to the digital gaming account. Funds may be kept in the wallet or transferred back to the patron's bank account.

Time taken to sign up varies widely by technology platform and user, but mostly took between ten and twenty five minutes.

With the exception of one participating venue, all gaming machines were connected to the digital wallet technology, though not all machines were guaranteed to have the digital gaming account technology installed at the launch of the technology in each venue. Installation on all or some machines was at each venue's discretion and subject to the approval of the Panel. A total of 2,388 EGMs were included in the trial.

Three technology providers (ebet, Light and Wonder, and IGT) rolled out their solutions from March to September 2024. Each solution was slightly different, but overall provided the same functionality.

## 1.2.1 Incremental innovation of the digital gaming wallet

While initially called a 'cashless gaming trial', this trial focused on rolling out digital gaming wallets that allow users to transfer money from their bank accounts to top up their gaming player account to play gaming machines. However, card-based 'cashless gaming' and 'account-based gaming' have been in place in NSW for approximately two decades, and have been widely used and generally well-received by patrons: one provider estimated that, at some venues, 80% of their gaming machine play is account-based. Technology providers have explained that the digital gaming wallet/account is an incremental progression building on existing systems and is not as 'new' or 'untried' as some may think. This includes limit setting features which have existed for some time on carded gaming accounts, albeit not as prominently featured or easily accessible as in this trial.



*"The reality is this equipment's been out there, has been built over decades of regulation. It's a highly regulated environment with highly regulated equipment... so you've got to look to incrementally innovate within that framework. That's what we've done. We've been doing account based cashless for a long time. We've used that to incrementally [build on to] be able to deliver this. Always prefer evolution over revolution." [Technology provider]*

*"Cashless gaming, account-based gaming are not new. They've been around since the 90s and are pretty widely used in a lot of venues. I think we've already got a sample of players that are doing that. The innovative features, what's being trialled in in NSW at the moment, is utilising those existing accounts to accept forms of payment that aren't cash, linking a bank account, processing a debit card payment. When you get down to it, it's not that revolutionary... Everything that's underpinning this technology is already approved and operating in a very hardened production product." [Technology provider]*

*"Revamp's a good word [for the limit features]. It's more access to limit setting that's easier because it's on a mobile device. Previously they would have to go and see a staff member and say, hey, I'd like to set this limit, which is a barrier. It's really, it's just an additional limit. There's already the ability to place whatever limits you want to on turnover and all that kind of thing. But having the digital aspect of it and the digital funding, it's just adding a limit to be able to manage that. It's not completely new. It's just a new element, deposit limits are the main new one because we've got a new means of depositing."*  
[Technology provider]

The main difference between existing systems and the functionality trialled is linking to a bank account, which ties identity to gaming play, and more enhanced harm minimisation tools made more accessible to users via an app. Technology providers emphasised that adding digital payment was a natural progression in line with wider consumer demand for cashless alternatives and was able to capitalise, at least in part, on existing infrastructure in venues' gaming systems.



*"Account-based gaming is already very much in play and has been for quite a number of years, it is very well received... the financial link I think is very much a want from customers. Being able to track a player based on their current cashless account balance... we already have cashless. They're able to transfer funds to and from their gaming card. Now I'm able to collect that those funds through the cashier or the CRT. I think that's really well received. We have hundreds upon hundreds of venues and hundreds of thousands of members that already do this... it's been out there for 15 years, probably closer to 20 years... And there's some venues who 80% of their play is through account based... but the only difference is linking a bank account. I think that linking the bank account is the natural next step, to be able to fund that. We just need to be mindful of what requirements are put in place around that."*  
[Technology provider]

*"Adoption's been harmed by the communications, people have overblown what this is and made it harder for us to get people to adopt it. If we basically went to the existing account player account user base and said 'hey, here's another option. You can link a debit card and make payments. You can link your bank account and make payments'. Our take up rate would have been significantly higher than what we got."* [Technology provider]

## 1.2.2 Expectations in the adoption of cashless technology

A number of parts of the world are investigating the value of digital solutions for gambling (White & Guerreiro, 2020). For example, White and Guerreiro observe that cashless payments comprised 84% of all payments in China and 72% in the US. In locations such as Macau there is the expectation that the central Chinese government will allow digital payments to be accepted as China transitions to the Central Digital Currency /Yuan but few jurisdictions if any in Europe have implemented this technology. A review by Trust Networks (2021) indicates that the fastest progress appears to be occurring in North America and also in Australia with reference to the Regulatory Sandbox in NSW and developments at the major casinos. Research generally shows that people will adopt this technology when it is considered beneficial to them, it is not too onerous, and when it facilitates the use of the technology such as advice and support, and social acceptance (Kim et al., 2023; Nisbet et al., 2016). However, as Swanton et al. (2024) showed in Australia in interviews with 26 EGM gamblers, there are many barriers: people find the technology to be invasive; they are concerned about privacy; and, generally it is perceived to be mostly relevant for people experiencing gambling-related harm.

## 1.3 Venue selection and participation

In September 2023, the Independent Panel on Gaming Reform (the Panel) issued invitations for technology providers, clubs and hotels to apply to participate in the digital gaming wallet/account trial. There were minimum requirements for applicants to meet, including harm minimisation protections, anti-money laundering protections, data security and privacy protections.

Three (3) approved technology providers and 14 approved venues participated in the trial. This included 10 clubs and four hotels, across 12 Local Government Areas (listed in

Table 1). Some technology providers and venues who were initially approved by the Panel did not participate in the trial.

Twin Towns Services Club (Tweed Heads) was the first venue to launch the digital gaming wallet, and therefore served as the pilot venue for this evaluation, which included initial staff interviews and surveys with researchers from 3arc Social to test the appropriateness and coverage of the discussion guide and questionnaire.

## 1.4 Communications

Promotional materials were developed by L&GNSW for trial venues to communicate the trial objectives, invite community engagement, and provide information to patrons on how to participate. This information was distributed in May 2024 and also provided on the Liquor & Gaming NSW [website](#).

Revised collateral was distributed to venues in early August 2024. Data collection was underway during this time and had been completed at a number of venues, therefore feedback from venue staff and patrons on the new communications was limited.

**Table 1. Venues that participated in the trial**

Venues	Date of launch	Technology partner	Number of gaming machines in trial	Club/Hotel	Metro/Regional
Canterbury League Club	02.09.24	ebet	590	Club	Metro
Charles Hotel	01.07.24	LNW	20	Hotel	Metro
Crow's Nest Hotel	01.07.24	LNW	30	Hotel	Metro
Dooleys Lidcombe Catholic Club	15.05.24	ebet	30	Club	Metro
Fingal Bay Sports Club	05.08.24	IGT	40	Club	Regional
Harbord Diggers Club	03.08.24	ebet	171	Club	Metro
Pittwater RSL Club <sup>#</sup>	19.06.24	ebet	196	Club	Metro
Ramsgate RSL Club	05.08.24	IGT	229	Club	Metro
Shoalhaven Ex-Servicemen's Club	17.07.24	ebet	92	Club	Regional
The Stag & Hunter Hotel	21.06.24	ebet	30	Hotel	Metro
Twin Towns Services Club	01.05.24	ebet	596	Club	Regional
Willoughby Hotel	13.06.24	ebet	27	Hotel	Metro
Worrigee Sports Club	17.07.24	ebet	87	Club	Regional
Wyong Rugby League Club	24.05.24	ebet	250	Club	Metro
<b>Total</b>	-	-	<b>2388</b>	-	-

<sup>#</sup>Did not participate in staff research.

# 2 Methodology

## 2.1 Overview

A detailed methodology was developed, based on the Terms of Reference for the Panel and on previous studies including the Wests trial which was under the Regulatory Sandbox Framework <sup>3</sup> (Delfabbro, 2023). This chapter summarises the different components of the overall methodology, which included qualitative and quantitative research with patrons, staff and expert advisors from the gaming industry and gambling support, research and advocacy organisations, as well as analysis of objective, industry-sourced data.

### 2.1.1 Ethics committee approval

Ethics approval was obtained from the University of Adelaide School of Psychology’s Ethics Subcommittee (which is validated by the full Human Research Ethics Committee) on 21 May 2024 under project number 24/54. Amendments were sought to include non-user patrons and respondents with lived experience of gambling harm in interviews, on 2 July and 30 August respectively.

## 2.2 Different types and uses of data available in the trial: Qualitative and quantitative

The original intention of this research was to analyse both qualitative and quantitative data related to all stakeholder groups, outlined below. However, due to low take up of the technology, patron user data and feedback was very limited. Nevertheless, additional sources of data were obtained as part of the evaluation, as outlined below:

#### Data available to the research:

- Qualitative data from patrons who did not take part in the trial (though they visited participating venues).
- Qualitative and quantitative data from staff members in participating venues. Not all venues took part in all data collection methods.
- Qualitative data from gambling industry experts and gambling support experts, outlined in section 2.3.4
- Gaming machine data from the Centralised Monitoring System for a period before and during the trial.

Data sources for each stakeholder group are summarised in Table 2 below.

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<sup>3</sup> Newcastle Wests cashless gaming trial was undertaken under a governance framework that included Aristocrat Ltd, the NSW Office of Responsible Gambling (ORG), and Liquor & Gaming NSW (L&GNSW). The objective of this research was to evaluate the impact of cashless gaming technology on industry operations, and on EGM players behaviours. The research methodology was based on a complex data collection strategy to obtain both qualitative and quantitative results.

#### Data that were limited or not available to the research:

- 14 genuine active users participated in the trial (as per section 2.7.2). Therefore, objective data on gambling spend and use of harm minimisation features (including limits) during the trial were limited to a very small sample size, which is insufficient to draw statistically robust conclusions about the impact of the technology on users. Nevertheless, the data of these 14 users were included in the report to describe their use of the technology.
- Due to consent to research being low and some consenting users not responding to research offers (as per section 2.3.1), feedback on the technology was collected from two users only. This feedback comprised one in-depth interview, and two surveys; the feedback of users is detailed in the form of case studies in Appendix 9.3.

Qualitative research enables researchers to understand the experiences, assumptions, motivations and fears of respondents through ‘why’ and ‘how’ questions (Denzin & Lincoln, 2011). Qualitative inquiry also allows flexibility and new themes to emerge during the process of fieldwork. This was a particularly important advantage for this study, as anecdotal feedback from venues, technology providers and the Panel drove new lines of inquiry throughout the trial, and changes in the context of the trial (such as new communications being rolled out in August 2024 and modifications to the sign-up process and technology features) required additional questions for respondents who took part in the later stages of data collection. Qualitative analysis was led by two researchers, and three additional researchers contributed to collection, analysis and interpretation, in order to confirm the validity of findings.

While qualitative research provided a depth of data regarding perceptions, experiences and predictions about cashless gaming technology, it is not suited to producing data that can be generalised to the population of NSW gamblers.

Large quantitative datasets, drawn from a sample frame that appropriately represents all segments of a population, are required to produce reliable, generalisable results that accurately reflect the population, and to produce statistically sound analysis and predictions of how cashless gaming technology has and will impact gambling spend and gambling-related harm. To this end, the lack of quantitative data generated through the trial means that no statistically significant conclusions can be drawn regarding the acceptance and feasibility of the technology.

## 2.3 Stakeholder groups

Four stakeholder groups were consulted in this research:

- **Users of the technology:** Patrons who signed up to the technology
- **Venue patrons who did not use the technology:** Patrons at two clubs who did not sign up to the trial, ‘non-users’
- **Venue staff:** Venue managers, gaming supervisors and gaming floor staff from all venues involved in the trial
- **Gaming industry and gambling harm support experts:** A range of advisors including technology providers and partners, gaming industry experts, gambling research experts, gambling harm support experts, gambling reform advocates, and people with lived experience of gambling harm.



The number of respondents within each group and nature of their involvement is summarised in the table below.

**Table 2. Stakeholder groups involved in research**

Group	Data collection mode	n=	Timing
<b>Non-user patrons</b>	Qualitative interviews	15	July to August 2024
<b>Patron users</b>	Qualitative interviews	1 <sup>#</sup>	September 2024
	Quantitative survey	2 <sup>#</sup>	September 2024
<b>Venue staff (managers and gaming staff)</b>	Qualitative interviews	40*	July to September 2024
	Quantitative survey	44	July to September 2024
<b>Gaming industry and gambling harm support experts</b>	Qualitative interviews	30*	August to September 2024

Data were collected from July to September 2024, as outlined below.

\* Count of individuals included in interviews, including paired and group interviews.

<sup>#</sup>Low uptake of the technology limited data available from users.

**Table 3. Fieldwork timeline**

Group	May	Jun	Jul	Aug	Sep
Communications launched	13 May-5 Aug				
Communication change				5 Aug-Sep	
Ethics approval for research	21 May				
<b>Non-user patrons</b> Qualitative interviews				5 – 21 Aug	
<b>Patron users</b> Qualitative interviews					11 Sep
<b>Patron users</b> Quantitative survey					11-17 Sep
<b>Venue staff</b> Qualitative interviews			3 Jul – 16 Sep		
<b>Venue staff</b> Quantitative survey			25 Jul - 7 Sep		
<b>Gaming industry &amp; gambling harm support experts</b> Qualitative interviews				28 Aug – 18 Sep	

The method of contact and research aims in consulting each group differed slightly, and accordingly, each unique stakeholder group is discussed below.

## 2.3.1 Technology users

From March to end August 2024, 162 people signed up to the digital gaming wallet/account trial. Venue staff provided feedback that the majority of these individuals were from the gaming industry and had signed up out of professional interest. These individuals were transparent about their identity and interests.

All users were assessed by both the technology provider and 3arc Social as to whether or not they were ‘genuine’ patron users or industry users. As per the criteria expanded on in 2.7.2, a total of 32 users were deemed to be active users (i.e. had wallet and EGM transactions), but a subset of 14 records were deemed to be genuine and active users (i.e. activity deemed to go beyond testing the functionality of the technology), whose behaviour was able to be analysed for this report.

When signing up to the technology, users were presented with a two-stage consent process. First, as part of the terms of joining the trial, they consented to their de-identified user and gambling data being used for research purposes. Second, they were prompted with an option to consent to be contacted for research purposes, i.e. for their contact details to be securely transferred to 3arc Social so they could be contacted to take part in an interview or a survey. This process varied slightly by provider, placing the consent-to-research process either at the start of the sign-up procedure, or as a separate consent form after sign-up was completed.

A total of 19 users consented to be contacted for research purposes, and 16 were identified as industry personnel, either through their name being recognised as part of the trial, their email domain being linked to a venue, or if they responded to an invitation to research to confirm they were ineligible due to their involvement with the trial.

The three consenting users were contacted for an interview or survey, and two users took part in research activities by mid-September 2024. Refer to Appendix 9.3.

### 2.3.1.1 In-depth user interviews

Participants who consented to research and had used the technology were invited to participate in an in-depth interview via email from 3arc Social and, if there was no reply, through a follow-up phone call. Up to three contact attempts were made. Participants were contacted during August and September 2024.

Participants who agreed to participate were emailed a consent form which provided information on the interview length, incentive, purpose of the trial, principal investigators and other parties involved, management of information and privacy, and links to further information. Participants provided informed consent by returning the signed form to researchers at 3arc Social.

Interviews were conducted online using Microsoft Teams and lasted for up to 60 minutes. All interviews were recorded and auto transcribed for analysis purposes. The participant who completed the interview was provided with an incentive (as per Table 13). A range of topics were covered in the interview, as per Table 4.

**Table 4. Patron user interview content**

Topic	Measures
First impressions of the app and set-up	<p>Awareness of trial</p> <p>Appeal/reasons for signing up</p> <p>Concerns/barriers to signing up</p> <p>Experience of the sign-up process</p>
Using the app	<p>Rating of ease/difficulty for each step: Registering, confirming identity, transferring money in, connecting/disconnecting from gaming machine, transferring money out, setting or changing limits.</p> <p>Feedback on process, problems and suggested improvements</p> <p>Use of technology (cash, card or app)</p>
Responsible gaming features	<p>Awareness of RG features</p> <p>Experience with RG features, ease of navigation, functionality and usefulness.</p> <p>Limit setting. Likelihood to use, usefulness, suggested limit setting features.</p> <p>Mandatory limit setting.</p> <p>Alerts/notifications.</p> <p>Self-exclusion.</p> <p>Player Activity Statement (PAS) feature. Ease of access, ease of understanding, usefulness.</p>
Overall experience of app and future	<p>Familiarity with online digital payments.</p> <p>Pre-trial experiences with cash and/or carded play on the pokies.</p> <p>Perceived differences between cash, carded play and membership card to play pokies.</p>
Gambling harm risk level	Problem Gambling Severity Index (PGSI)
Demographics	<p>Gender, age, Aboriginal or Torres Strait Islander status, main language spoken at home, marital status, employment status, highest level of education obtained.</p> <p>Postcode to calculate Socio-Economic Indexes for Areas (SEIFA).<sup>4</sup></p>

### 2.3.1.2 User survey

All consenting users were sent an email inviting them to take part in a 10 to 15 minute survey on their experiences with the digital gaming wallet/account. Users were assured their feedback would be de-identified and their time would be compensated (according to Table 13).

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<sup>4</sup> From 2018, L&GNSW classified Statistical Area 2's (SA2s) into Local Impact Assessment (LIA) bands indicating the level of risk associated with introducing gaming machines into areas across the state. Updated LIA bands from 2023 reflect changes to SA2s and Socio-Economic Indexes for Areas (SEIFA) published by the Australia Bureau of Statistics, and current electronic gaming machine density and expenditure. Revised LIA bands ensure each SA2 LIA band continues to reflect current levels of risk. (L&GNSW, 2023 Oct 31)

Survey invitations were deployed on Wednesday 11 September with a close date of Tuesday 17 September. A single reminder to anyone who had not completed the survey was deployed on Sunday 15 September.

A range of topics were covered in the survey, as per the table below. Two users completed the quantitative survey, one of whom also participated in an in-depth interview.

**Table 5. Patron survey content overview**

Topic	Measures
Participation in the trial	Whether used, features used, frequency of use.
EGM play	Frequency of play at venue and elsewhere, use of digital wallet vs legacy system
Gambling behaviour	Gambling participation, by type of activity, in the last 12 months
Joining the trial	How they joined, reasons for joining
Information and communications	Quality of information on the app, from staff, support from staff, information from L&GNSW
Sign up process and using the technology (tailored to specifics of each type)	Ease of sign up, activating wallet, confirming identity, linking bank account, transferring funds from bank account, connecting to game, transferring funds to EGM, transferring winnings, transferring funds back to bank account.
Harm minimisation features	Use of limit setting
Any problems with technology	What, if and how resolved
Impacting on gaming experience	Impact on enjoyment, ease of starting play, ease of moving between machines, perception of privacy
Impact on level of gaming	Impact on frequency of play, spend, length of time, frequency of visiting venue
Impact on control over gaming	Impact on ability to control spend in one session, spend over time, length of play, ease of resisting temptation to start another session, privacy of limit setting, awareness of spend
Gambling harm risk level	Problem Gambling Severity Index (PGSI)
Financial pressures	Experienced since the trial
Safer gambling features	Ease of use, whether changed limits, whether reached limits, what happened when reached limit and reasons for non-use, features would like to use in the future, what would encourage use of limit setting features. Perceived effectiveness of these features.
Player activity statements	Ease of access, understanding, whether a useful tool, whether surprised or upset, whether would recommend
Self-exclusion and break function	Experience, whether used break function during trial
Perceived impact on the venue and the industry	Impact on frequency of gaming, sense of security about own gambling and information, transferring cash etc, ability to take a bank loan
Voluntary/mandatory	Voluntary vs mandatory digital wallet and why
Demographics	Gender, age, Aboriginal status, main language spoken at home, marital status, employment status, highest level of education obtained. Postcode to calculate SEIFI index/ SES.

## 2.3.2 Non-user patrons

Due to low take-up of the digital wallet, and low consent-to-research among patrons in all participating venues, recruitment for the 'user' group was extremely challenging. Therefore, the decision was made to include a group of patrons who had chosen not to use the digital gaming wallet/account in the research, to gain further insights into the perceptions, appeal and barriers of the technology.

All 'non-users' were recruited to the research with the assistance of two large clubs, one regional and one metro, through a mixed-method recruitment methodology. Other venues were invited to contribute to recruitment but chose not to participate in this additional stream of research.

One venue distributed an email to a select group of patrons who were frequent visitors who had not joined the trial, including some who had provided anecdotal feedback about the trial to venue staff. The other venue approached regular patrons with the invitation to express their interest in taking part in a paid interview about their thoughts on 'cashless gaming' and the trial.

A total of n=52 patrons who used gaming machines at the two participating venues expressed interest in taking part in an interview and n=15 patrons participated, as shown in the table below.

**Table 6. Non-user patron interview recruitment response rate**

	n=
<b>Total sample</b>	<b>52</b>
Excluded/Did not meet screening criteria	15
<b>Sample after exclusions</b>	<b>37</b>
Bounced email	2
Not interested	5
No response	22
Booked interview	18
Completed interview*	15
<b>Participation rate</b>	<b>41%</b>

*\*3 non-user patrons booked interviews but were no-shows*

A final profile of participating non-users is provided below.

**Table 7. Non-user patron profile**

	Count
Under 30 years old	1
30 to 39 years old	0
40 to 49 years old	1
50 to 59 years old	2
60 to 69 years old	4
70+ years old	7
Female	7
Male	8
Employed	7
Retired / pension	8
Infrequent gambler (uses gaming machines approximately once a month or less)	6
Frequent gambler (uses gaming machines once a week or more often)	9
Minimal-risk gambler*	7
Low-risk gambler*	4
Moderate-risk gambler*	2
High-risk gambler*	2
Aboriginal or Torres Strait Islander origin	2
<b>Total participants</b>	<b>15</b>

\* *At-risk gambling status was determined according to the PGSI.*<sup>5</sup>

Interviews were primarily conducted online and recorded, though n=3 interviews with older participants were conducted over the telephone. The ability of most participants to coordinate an interview time over email and participate in an online video conference indicated that most non-user participants were technologically adept, perhaps more so than other patrons their age. Non-user participants skewed towards older age groups and club patrons, which reflects the profile of participating venues (majority are clubs) in this trial. Of NSW gamblers who gambled on EGMs in the last 12 months, 90% of people aged 65 years + and 80% of people aged 55-64 played at a club (NSW Responsible Gambling Fund, 2019).

All participants were screened for whether or not they had joined the trial. As with user interviews, information was provided to participants about gambling support services.

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<sup>5</sup> PGSI is a validated scale with specific terminology for gambling harm. However, this report will use the term 'high-risk' instead of 'problem gambling' to promote safe, respectful and productive public conversations about gambling harm and to de-stigmatise people experiencing gambling harm. (Office of Responsible Gambling, 2024 Feb). Terms for gambling harm used in respondent quotes were not edited.

This work was undertaken in the knowledge and context that some non-user patrons were strongly opposed to the technology, either because they had negative views of the 'cashless' aspect or believed it was a means for government tracking, which they saw as an invasion of privacy. They also disliked the barriers to the digital wallet, such as the sign-up process and learning a new system. This created a 'horn effect bias,' where they perceived no potential benefits from the technology. These individuals felt that the digital gaming wallet/account was not in their best interest and therefore provided feedback in order to urge the government and venues to maintain the status quo. As a result, their views are likely more negative than that of the average patron. These points need to be taken into account when interpreting the findings that arose from these interviews.

The interview topics covered with non-user patrons is outlined in the table below.

**Table 8. Non-user patron interview content overview**

Topic	Measures
First impressions of the app and set up	<p>Awareness of the digital gaming wallet trial and understanding</p> <p>Any experiences</p> <p>Appeal</p> <p>Reasons for not signing-up, concerns or pain points</p>
Feedback on responsible gaming features	<p>Feedback on safer gambling features (time/money limit setting tool, player activity statements, alerts/reminders to take a break, self-exclusion, support contacts)</p> <p>Interest/willingness to use, usefulness, concerns, suggested improvements</p> <p>Impact on minimising gambling harm</p> <p>Exploration of mandatory vs. voluntary limit setting</p>
Exploration of digital payments	<p>Familiarity with digital payments and experiences with digital wallets in other areas (e.g. retail, online)</p> <p>Role of cash in everyday life</p>
The future of digital gaming technology	<p>Experiences with venue 'carded play' to play the pokies and comparison with digital wallet technology</p> <p>Feedback on account-based gaming: impact on minimising gambling harm, staff and society</p> <p>Intention to visit their venue, play the pokies and engage in alternative gambling/leisure activities in future</p> <p>Overall interest in digital gaming wallet technology in rollout</p>
Demographics	Age group, ATSI, main language spoken at home, employment, PGSI questions

## 2.3.3 Staff interviews

Another important element of the methodology was the need to gain insights into the impact of the trials on venue operations, the duties and wellbeing of staff who interact with potential users. From a methodological perspective, venue staff are a valuable source of insight into the acceptability and feasibility of a digital gaming wallet/account and were able to share feedback on both patron perceptions and experiences and the impact on staff and industry, now and into the future.

In addition to providing regular feedback to their technology partner and to L&GNSW, venue staff were invited to contribute to the research through qualitative interviews and a quantitative survey. All but one venue (n=13) participated in the research in some capacity.

It is important to note that like all stakeholders, venue staff views will be influenced by potential conflicts of interest or personal experiences. For example, it would be expected that industry staff perceptions of the technology will be influenced by concerns expressed by their patrons, and therefore the future viability of operations under conditions where revenue and the demand for in-venue work may be reduced over the long-term. Refer to Strengths and Limitations in section 7.1.7.

### 2.3.3.1 In-depth staff interview

Each venue that took part in the trial was invited to nominate up to four staff members to provide feedback on the digital wallet and trial processes to date. Those who were interviewed ranged from gaming floor staff with less than five years' experience in the industry, through to managers with decades of experience. In order to minimise potential disruption from interviews, options were provided to venue staff to take part in online interviews at any time during the day, while staff were on-shift (i.e. being paid) and as a single, pair or small group. Interviews ranged from half an hour to an hour.

A total of 40 venue staff provided feedback through interviews. All interviews were recorded and transcribed for analysis purposes.

A profile of venue staff participants is provided in the table below.



**Table 9. Venue staff interview profile**

	Count
Under 30 years old	6
30 to 39 years old	14
40 to 49 years old	10
50 to 59 years old	4
60 to 69 years old	4
70+ years old	0
Venue or gaming manager/supervisor	21
Gaming floor staff	19
Under 5 years' experience	10
5 to 10 years' experience	8
11 to 15 years' experience	6
16 to 20 years' experience	8
Over 20 years' experience	8
Club staff	29
Hotel staff	10
Metro venue	33
Regional venue	7
<b>Total participants</b>	<b>40</b>

*Note some staff did not provide their age group*

A list of the topics covered is provided in the table below.

**Table 10. Staff interview content overview**

Topic	Measures
Facilitators and barriers to uptake of digital gaming technology	Patron appeal and barriers Sign-up process, ease/difficulty, suggested improvements Feedback on marketing/promotion material
Use and issues with digital gaming wallet/account technology	How well technology works and suggested improvements
Use and efficacy of responsible gaming features	Patron response to responsible gambling features Impact on how well patrons manage/control gambling Impact on how harmful gambling is identified in venue and how help is sought
Overall behavioural impact	Impact on player behaviour (frequency, time, spend) Patron acceptability in future rollout Influence on level of staff interactions with patrons
Staff workload	Trial impact on staff workload Impact on staff workload in future, skills and responsibilities
Impact on industry into the future	Unintended consequences Impact on venue loyalty (visitation, pokies play, other gambling) Impact of venue-specific digital wallet set up Impact on venue and gambling revenue Final advice
Demographics	Age group, role in trial, tenure in clubs/hotels in gambling venues

### 2.3.3.2 Staff survey

All participating venues were also asked to invite their staff to complete a 15 minute online survey.

A nominated venue liaison was sent a survey link and QR code, specific to each venue but able to be used by multiple staff, and an explanation on the survey's purpose and how anonymity would be preserved, to share with their staff. This link was shared through the normal communications mechanisms employed by venues to communicate with their staff.

A total of 44 staff members completed the survey. A profile of staff participants is provided in the table below.

**Table 11. Venue staff survey profile**

		Count
Age	Under 30 years old	12
	30 to 39 years old	10
	40 to 49 years old	9
	50 to 59 years old	8
	60 to 69 years old	4
	70+ years old	0
	Prefer not to say	1
Sex	Male	21
	Female	21
	Prefer not to say	2
Role during the cashless gaming trial	Venue or gaming manager/supervisor	14
	Gaming floor staff	30
Years of experience in the industry	Less than 1 year	2
	1 to less than 2 years	4
	2 to less than 3 years	4
	3 to less than 5 years	5
	5 to less than 7 years	3
	Over 7 years' experience	22
	Prefer not to say	4
Venue type	Club	33
	Hotel	11
Metro/regional	Metro venue	31
	Regional venue	13
Total participants		44

A list of the topics covered during the staff interview is provided in the table below.

**Table 12. Staff survey content overview**

Topic	Measures
Use of digital technology	Use of technology, awareness of/familiarity with each individual feature,
Training and information on trial	Rating of training, information and support for staff
Patron use of technology	Reasons for interest in trial, reasons for refusing to sign up
Problems with the technology	Whether supported patrons with problems with the tech, how many times, with what aspect, whether they were able to help resolve them, any other issues with tech that impacted patrons or staff
Impact of cashless technology on patrons	Whether it affected frequency of visitation, length of stay at the venue, length of play
Harm minimisation features	Whether alerted to any limit breaking, perceived ease of limit setting, perceived effectiveness of different safe gambling features, perceived impact on gambling harm minimisation
Impact on staff and workload	Clarity of expectations on role of staff, whether expectations were reasonable, impact of potential rollout scenarios, impact of rollout on amount of contact with patrons, whether will help staff deliver their RSG obligations,
Impact on industry and venue	Perceived impact on hospitality industry and revenue from the gambling industry, over next 5 years
Demographics	Age, gender, length of time working in clubs/hotels, in gambling venues, highest level of education

## 2.3.4 Expert interviews

A list of stakeholders, representing the gambling technology providers, hotels and clubs, academia, and gambling advocacy and support services, were nominated by L&GNSW on advice from the Independent Panel. 3arc Social contacted these individuals to invite them, and/or their colleagues, to take part in an interview (individually or with one or two colleagues). The purpose of these interviews was to obtain their views on the trial, and digital gaming technology rollout more broadly, in terms of its feasibility, acceptability, potential impact on the industry and potential impact on gambling harm. Whereas the venue and patron research focused more on the day-to-day experience of the trial, these interviews were intended to explore its strategic objectives and impact. Four of the individuals interviewed are also on the Independent Panel on Gaming Reform.

Representatives from a total of n=13 organisations were contacted via email:

- A total of 7 organisations (made up of 16 individuals) ranging from technology providers and partners, venue management and industry bodies took part, and are referred to as 'Expert advisor x, Gaming industry' in the report.
- A total of 6 organisations (made up of 14 individuals) including gambling researchers, gambling reform advocates and gambling support bodies took part, and are referred to as 'Expert advisor x, Gambling support advisor' in the report.

Given the seniority and role of these individuals, no incentive was offered. All interviews were moderated by 3arc Social researchers and recorded for analysis purposes.

One support service invited four individuals with lived experience of gambling harm to provide insight into the technology and likely impact on harm minimisation and people who gamble. In line with L&GNSW protocols and the National Mental Health Commission's paid participation policies on remunerating people with lived experience for their time, a \$60 gift card was provided to these individuals, consistent with the incentive structure for other research participants.

## 2.4 Incentivisation

Incentives were provided to encourage patron participation in the research and to compensate for their time on research-related activities (Table 13). Incentives in the form of digital gift cards were not redeemable at gaming venues, nor for cash or gambling credit. All patrons were eligible to participate in the interview or survey based on screening criteria.

**Table 13. Incentive structure for patron participation in research**

Trial	Incentive amount
Non-user 45-minute – 1-hour interview	\$60
User 1 hour interview	\$60
User completing trial survey	\$50
Lived experience individual- 1-hour group interview	\$60

Staff were not incentivised for their participation in research but were permitted to complete interviews or surveys while at work. Most experts consulted were not incentivised, given the seniority of their role. Venues were not incentivised for being part of the trial. Only those with lived experience of gambling harm, who participated on the behalf of an advocacy organisation, were incentivised.

## 2.5 Confidentiality, secure file transfer protocol and destruction of data

3arc Social received data from technology providers in two forms:

- Contact details to invite technology users to take part in research
- Deidentified technology use data

All data was transferred securely via Sharefile, the nominated secure file transfer protocol (sftp) for this project.

No information was provided with the user contact details to be able to link back to the deidentified technology use data.

No names, or information deemed to be potentially identifiable, have been included in this report. Where necessary for anonymity, quotes have been reworded (whilst retaining their meaning) and identifying remarks or

phrasing removed, or not attributed to the respondent. Tags have been included on all quotes to provide context for their speaker, and the labels have been carefully considered to (1) prevent individuals from being identified but also (2) provide relevant information about subgroups that tended to have differing opinions on the technology, including in/frequent gamblers and managers/supervisors vs gaming floor staff.

Identifiable information such as contact details will be retained only for as long as it takes to complete the data collection and analysis for this research. Names, emails and any other potentially identifiable information will be destroyed as soon as is practicable.

## 2.6 Analysis

The qualitative analysis was conducted using the Framework method (Lewis and Ritchie, 2003), which involves synthesising and organising data using a predefined analytical framework. The analytical framework is a set of predetermined themes or categories that are derived from the research questions and expanded and finalised during the early stages of the analysis process. The framework provides a structured approach to data analysis that facilitates within and between case analysis and helps to identify patterns in the data. The following demographic and behavioural traits were appended to data in the framework analysis to facilitate subgroup analysis:

- **Non-user patrons:** age group, gender, frequency of gambling on gaming machines at the venue, employment and PGSI category (below).
- **Staff:** venue (including whether the venue was a club or hotel and metro or regional), technology provider, manager/supervisor or gaming floor staff, tenure.
- **Experts:** organisation, gaming industry or gambling support background.

Staff survey data was analysed using Q analysis software, so frequencies of each survey question could be run as well as cross-tabs for the following subgroups of interest:

- Whether the venue was a club or hotel.
- Whether the venue was located in a metro or regional area.
- Whether staff were managers/supervisors or gaming floor staff.
- Whether staff had a low or high tenure i.e. under or over 5 years.

Due to the low sample size, significance testing was not conducted or reported. Difference between subgroups were only reported where there was a notable gap of approximately 20% or more. Subgroups of interest included metro vs regional, club vs hotel, manager/supervisor vs gaming floor staff, less than 5 years vs great than 5 years' experience in industry, gambling frequency and PGSI status.

User quantitative data was presented only descriptively and with reference to qualitative feedback; that is, due to small sample size, no percentages or subgroup analysis was able to be reported for technology users. These data have been presented as case studies (refer to Appendix 9.3)

### 2.6.1.1.1 Problem Gambling Severity Index (PGSI)

As mentioned above, the nine-item Problem Gambling Severity Index (PGSI) was administered in all patron data collection methods, and patrons were classified according to their total scores. Each of the 9 items was scored: never = 0, sometimes = 1, most of the time = 2, almost always = 3 (Ferris & Wynne, 2001) to yield a total score that could range from 0 to 27. Respondents were classified using the following categories:

- **High-risk gamblers** score 8 to 27 on the PGSI scale.
- **Moderate-risk gamblers** score 3 to 7 on the PGSI scale.
- **Low-risk gamblers** score 1 to 2 on the PGSI scale.
- **Minimal-risk gamblers** score 0 on the PGSI scale.

## 2.7 Objective data

### 2.7.1 Centralised Monitoring System (CMS)

Centralised Monitoring System (CMS) data is a regulatory system that connects all gaming machines in NSW registered clubs and hotels to monitor and ensure the integrity of gaming machine operations and calculate a venue's gaming machine tax.

To assist in analysing the impact of the introduction of the digital gaming wallet/account on people who gamble and the industry, L&GNSW provided CMS data for all the venues participating in the trial. Data on a range of measures relating to revenue and turnover were provided for each machine at each venue participating in the trial, and for each day from May 2023 through to launch all the way through to the latest update that covered activity up to 24 August<sup>6</sup>. The focus of the analysis was on turnover - the total value of all credits played on the machines, and revenue, which is the turnover minus wins, and hence equal to cash in minus credits cancelled or not played. The analysis included a comparison of revenue for each week prior to and following launch, for each of the venues in the trial. Given the week-to-week variability in the data, the average weekly revenue for the four weeks prior to launch at each venue was also compared with that for the four weeks following launch. This was also repeated with the revenue, summed across the venues for each technology provider to assess whether any impact on the industry might vary by technology solution. Finally, we examined whether venues in regional areas differed from metropolitan venues, in terms of trial impact on revenue. The same analyses were also undertaken for turnover, which indicated similar patterns. Consequently, only selected turnover results are included in the report.

The ability to identify any impact of the digital gaming wallet/account was limited by the fact that the CMS data is not at an individual patron level and reflects the activity of all patrons at each venue (including those that are participating in the trial as well as those who are not). Refer to CMS analysis in section 5.2.1 Gambling behaviour before and during the trial.

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<sup>6</sup> Data is based on a 'trading day' 10am to 10am (rather than midnight to midnight).

## 2.7.2 Patron gaming app data

Deidentified user data was requested from all three providers at the end of August including the following variables:

- Use of the digital gaming wallet/account – deposits to wallet and transfers to EGM
- Duration of use of the digital gaming wallet/account, including sign up date
- Use of gambling harm reduction features, including
  - Self-exclusion
  - Breaks in play
  - Whether the user set limits, and what limits were specifically set, including:
    - time limits
    - loss limits
    - spend or deposit limits
- Whether limits were modified and in what direction (increased or decreased)
- Whether any limits were breached
- Any other relevant information about how users interacted with or used the digital gaming wallet

A total of 162 records were sent from all providers.

In order to identify and exclude data from industry personnel experimenting with the technology (rather than genuine users) the following steps were taken:

- Providers were asked to identify known-industry personnel. 3arc Social was unable to validate this, as gaming data transferred for analysis were required to be de-identified for privacy reasons. At this stage, n=46 records were categorised as 'non-genuine'.
- 'Data cleaning' checks: records that did not have a complete set of information (e.g. had no wallet deposits and no play activity) and duplicated records were removed. At this stage, n=8 records were removed.
- Comparing date of sign up against date of technology launch in venue: users who signed up prior to the official launch were deemed to be industry personnel testing the technology. At this stage, n=19 records were categorised as 'non-genuine.'

This resulted in a list of n=89 records for assessment as to whether users were both active and genuine (i.e. not industry personnel testing the technology).

Data was further scrutinised to determine whether or not they were sufficiently 'active' to be included in analysis. That is, the users transferred funds to wallet and/or gaming machines.

A total of n=57 records transferred funds to a digital gaming wallet, and some set limits, but did not transact with EGMs. These were determined to be industry personnel trying the technology, completing the sign-up process but not using a gaming machine. NB: there were no indications from venue staff that any patrons completed sign-up but then were unable or chose not to use the digital gaming wallet to play a gaming machine.

This resulted in a total of n=32 'active users', who successfully signed up to the digital gaming wallet, funded the wallet and transacted with EGMs for one or more days.



Records were checked a final time for 'genuine users'; that is, active users who were unlikely to be industry personnel, based on the pattern of gambling behaviour represented in the data. The likelihood of all data combinations for these users were assessed, including:

- the total wallet value (where small values like \$1 and \$5 were deemed unlikely to be genuine).
- the number of times a wallet was funded and to what amount (where 3+ funding transactions to a small total e.g. <\$40, was deemed unlikely to be genuine. This activity closely resembled the deposit activity of known industry personnel testing the technology).
- multiple transfers to EGMs over a short period of time with small 'actual spend' (where 3+ transfers of a small amount, e.g. \$20 and/or a small total spend e.g. 50c, were deemed unlikely to be genuine).

The 'number of days active = 1' often corresponded to other record-level checks that identified records as most likely being industry personnel, and consequently 'daysactive' was deemed the most reliable indicator of whether or not a user was genuine. A filter of 'daysactive <2' was applied to exclude a further n=18 records.

Therefore, a total of 14 'genuine and active users' were included in analysis.

## 2.8 Glossary

Through data collection and reporting, a number of key terms have been used that relate to technology used to play gaming machines. These are defined below:

**Legacy system:** means the methods of playing gaming machines that existed prior to the trial of a digital gaming wallet, including cash, ticket-in-ticket-out and card to transfer and withdraw credit.

**Cashless gaming:** refers to the original labelling of the trial, as a 'cashless' technology used to play gaming machines. As described in section 3.2.1 'Cashless' gaming stigma, some patrons apparently perceived this as cash being 'taken away' from gaming machines or the venue entirely. This was addressed in the second round of marketing communications. There are no functional differences between 'cashless gaming' and 'digital gaming wallet' referred to in this report.





**Digital gaming wallet:** refers to the technology being trialled where patrons can link new or existing member accounts to a bank account to transfer money digitally to their wallet and then onto gaming machines. The technology trialled and the focus of trial remained the same as the cashless gaming technology, but terminology has changed.

**Account-based gaming:** Refers to loading credits onto an EGM from a 'gaming' account linked to a specific person whose identity has been verified. Some variations of this already exist, such as through venue membership/loyalty programs.

**A hybrid model:** refers to the deployment of digital gaming wallet technology in venues with legacy systems still in place, i.e. the user can elect to use anonymous cash, loyalty card, TITO OR the digital gaming wallet with gaming machines (as was the case during the trial).

All quotations gathered from qualitative or quantitative research have attributions labelled according to Table 14 below, which provides information for readers to identify the profile of the group while maintaining anonymity.

**Table 14. Coding of respondent quotations**

Respondent	Colour of quote mark	Attribution example
Non-user patrons		[Non-user 003, Female, 50-54 years, Frequent Gambler]
Patron users		[User 001]
Staff		[Venue staff 003, Gaming manager/supervisor, 16 -20 years' experience]
Experts		[Expert advisor 004, Gambling support advisor]

## 3 Perceptions and experience of the technology

### 3.1 Key findings summary

This chapter outlines what patrons understood to be the purpose of the digital gaming wallet technology and the perceived personal benefits and costs, including barriers to uptake as seen by patrons, staff and experts. The sign-up process and technology functionality are explored with insights drawn primarily from feedback from staff and industry experts and supplemented by objective user data (where available).

The results presented are based on the perceptions of patrons, staff and experts, as well as the experience of users, staff and experts regarding the digital wallet technology. Experiences and attitudes are limited to the first weeks or months of roll out for the technology (depending on the venue).

#### *Awareness of digital gaming wallets and marketing*

- Awareness of the digital gaming wallet varied among non-user patrons. While some had learned about the trial through in-venue marketing materials, they often considered it **'irrelevant'** because they preferred using cash, wanted to keep their gambling private and felt in control of their own gambling, so that they saw no need for limits or tracking.
- The use of the term **'cashless'** sparked concern, especially among older patrons, who feared a **loss of choice, loss of privacy and reduced reliability** in digital payments compared to using cash.
  - In August 2024, a revised set of marketing materials was released, which used the term 'digital gaming wallet' instead of 'cashless'.
  - The term 'digital gaming wallet' was more acceptable than 'cashless' for patrons, since it aligned with terminology around venue membership wallets, although the concept still carried some negative associations from the first communication materials.
  - While non-user patrons expressed concerns about the reliability of the new technology compared to cash, some appeared to be based on misconceptions (e.g. reliability of cash to enable continued EGM play during power outages)
- **Perceived government involvement** in the digital gaming wallet trial was **poorly received** by most patrons and had a negative impact on intentions to adopt the technology.
  - Many non-users believed that the technology was designed to **control or reduce use of gaming machines in NSW**, for instance assuming the technology would involve mandatory limits on spend (which was not the case).
  - Given the significant tax revenue generated from gaming machines in NSW, many patrons were also **doubtful** about the true motives behind the technology and speculated that the government was coordinating technology to **track gambling habits and identify individual spend**.
  - Some patrons also believed the program was designed by the government to be seen by the public to be addressing **gambling-related harm**, but not necessarily designed to be effective.

### ***Take-up and acceptance of digital gaming wallets in the trial***

- A total of 14 users were deemed to be 'genuine and active' users. Users conducted a median of three transactions to the digital gaming wallet and a median of 11 transfers to or between EGMs using the technology.
- A total of \$10,826 was transferred to digital gaming wallets by the end of August 2024 by genuine and active users, ranging from \$3 to \$7,751 per user, with a median \$55 total wallet value.
- According to stakeholders, low rates of uptake of the technology and limit setting were attributed to the fact that both were entirely **voluntary**.
- Many industry personnel and patrons were opposed to making the digital wallet and harm minimisation tools mandatory. For patrons, this created a **paradox where they saw its value only if it was mandatory** for all gamblers, but were opposed to having this change applied to themselves.
- Of the non-user patrons interviewed, **infrequent gamblers were the most likely to be accepting** of the digital gaming wallet.
- Patrons who were more open to the digital gaming wallet tended to be more **digitally savvy** and/or saw the move to digital/'cashless' payment methods as **inevitable**.
- The **strongest critics** tended to be more **frequent gamblers** and/or had more **concerns about their data being tracked** by the government and a sense of being 'controlled'.

### ***Cost vs benefit: What does a patron get from using the digital wallet?***

#### ***Benefits for users***

- All stakeholders agreed that the **main personal benefit for users should be convenience**, to streamline deposits and withdrawals, especially for players who prefer to not carry cash. However, most also felt the digital wallets trialled **did not deliver any additional convenience over using legacy systems**.
- Other personal benefits raised by patrons, as well as staff and experts, were the **novelty of trying new technology**, having more **access to personal gambling information** and features of the wallet when not in the venue, **safety** in being cash-free, being able to spend money in less visible ways in-venue, and offering a payment method **in line with broader consumer preferences** for being cash-free.
- Two users of the technology who provided feedback indicated that they were motivated to join the trial due to **curiosity and the novelty of trying new technology**, the **convenience of digitally transferring and loading funds** and, for one, being able to track their own gaming data and help the government to take action in AML and gambling-related harm.

#### ***Costs or downsides to the technology***

- The **main perceived 'cost' was data privacy and security**, including concerns from patrons around who (government, banks, family) could access their financial and gaming data, and a fear of data breaches/hacks if data were shared across different parties. Patrons indicated that they accepted the cost of sharing their data with companies only when there is a benefit to them (e.g. reward points under a loyalty scheme) and feel more comfortable with local 'trusted' systems.
- The perception that the technology was **'taking away' choice** was also a concern for patrons and, in the view of industry personnel, could lead to widespread rejection of the technology if mandatory.
- Other perceived costs included a view that the technology could result in **more issues and troubleshooting**, the time it takes to learn how to use the wallet, needing to verify one's **identity and**

**source of income** (which may lead to rejection under KYC rules) and an assumption that the digital wallet came with **mandated spending limits** (it did not).

- The time required to sign-up and meet KYC requirements was considered excessive and prohibitive by most stakeholders, making it a strong barrier to uptake.

### *Signing up to the trial*

- **Signing up** to most of the technology solutions required: patrons to meet **eligibility requirements** (have a smartphone, physical ID and personal email address) and have their banking details/app, in order to **verify their identity** (for some signing up as a member and for the wallet, this was done twice), **linking a bank account** and downloading the app.
- Staff and experts reported the process as time-consuming, ‘invasive’ in terms of the KYC checks required, and ‘clunky’ in terms of the number of steps needed. The greatest pain points for staff were KYC checks and some connectivity issues which hindered the process. The time for sign up ranged from 10 to 25 minutes in most cases.
- Staff and experts reported that the length of time required for the sign-up process was considered to be **disruptive** to most patrons’ visits to the venue and **prohibitive for casual or visiting** guests.

### *Technology pre-conceptions*

- Non-users held some **pre-conceptions** about the technology, including: the **digital gaming wallet would come with prescribed money limits**; that the technology essentially acted like a debit card and could access all bank account funds to play gaming machines; that the card/app was like a gift voucher and, if the card was lost, their money might be lost too; and that it would be more susceptible to technical glitches than cash.
- **Some non-users expressed preference for a physical card over tap-and-pay with an app**; potentially due to the older age profile of patrons interviewed, the card felt more ‘familiar’ and there were some concerns about learning how to use the app, and the inconvenience of having to keep their phone charged and unlock it for each transaction.

### *Technology functionality*

- According to staff, **confirming patrons’ identity (KYC) and registering for the app was time-intensive** and, though not complex, represented a major barrier to patrons trialling the technology. A number of the issues and delays in the sign-up process were due to KYC requirements, especially photographing ID for verification.
- Staff also reported delays with **transferring money out of the digital wallet** into bank accounts (e.g. one business day), which were attributed to bank or third-party financial providers. Staff felt that there needed to be more clarity for users in how funds would be automatically transferred when winnings exceed a threshold.
- According to staff, one technology provider’s digital wallet created confusion due to issues in reconciling winnings from cash and digital sources.
- Staff also reported issues with **connecting** to gaming machines due to differences in smartphone chip location. There were also some concerns over time lags in **disconnecting** from the machine, which could make it appear that money is ‘being left on the machine’ that other patrons could use.

- Staff reported that **security PINs** were implemented at the beginning of the trial by one technology provider, and some users locked themselves out of their apps. This feature was subsequently removed, which some highlighted as a potential security issue.
- **Transferring money into the digital wallet** and **setting or changing limits** appeared to work fine, according to feedback from two users and staff.

## 3.2 Awareness and perception of digital gaming wallets

All venues that participated in the trial were provided with marketing collateral from L&GNSW about the trial. The first set of collateral (March to July 2024) used the term 'cashless gaming' while the second (August 2024 onwards) used 'digital gaming wallet'. Some venues also opted to create a dedicated 'hub' for digital wallet sign up with staff available to assist or answer questions. Some venue staff reported that, at times, patrons would avoid the dedicated hub and eye contact with staff, seemingly because patrons felt there may be a 'sales-pitch' like approach to join the trial.

Awareness of the trial was varied among non-user patrons who took part in the research. Approximately two thirds of non-users approached to participate in the research said that they were aware of the trial from kiosks or signage in the venue. Some of these non-users had heard about 'cashless gaming' from the news or other media but were unable to provide further detail.

The original communications displayed in venues detailed the trial as being overseen by the Independent Panel on Gaming Reform and the NSW government. Venue staff noted that some patrons seemed unwilling to trial the technology as a result: *"having the government involved – there's no trust. We got pushback."*

According to venue staff, a small number of patrons appeared to react strongly to the perceived government involvement, with staff reporting that some rejected the trial *"out of spite"*. One non-user who participated in the research had a visibly emotional response to the idea of helping the government "monitor" gamblers or use gambling data to optimise tax revenue.

Some non-users indicated that they were aware that there was something related to cashless gaming or a trial happening at the venue but had immediately determined that it 'was not relevant to them' (as people who do not value technology, tracking play and/or feel in control of their gambling), and therefore did not read any of the provided materials or scan QR codes.



*"I knew from the start that it didn't interest me, and I'd never do it. If it comes in, we'll never play pokies again."* [Non-user 010, Female, 70+ years, Frequent Gambler]

A small number of non-users indicated that they would need to be provided with more information to understand the trial and consider taking-up the digital wallet.



*"Some larger organisation is trying to impose its agenda on us, without necessarily explaining exactly what purpose it serves and the reasoning behind the creation of [digital wallet] offer... there's so many background players, wouldn't know if it was a company or government... to me, there's very limited information on the purpose and logic of the technology."* [Non-user 006, Male, 70+ years, Infrequent Gambler]

The above non-user admitted he never looked into the provided information to understand the purpose and how the data would be used, and suggested paper pamphlets be provided (which they were). Some non-users commented on the amount of messaging, particularly regulatory signage, that appears on the gaming floor and how it typically 'faded into the background' to the point where it was normal for them to not notice any signage in the venue.

Addressing the concerns of the strongest critics with additional communications may prove challenging, as some believe there is a hidden agenda and plans for the unsanctioned use of data, and confronting these concerns through a pamphlet or FAQ could potentially exacerbate these concerns.

The aforementioned non-user reported that he wanted to know *“who is controlling it, who is responsible and what are they going to demonstrate as an achievement?”*. Most other users were similarly unaware of who was running the digital wallet system and were confused as to its purpose and how it would achieve these (as yet) unknown goals, such as reducing gambling on gaming machines in NSW.

Overall, most non-users reported feeling uninformed and unable to understand how a digital wallet would work. On further probing, most were able to make a good, albeit rudimentary, guess about how the wallet would function. A number of users assumed that the digital wallet involved some form of ‘mandatory pre-commitment’ (which was not the case during the trial, as all limit setting was voluntary).



*“I don't know a lot about it. I understand that you would nominate an amount you could afford or that you wish to spend, and have that amount put on the card. And you could not add to it.” [Non-user 015, Female, 65-69 years, Frequent Gambler]*

Many patrons found it difficult to conceptualise what the digital gaming wallet was and how it would impact them, and the terms “cashless” and “government” seemed to illicit negative connotations and assumptions about how the technology would operate. These negative connotations are expanded on through the report.

### 3.2.1 ‘Cashless’ gaming stigma

The term ‘cashless’ holds negative connotations for some patrons, especially those aged over 60 years. They felt that a reliance on digital payments and moving towards a ‘cashless society’ would lead to a lack of privacy and a “nanny state”, a loss of control over spending, and overall, be a less reliable system than cash.

Multiple patrons, almost all over 65 years of age, are alarmed by the idea of a ‘cashless society’. In their view, forcing everyone to have a digital presence and trail of transactions not only puts them at risk of privacy violations, but risks their autonomy; in the words of one non-user, moving away from cash is one way to “oppress people” and a digital identity can be “used against you” for the purposes of “government control”. While views on ‘going cashless’ did vary, a notable level of wariness exists. This was reinforced by venue staff, who said they had patrons who were under the impression that the ‘cashless’ trial meant the venue was transitioning to being completely cashless. Staff said they received calls and complaints from patrons sharing their intention to stop patronising the venue out of protest.



*“Straight away you'd mention ‘cashless’ and you got push-back. And the other unfortunate truth is having governments involved, there's no trust... The government will control, the government's trying to get cash out of society... they're trying to take cash out of the community so they can track us and know everything we're doing.” [Venue staff 009, 010, Gaming manager / supervisor, 15+ years' experience]*

*“So our customers were like, ‘if you go cashless, we're not going to come up here’ because they're thinking, oh, ‘cashless, we can't use cash’... [but] because of our demographic here, a retirement area, a lot of our patrons are of retired age, I don't think the older population is going to be that interested in going down that [digital gaming wallet] route. When I try to explain it to someone, it's like having a TAB account. It's up to you what you put in, it's up to you what you take out...that seems to have more understanding.” [Staff, Not attributed due to potential identification]*



Concerns about the transaction history produced by a cashless gaming solution was a major source of concern for many, as outlined in section 3.5.2.1.

Some patrons felt that digital payments were more likely to lead to a loss of control over spending (e.g. ‘tap and pay’) as digital payment methods do not feel as though they are spending ‘real money’. In the context of gaming machines, many patrons were accustomed to budgeting using physical cash, and cautioned that the lack of tangibility from spending cash may make players feel like they’re not gambling with ‘real money’.



*"With cashless, you don't keep track of what you're doing. It's like the tap-and-go thing... when it's on a card, you don't see what comes and goes, but when it's cash in your hand you look at it more - and go 'I've got this much money, time to go home' or 'I've got nothing left, time to go home'... I still don't like the cashless thing because I can't see it, feel it, touch it."* [Non-user 003, Female, 50-54 years, Frequent Gambler]

Two other patrons, both frequent gamblers, also indicated that they enjoyed the emotional fulfilment they got from winning physical cash. While the experience of ‘cashing out’ winnings is already mostly automated in many venues, a digital transfer back to their bank account was not as appealing as physically handling cash<sup>7</sup>.



*"If [I] got paid out in cash, maybe I'd use [the digital wallet]."* [Non-user 007, Male, 60-64, Frequent Gambler]

Multiple non-users also felt that ‘cashless’ technology is less reliable than cash. The most common example they provided was power outages, where EFTPOS machines go out and cash is the only option for a business to continue to operate. They carried this example into the context of gaming machines, and perhaps due to the strength of their negative sentiment towards a ‘cashless society’, did not see the contradiction in electronic gaming machines requiring power to operate, nor that health and safety concerns would likely preclude many businesses from operating during a blackout. A couple of non-users also suggested that regional and rural communities would be disadvantaged by clubs or hotels moving towards a cashless model that relies on network connectivity.



*"Cash is king because when we have a power outage, you go to buy something, you can't buy anything because everything's run on power. The cash registers, the EFTPOS, everything."* [Non-user 003, Female, 50-54 years, Frequent Gambler]

*"I've seen it like, we're shopping when the EFTPOS goes down and people haven't got cash to pay for their groceries."* [Non-user 010, Female, 70+ years, Frequent Gambler]

*"It might satisfy someone's political whims to create a cashless card system, but once you get out to the regional centres and beyond, cash is the way to survive."* [Non-user 006, Male, 70+ years, Infrequent Gambler]

Overall, these ‘cashless critics’ feel strongly about the societal impacts of cashless technology, which they see as encroaching on all aspects of their lives (leisure activities, health and more). Wanting to ensure cash doesn’t

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<sup>7</sup> There is existing legislation that governs the amount about to be paid out in cash to a player vs needing to be paid out via cheque or electronic funds transfer (\$5,000) (Liquor & Gaming NSW, 2024a)

'disappear' from society makes them struggle or refuse to consider the advantages of cashless systems, making them less receptive to alternatives like the digital gaming wallet.

Venue staff did not feel that 'going cashless' would be an issue for younger patrons, who tend to be more accustomed to digital payments.

Venue staff also pointed out that marketing and framing the trial as 'cashless' felt like *"taking something away"*, rather than framing the trial as a positive option: adding a new way to play gaming machines. The revised communication strategy, launched mid-trial, aimed to address these issues.

### 3.2.2 Change in communications strategy (August 2024)

Five staff members provided feedback that the term 'digital gaming wallet' was slightly more acceptable than cashless gaming as the term aligns with current venue membership wallets that patrons are accustomed to using for signing into clubs and earning points. The style of the new marketing material was also considered less 'clinical'.



*"Digital gaming wallet...at least removes that stigma... you've got to find the right buzzword for it...but you also don't want to lie to them about it... just maybe not cashless."* [Venue staff 022, Gaming floor manager/supervisor, 11-15 years' experience]

*"Digital wallet is a lot less invasive than cashless gaming. A softer approach that marries with other parts of the business, like reception. You come in with your digital wallet and you can sign in with it. You can tap to pay when you get food to earn your points and then it continues through to your gaming room. That's probably a better approach and a better way to promote the product."* [Venue staff 005, Gaming manager/supervisor, 16 -20 years' experience]

*"Changing the narrative from 'cashless' to 'digital' is a smart move...when we say 'digital', we're talking about technology and moving forward with the times and being smarter with how we do things."* [Venue staff 023, Gaming floor manager/supervisor, Over 20 years' experience]

*"Trying to put myself in the mind of our regular players, I don't think I would understand either. Cashless is kind of negative. Digital gaming wallet would have a more positive spin. But they're still both going to be negatives because they already understand 'NOT CASH' as it's been intertwined... Account based play personally sounds the least egregious..."* [Venue staff 025, 026, 027, Gaming floor staff & manager]

Most venues displayed both the original "cashless" marketing materials and later, removed them to display the "digital gaming wallet" marketing materials. However, the negative connotations from "cashless" remained.



*"We hear that it's possible that they might want to extend the trial or rebrand it. I think that the horse has bolted is just my opinion. It's going to be really hard to go back out and to say, well, we won't call it cashless or we'll take the government."* [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]

*"Change in marketing: it's much less clinical, more appealing. But hasn't reached customers - they already know its government and there's still no perceived benefit for them to use it."* [Venue staff 033, Gaming manager / supervisor, Over 20 years' experience]



*"Unfortunately, they had already had that message of [the] NSW State Government trial and there was kind of no coming back from that."* [Expert advisor 009, Gaming industry]

Staff at venues that displayed only the new marketing materials reported that, irrespective of the revised communications, patrons still had concerns about government involvement and that this affected adoption rates.

Other staff noted a lack of interest among patrons, possibly due to the limited time the marketing materials had been on display.

“There's the big infographic billboards. Not too many patrons have questioned us or asked us. We have older clientele and they're not too fond of the idea. There was not enough information provided to the members initially that the government isn't tracking or they are, but it's not the whole point of it. They're very sceptical and what it's used for and why they're using it and why are they the ones being watched.”  
[Venue staff 039, Gaming floor staff, Under 5 years' experience]

Staff felt that, while the new terminology may represent a positive shift for patrons, it has not been in place long enough to have impact and/or the negative connotations of the previous “cashless” technology remain.

### 3.2.3 What is the ‘real’ purpose of introducing digital gaming wallets?

Most non-users assumed the purpose of the digital gaming wallet was to “control gambling”. However, sentiment was mixed as to whether this was a good or bad thing, and how strict the ‘new controls’ would be.

A number of non-users assumed a mandatory money limit would be imposed on players who used the digital gaming wallet, which inspired a negative reaction for some in regard to the government ‘telling people how to spend their own money’.

“The government needs to be careful about how they try to dictate how people can use their cash.”  
[Non-user 002, Female, 60-64 years, Infrequent Gambler]

Only two non-users perceived the purpose to be harm minimisation and thought this was worthwhile.

“I would think that they'd limit the amount so you can't gamble your earnings away... that's a good idea.”  
[Non-user 008, Male, 70+ years, Infrequent Gambler]

Patrons rarely distinguished between “reducing gambling harm” and “reducing gambling,” leading some non-users to believe the wallet's purpose was to reduce gaming machine gambling statewide. However, this created cognitive dissonance for many, as it is well known that the government and venues generate significant revenue from gaming machines.

“I feel the government meddles too much in our lives. Is it a government problem? They don't really want to do anything about poker machines because they earn a lot of revenue from poker machines. Clubs earn most of their revenue through poker machines and they're not going to do anything that's going to prevent people playing unless forced by law. So, I don't know who is running this, without a vested interest. Is there an anti-gambling board? I don't think there would be.” [Non-user 015, Female, 65-69 years, Frequent Gambler]

“Pokies generate revenue for the government. Is the government doing that [monitoring licenses] because they want money or because they're looking after people's welfare? I doubt that they're interested in people's welfare. So, I don't want to assist the Government in lining their coffers at my expense.” [Non-user 006, Male, 70+ years, Infrequent Gambler]

The belief that the NSW government and venues have nothing to gain from any technology that might reduce gaming machine play undermined the entire trial for these non-users. In light of this view, non-users suggested two ‘real motives’ for this trial: for the publicity, i.e. to ‘be seen’ to take action, even if no significant change in

gambling behaviour was intended, or to track individuals. Fears about tracking and data privacy are detailed in section 3.5.2.1.

Some respondents also mentioned anti-money laundering (AML) and reducing fraud as reasons for the government to implement digital or tracked methods for gaming machines. While most viewed this as sensible, respondents saw no personal benefit as per section 5.6.

Most venue staff were aware of and accepted the goals of trialling the digital gaming wallet and the future shift toward identifiable, account-based gaming machine gambling.

### 3.2.4 The paradox: ‘What’s the point?’ if it’s voluntary; ‘nick off’ if it’s mandatory

The vast majority of non-users and venue staff raised issues with the digital gaming wallet (and associated limit setting) being ‘voluntary’. They believe that if legacy systems remain in place, and players do not have to use the digital wallet, take-up will be negligible, rendering the technology ineffective and ‘a waste of money’.

On the other hand, many non-users felt strongly that the digital gaming wallet, or any change to the way gaming machines are played, should not be ‘forced’ onto players and would result in them gambling less or stopping gambling on gaming machines altogether (expanded on in section 3.5.2.2).

Views on limit-setting being voluntary or mandatory are expanded on in section 4.3.

Only the strongest critics and the strongest advocates of the technology seemed able to bypass this paradox: most non-users found themselves ‘stuck’ between feeling that the technology is only worthwhile if it is mandatory, and yet they do not want the change and/or perceived limits to apply to them personally.

Ultimately, some non-users, and multiple staff members, recommended a ‘phased’ approach to rolling out digital, account-based play, to transition from being a voluntary option to a mandatory system. This is detailed in section 6.2.6.

### 3.3 Take-up and acceptance of digital gaming wallets in the trial

As previously stated, the adoption of the digital gaming wallet technology was very low. Between March and end of August, a total of 162 patrons signed up. Of those, 32 went on to actively use the technology and of these users, 14 were deemed to be both active and genuine users (see section 2.7.2 for detail), thus included in analysis for this report.

A description of each 'genuine and active user' is provided in the tables below.

There was a handful of frequent, active users of the digital gaming wallet; but overall, the median number of transfers to the digital wallet during the trial period, across users, was three. Half the users transferred funds to and across EGMs more than 10 times and, unsurprisingly, these players tended to have higher spend.

A total of \$10,826.20 was uploaded to digital gaming wallets by genuine and active users from the start of the trial to the end of August 2024.

**Table 15. Financial activity by 'genuine and active user'**

User#	Total transaction count from Bank to Wallet	Total transaction count from Wallet to EGM	Play duration in minutes (hours)	Total value transferred to wallet from activation date to end August 2024	Total value recorded on EGM including amount transferred from wallet and jackpots	Total amount spent on EGM (gross turnover) during sessions that started with cashless technology	Total amount lost (net expenditure) on EGM sessions commenced with the cashless technology**
User A	5	25	1,990 (33)	\$440.00	\$4,063.57	\$18,671.88	\$745.90
User B	0*	9	242 (4)	\$0.00*	\$619.54	\$761.01	\$1.31
User C	2	4	(< 1)	\$70.00	\$140.00	\$5.00	-\$5.00
User D	2	3	(< 1)	\$40.00	\$30.00	\$0.00	\$0.00
User E	1	7	(< 1)	\$9.00	\$66.75	\$0.50	-\$0.50
User F	3	36	(< 1)	\$45.00	\$2,682.52	\$18.51	\$18.54
User G	65	326	2,541 (42)	\$7,751.00	\$27,879.91	\$80,472.65	-\$7,386.59
User H	20	38	180 (3)	\$994.00	\$1,178.68	\$917.75	-\$102.43
User I	6	13	341 (6)	\$1,065.00	\$580.60	\$3,801.75	-\$307.00
User J	3	44	(< 1)	\$65.00	\$2,205.28	\$0.00	\$0.00
User K	2	14	(< 1)	\$7.00	\$61.00	\$0.00	\$0.00
User L	4	8	(< 1)	\$35.00	\$1,410.00	\$0.00	\$0.00
User M	2	1	(< 1)	\$3.10	\$3.05	\$0.03	-\$0.03
User N	4	3	(< 1)	\$302.10	\$249.00	\$0.83	-\$0.52
<b>Total</b>	<b>119</b>	<b>531</b>	<b>5,496 (92)</b>	<b>\$10,826.20</b>	<b>\$41,169.90</b>	<b>\$104,649.91</b>	<b>-\$7,036.32</b>

User#	Total transaction count from Bank to Wallet	Total transaction count from Wallet to EGM	Play duration in minutes (hours)	Total value transferred to wallet from activation date to end August 2024	Total value recorded on EGM including amount transferred from wallet and jackpots	Total amount spent on EGM (gross turnover) during sessions that started with cashless technology	Total amount lost (net expenditure) on EGM sessions commenced with the cashless technology**
<b>Average (Mean)</b>	<b>8.5</b>	<b>38</b>	<b>343 (6)</b>	<b>\$773.30</b>	<b>\$2,940.71</b>	<b>\$7,474.99</b>	<b>-\$502.59</b>
<b>Average (Median)</b>	<b>3</b>	<b>11</b>	<b>8 (0.1)</b>	<b>\$55.00</b>	<b>\$600.07</b>	<b>\$2.913</b>	<b>-\$0.50***</b>

*\*Users could use the digital gaming wallet to transfer money between machines without depositing funds from their bank account*

*\*\*Positive values equal losses to the player. Negative values equal wins to the player.*

*\*\*\*Figure omits users who recorded a zero value under 'Total amount spent on EGM (gross turnover)'.*

In most venues, recruitment for the trial was done by displaying in-venue messaging, setting up a hub or station where patrons could inquire about the trial, or having venue staff introduce the trial in conversations with regular patrons. However, venue staff noted that the most successful method for getting patrons interested in the trial seemed to be direct invitation, either face to face in venue or via email. Two users surveyed indicated that staff approached them to join the trial.



*"The barrier isn't with the actual sign-up process, it's the explanation. As much advertising as you have, it's not going to compare to that one-on-one conversation that you're going to have with the customer."*  
[Venue staff 025, 026, 027, Gaming floor staff & manager]

Overall, non-users' attitudes were shaped mostly by the perceived purpose of the technology, whether technology would be voluntary or mandatory to use, and how the perceived costs weighed against the personal benefits and appeal for them in using the digital gaming wallet.

### 3.4 Acceptance of the digital gaming wallet by subgroup

Based on the attitudes and intentions they shared in their interview, all non-users were coded according to how positively or negatively they felt towards the digital gaming wallet. Though based on small sample sizes and not statistically significant, attitudes towards the wallet tended to be inversely associated with frequency of gambling, as seen in the table below.

**Table 16. Non-user patron sentiment towards digital gaming wallet by frequency of playing gaming machines**

	Frequent gambler	Infrequent gambler
Very positive		1
Somewhat positive		1
Neutral / uncertain	3	2
Somewhat negative	2	
Very negative	4	2
<b>Total</b>	<b>9</b>	<b>6</b>

*\*Note: frequencies are based on a sample size of 15. This information should be considered indicative only.*



### 3.4.1 Patrons most accepting of new gaming technology

Non-users who gambled infrequently (played gaming machines once a month or less) tended to be more accepting of the technology. This is likely because they felt they would be minimally impacted by a change in gaming methods. As mentioned earlier, infrequent gamblers perceived the features of the digital gaming wallet to be irrelevant to them; four out of six of the infrequent gamblers included in the non-user sample said the digital gaming wallet would have no impact on how often they played gaming machines. However, as above, these infrequent gamblers did not sign up because it felt like *“a hassle”*. Therefore, while the technology itself was acceptable, the process to onboard to the technology was unacceptable.

Two non-users, both aged over 70 years and infrequent gamblers, did not hold strong negative views about the wallet and viewed its introduction as inevitable. They accepted the role of digital payment in an increasingly technology-driven society and were unphased by it.



*“We've got to move ahead with the times, don't we? Technology is moving ahead all the time. I don't mind the idea of [the technology] ... If it was mandatory, it wouldn't worry me. I'd do it in the end, it would make me do it if I wanted to play the pokies. I guess it's just change isn't it? As humans we don't like change, but once we do it it's fine.” [Non-user 002, Female, 60-64 years, Infrequent Gambler]*

Venue staff also felt like the digital wallet technology was the future. However, while most accepted it as inevitable, they did caution about sudden and significant change. This is detailed in section 6.2.6.



*“From our point of view, we see it [cashless gaming] as most likely inevitable at some point in the next two to five years, to play gaming machines. They will need to have a digital wallet or similar so that they have a little bit more control of what they're doing with their money and how much time they're spending in those gaming rooms. So, from our point of view, we see that this is where we're headed, so we'd rather get on the front foot, get our heads around it and make sure that we have a good understanding of how it works to give us a bit of an advantage.... [patrons will] gradually work their way around it. There will be, I would imagine, probably a 12 month [period] where people get their heads around it and have an understanding of it. And then after that, that will be the norm and that's what you do.” [Venue staff 020, Gaming floor manager/supervisor, 11-15 years' experience]*

Experts also suggested that patrons with a high level of technology savviness and preference for digital payments would be the first to take up the technology. The relationship between perceptions of the technology and age is expanded on in section 5.2.4.1.



*“Technological literacy was linked with [preference]...the key thing was having a digital wallet... People [who've] got a phone, can use apps, got e-mail, the ability to start making payments on your phone, that's a significant cross for people. So, people who don't use their phone for payments already are [less likely to adopt]. This won't be where they start [using digital payments], they'll have to start somewhere else in their lives and other sorts of convenience.” [Expert advisor 004, Gambling support advisor]*

Some non-users recognised the value of the digital gaming wallet in helping players control their gambling. However, only two respondents, both infrequent gamblers, considered this a strong enough reason to feel positive about the wallet overall.

One non-user with lived experience of gambling harm said that giving up some privacy and choice in gaming machine gambling was worthwhile, for the greater good of society and to protect people who may gamble in harmful ways.



*"Let's do away with putting cash into pokies. It fixes a couple of problems - so people like me can't take money out of my bank account and put it straight into the pokies." [Non-user 013, Male, 55-59 years, Infrequent Gambler]*

The potential for the digital gaming wallet to reduce gambling harm is expanded on in chapter 4 Harm minimisation.

### 3.4.2 Patrons who were the biggest critics

People who gamble more frequently (multiple times a month) are most at risk of gambling harm<sup>8</sup>, and therefore are the group most likely to benefit from the harm minimisation features of the technology. However, they tend to have more negative views of the digital gaming wallet. Every non-user who indicated they played gaming machines three or more times a week was 'very negative' about the digital wallet. The strongest critics of this group were a mix of age, gender and gambling-risk profile (according to the PGSI). However, all of them expressed a concern with being tracked, their data not being private or secure, or losing their right to choose how they gambled or what they spent.

None said they were fearful of change, though interviewers noted that at least two non-users who felt negatively about the technology seemed intimidated by the change and having to adjust to a new way of loading money onto gaming machines. When probed, these non-users tended to say, *"I just don't like it"* and *"it just feels different"*.

However, there were some exceptions: two non-users who had particularly negative sentiment towards the trial were infrequent gamblers. They strongly believed that the government's role was disingenuous, as it benefits from gambling tax revenue. This led them to assume that the technology was designed primarily to track users for the government's purposes.



*"You love the hardcore gamblers coming in! If you didn't, you wouldn't have the machines and you wouldn't be upgrading them all the time." [Non-user 005, Male, 60-64 years, Infrequent Gambler]*

Most of these critics were observed to have a negative bias against the digital gaming wallet, based on the perception that the wallet was designed to 'control' them, either by taking away their choice of how to gamble and/or by tracking their activity and movements. This created a 'horn effect', where based on this overall negative

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<sup>8</sup> Gambling frequency over once per week increases risk of experiencing gambling harm according to guidelines developed by GambleAware informed by *Lower-risk gambling guidelines* originally developed by Canadian Centre on Substance Use and Addiction in 2021. (GambleAware, 2024)

impression, every feature and function of the technology was assumed to be bad or not useful. It was difficult for these individuals to see any benefit, no matter how small, in rolling out the wallet.

When asked if anything would encourage them to try the digital wallet, no matter how unrealistic, the answer was 'nothing'. When asked if they would be likely to eventually sign up to the digital gaming wallet if it was the only way to play gaming machines, they answered 'no way' – despite the fact that visiting clubs and playing gaming machines was reported as a frequent activity for them and a way to unwind and/or socialise.

While they provided valuable insight into perceptions of the technology's functionality and purpose, it should be acknowledged that part of the reason these individuals took part in an interview was to register their protest about digitally tracked gaming being required in venues, and their feedback was likely more negatively skewed than the average person's would be.

### 3.4.2.1 The perceived relevance of the technology varied by visitation and gambling habits

Some non-users, mostly infrequent gamblers, felt the technology would only be relevant to people who gamble often. Though they found it difficult to articulate why, it is likely due to a perception that regular gamblers would benefit from the convenience of digital 'tap and go' technology over feeding cash into a machine, and that they would benefit more from limits and protections built into the technology to prevent over-spending. One patron user who had recently signed up supported this view.



*"[The technology] didn't appear to be necessary for me, because I'm an intermittent player." [Non-user 004, Female, 70+ years, Infrequent Gambler]*

Infrequent gamblers who said the technology was irrelevant to them were less likely to have an issue with data privacy and security or feel like their choice was being taken away. Their main reason for not signing up to the technology, apart from being 'irrelevant' was that they *"hadn't bothered"*, though one non-user indicated that it might pose a barrier to playing gaming machines in future as he might *"not be bothered to sign up, just a bit too much hassle"*.

## 3.5 Cost vs benefit: What does a patron get from using the digital gaming wallet?

The overarching issue in this technology trial, according to most patrons, venue staff and industry experts, was that the 'costs' outweighed the 'benefits' of taking up the technology.

There was a long list of perceived 'costs' associated with using a digital gaming wallet, including:

- The time it takes to sign-up, which is particularly onerous if time is limited (e.g. during a lunchtime or a night out)
- Needing to meet the eligibility criteria to sign up, which may require additional effort from patrons (e.g. bringing in their physical ID).
- The time it takes to learn how to use the wallet.
- The potential for issues, mistakes and overall more troubleshooting with the technology, which may be time consuming or embarrassing.
- Having to share their personal and financial information, which may come at a heightened risk of fraud or a data breach.
- Having the technology capture and share their gambling activity, which may be shared with more government agencies or organisations and disadvantage them financially (e.g. with the ATO or with a financial institution).
- A reduction in the privacy of their gambling, such as details being available to their spouse or family.
- A reduction in the privacy of their movements overall, such as being able to be tracked by location and timestamp.
- A reduction in their autonomy and ability to make their own choices, including those who use cash to budget their gambling spend needing to change their methods.
- A limit to the amount of money they can spend on machines, as most non-user patrons assumed the technology would come with pre-set money limits.

Some venue staff also felt that a significant shift to digital payment methods would negatively impact customer experience, as well as impact visitation and revenue, which is expanded on in section 5.2.

Possible personal benefits included:

- The novelty of new technology, which some may be interested in trying.
- Increased convenience of not having to carry cash.
- More patron access to information (like Player Activity Statements) and features of the wallet outside of the venue<sup>9</sup>.
- Safety in being cash-free.

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<sup>9</sup> Note this was considered to be most beneficial if tracking were state-wide, i.e. tracked all venue spend.

- Being able to spend money in less visible ways, i.e. affording users more privacy.
- Offering a payment method in line with broader consumer preferences to digital payments and the decline of cash.
- The ability to set your own budget or limits, though most non-users reported they would not voluntarily set limits, and this was supported by venue staff in their professional experience.

Other perceived benefits of the technology were not personal benefits – that is, tracking spend may benefit the ATO, and anti-money laundering<sup>10</sup> measures may benefit society more broadly, but these were not considered direct or personal benefits for patrons. Venue staff and experts saw more benefits than patrons when it comes to harm minimisation and changing gambling norms, by allowing players to exercise more control over their own gambling to ensure it is a non-harmful and enjoyable leisure activity. This is expanded on in chapter 4 Harm minimisation.

The benefits and costs of the digital gaming wallet are outlined in more detail in the following two sections.

### 3.5.1 Benefits or appeal of the digital gaming wallet

Two technology users provided feedback on what prompted them to sign up to the digital gaming wallet. Both had been approached directly by staff members to invite them to participate. They reported that they joined mostly out of curiosity, although the convenience of transferring funds from their bank account was also a driver of uptake. Refer to Appendix 9.3 on patron technology user case studies.

Venue staff, based on their overall experiences in venues and conversations with patrons during the trial, identified the most appealing features of the technology, summarised in

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<sup>10</sup> While addressing money laundering is a crucial consideration for the overall assessment of digital gaming wallets and the role they should play in the future of EGM reform, exploring the efficacy of digital gaming wallets for anti-money laundering is not in scope for this report.

Table 17. There were no significant differences in the perceived appeal of the technology by venue type (club or hotel) or location (metro or regional).

**Table 17. Staff – Main reasons for patrons to be interested in the trial**

	n=	% of total
Convenience of using smartphone app or card to play the pokies	18	41%
Interest in new technology	12	27%
Save on ATM withdrawal fees	11	23%
Able to set limits in the app	10	23%
Easier to monitor spending / playing through the app	10	23%
Don't like using cash	6	14%
A sign that the government is taking action against money laundering in clubs and hotels	6	14%
Incentive for participating in research	5	11%
Able to gamble more privately / without speaking to people	5	11%
A sign that the government is investing in gambling harm minimisation measures	4	9%
Don't know	9	20%
Other	4	11%

*Q4: What appeared to be the main reasons for patrons to be interested in the 'cashless gaming' trial? Multiple responses allowed. Base: All staff respondents (n=44)*

Some of these perceived potential personal benefits of using a digital wallet for gaming machines are further outlined below.

### 3.5.1.1 Offering convenience to the customer experience of gambling

Patrons and venue staff both reported that the greatest personal benefit of the digital gaming wallet is its convenience. First, it was assumed by most that young people would find it a more convenient solution compared to needing to carry cash. Second, being able to deposit more funds into the digital wallet to load onto the gaming machine was seen to be easier and more convenient than needing to go to an ATM, which are required to be located at least 50m away and not visible from gaming rooms<sup>11</sup>. Third, withdrawing funds from the gaming machine electronically would save the need to visit the cashier which, in many of the participating venues, was already semi-automated with withdraw-to-card or ticketing systems.

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<sup>11</sup> We note that the technology was fitted with a three minute "upload break" or cooling off period for funds to be loaded on to the digital wallet before they could be deposited into a gaming machine. Staff and patron reaction to this safeguard is expanded on in section 4.2.2

Overall, staff were more likely than non-user patrons to suggest the technology would be appealing for patrons due to its convenience. Some saw it as improving the customer experience in the venue.

“For some customers it's easier for them to just transfer it straight to their bank account... and it saves them some time as well, so they don't have to go to the ATM or sometimes people have to transfer on their app to withdraw some money through their net bank. So it can be convenient.” [Venue staff 008, Gaming floor staff, 5-10 years' experience]

Most non-users did not indicate that a digital gaming wallet would be more convenient for them personally. Some felt that the technology would be better suited or more appealing to “big-time gamblers”, who gamble with higher amounts.

“The only [benefit] I could actually even think of will be someone who gambles high limits and large amounts. It might be easier if instead of feeding \$1,000 at once into a machine, probably easier to do it on a card... so you don't have to put in 20 \$50 notes. But for a recreational gambler who just wants to go in and have a few beers... you know, put a \$50, or \$100 in a machine, I don't want to be interrupted by loading something onto an app or onto a digital wallet. I just want to go and have my fun, have a beer, watch the footy and get out of there.” [Non-user 011, Male, 40-44 years, Frequent Gambler]

Instead, non-users were more likely to caution that the convenience of electronic deposits and withdrawals would have an unintended consequence of making gambling easier and increasing the speed of play. This may be a more seamless customer experience, but in their view, will lead to increased spend and uncontrolled gambling by removing the ‘pain points’ that may slow down people when gambling, like needing to visit the ATM multiple times or physically feeling cash leaving your hand and seeing an empty wallet. This is expanded on in section 4.2.3.

Other stakeholders believed that in the trial, the digital gaming wallet technology did not offer any additional convenience. This was primarily due to the perceived barriers presented by the sign-up process, expanded on in 3.6.

“At the moment, the technology doesn't provide sufficient benefits to the consumer. One of the key benefits of digital payments is convenience, and the regulatory framework that's been put over the technology has taken away all the convenience.” [Expert advisor 002, Gaming industry]

This included industry personnel who reported being ‘cash free’ in their everyday lives and felt that their expectations for convenience established by other digital wallets and payments were not met in this trial technology.

“As someone who is cash free in everything else and has gone through the technology processes for the digital wallets, if I didn't have to, I would not use it. Even for people who are savvy with digital payments... who expect convenience out of digital payments and digital processes. I don't get it.” [Expert advisor 002, Gaming industry]

Five non-users (mostly over 70 years old and infrequent gamblers) felt that any digital payment system would be less convenient than using cash, based on their own experience with digital payment and smart phone technology. They associated the perceived risks of going ‘cashless’ such as blackouts and system outages (as per section 3.2.1) with the use of digital wallets, as well as the additional ‘hassle’ of needing to unlock their phone prior to transaction, and needing to ensure their phone is charged and has a strong network connection. Another non-



user suggested that the wait time for money to be deposited and become available in the wallet could take longer than withdrawing cash; *"I don't want to wait for it to hit the account"*.

Others perceive that digital systems are more likely to have bugs, issues or outages compared to cash, and therefore digital wallets are actually less 'future-proofed'.



*"I don't see how it can help, being digital. I mean, there's more problems on the digital networks than there is in actual cash handling these days. I'm not sure why they reckon they're going to get any better."*  
[Non-user 007, Male, 60-64 years, Frequent Gambler]

Overall, for this group, digital wallets seem more complicated and do not offer any additional useful features or convenience over 'tapping' their bank debit card or using cash, therefore they were not motivated to use them.



*"It seems like a hassle for people using digital wallets! They have face recognition, then it's not online or whatever... sometimes it can hold up a queue!"* [Non-user 004, Female, 70+ years, Infrequent Gambler]

### 3.5.1.2 Access to information and features outside of the venue

One of the benefits primarily raised by venue staff was that a digital gaming wallet offers an unprecedented amount of information about a patron's gambling activity on gaming machines, which can be easily and privately accessed (though Player Activity Statements, expanded on in section 4.4.1). Some venue staff suggested that this may encourage patrons to reflect on whether or not their gambling is under control and being done within their means.



*"It could create self-awareness so the player is more self-aware of their activities"* [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]

*"They could get their gaming statement without having to talk to someone else, like go up to the cashier desk...being able to access that in the privacy of your own home."* [Venue staff 002, Gaming floor staff, Under 5 years' experience]

While most non-users indicated that they didn't need or want their spending to be tracked (many because they felt they were aware of how much they spend on gaming machines), two non-users (both were currently infrequent users of gaming machines) expressed doubt that anyone could accurately track their own spend without technology. One went further to suggest that *"people don't realise the low return they get on poker machines"*, and that having access to this information may be eye-opening to many.

Some non-user patrons and staff suggested that being able to access the digital gaming wallet whilst not in the venue, to deposit a set amount prior to visiting and/or the ability to deposit spare funds for gambling within one's budget, were appealing features of the technology.

Despite this, ready-access to the digital gaming wallet and the information it contains was not considered appealing or beneficial enough for non-users to sign up to the technology.

### 3.5.1.3 Safety in being cash-free

Two non-users, both women, suggested that being cash-free in clubs and hotels would not necessarily be more convenient but may be safer.



*"A benefit is not having to carry cash with you. If you won a big jackpot, rather than giving it all back to you in cash and you walking around with this wad of money, it's much safer if it's on your card... The less you can expose your cash the better."* [Non-user 002, Female, 60-64 years, Infrequent Gambler]

One of these women provided an example where she had won a jackpot late in the evening and was hyper-aware that the other patrons had seen this happen, and knew she was carrying a significant amount of cash when leaving the venue. She asked security to escort her to her car and reflected that if she had been using a digital gaming wallet, her winnings would have been deposited electronically and she would have felt less vulnerable. She saw this as a 'silver lining' for the technology, but was otherwise opposed to the digital gaming wallet.

An industry expert also agreed that there seemed to be less personal risk and risk for the venue in carrying less cash.



*"Less cash in venues will make venues a smaller target for armed robbery.. and for consumers, not having to come to or leave the venue with a significant amount of cash, especially if they win a large amount of money."* [Expert advisor 002, Gaming industry]

One staff member also suggested that some patrons might find appeal in the privacy offered by digital gaming wallets, so they are not visibly adding large amounts of cash into machines in public view.

However, the perceived safety of being cash-free was not considered sufficiently appealing to sign up to the technology by any of the respondents in this research.

### 3.5.1.4 Privacy in-venue when gambling

The ability to gamble more privately was not a stated benefit or 'top of mind' with non-users. However, some non-users shared minor pain points when playing gaming machines in venue, including feeling judged by other patrons for making more than one trip to the ATM or inserting more cash into the machine.



*"The ATM is there, very handy. The only thing is that people watch you. People with nothing better to do. People are judgemental."* [Non-user 015, Female, 65-69 years, Frequent Gambler]

While the non-users consulted in this research have not said that the privacy afforded by the digital wallet would be a benefit to them, players who are more self-conscious about their gambling may make this connection.

Some venue staff did make this connection, and shared concerns that a digital gaming wallet may reduce visible cues that someone is gambling in an uncontrolled way..

### 3.5.1.5 Changing consumer preferences to ‘digital’ over ‘cash’

A number of industry personnel believed that one of the greatest benefits of the digital gaming wallet is that it enables gaming to evolve in line with broader consumer preferences towards digital payments. Some pointed out that a digital payment scheme was a necessary innovation for the industry, to remain sustainable; without a ‘cashless’ option, the industry risks becoming a non-viable leisure activity for young and/or digitally-savvy people.



*"I think that if we don't allow this sort of technology, then what we're going to see is a reduction in entertainment spend, incidental spend, which is going to be a cost to our venues, our clubs and community centres.... the risk is if you don't have this, you will just have the people really motivated to go get cash or whatever who'll continue. And the people like me... it's just too hard... I'm a typical person that goes to a lot of clubs. But I couldn't use a gaming machine at the moment because I don't carry a wallet. There's a lot more people like me, we're a growing number. I don't know whether we're the minority or the majority yet, but for those who like me don't carry cash or cards, it's a convenience. It's the only way we can access the product." [Expert advisor 009, Gaming industry]*

*"The biggest pro is [the digital gaming wallet] mirrors what's happening in general society. So the people who this technology is aimed at are people who are moving away from physical cards and do everything digitally. It's no secret that they're on the rise. So I think the biggest benefit to [these] patrons is that gambling is no longer the one activity in their life that requires cash." [Expert advisor 003, Gaming industry]*

*"Venues see that this is an opportunity, in a hybrid model - there's a generation coming through who don't use cash. So there's a market for the hybrid model." [Expert advisor 001, Gaming industry]*

While it was not necessarily reflected in the attitudes of patrons we spoke to, given their older profile, there were many mentions of “young people will like the technology” as they’re “on their phones all the time”.

## 3.5.2 Costs, barriers to participation and concerns about the technology

The greatest concerns reported by stakeholders when it came to using a digital wallet for gaming machines were:

- data privacy, including who was in control and could access their data and the perceived difference between data linked to the digital gaming wallet and other digital footprints.
- data security (i.e. fear of hacks).
- a perception that their choice was being taken away.
- the perceived irrelevance of the technology to their gambling and gamblers overall.

Patron user concerns are also included in user case studies (Appendix 9.3).

Venue staff also provided feedback on the barriers most commonly observed during the trial, that deterred patrons from signing up to the digital gaming wallet, summarised in Table 18. There were no significant differences in the barriers to participation by venue type (club or hotel) or location (metro or regional).

**Table 18. Staff – Main reasons for patron refusal to be in the trial<sup>12</sup>**

	n=	% of total
Prefer to use cash	31	70%
Privacy concerns	29	66%
Security concerns (data being leaked or hacked)	29	66%
General disinterest in changing the way they play the pokies	27	61%
Do not have the skills to use the technology	21	48%
Do not have a smartphone	15	34%
Not a member / do not visit often	7	16%
Fear that it would increase risk / harm from gambling	7	16%
Favourite pokies were not in the trial	1	2%
Don't know	4	9%
Other	2	6%

*Q5: What were the main reasons for patrons refusing to sign up for the 'cashless gaming' trial? Multiple responses allowed*  
*Base: All staff respondents (n=44)*

The sign-up process was considered a barrier for some non-users, and some staff reported that patrons did not have a smartphone and/or the skills to install the technology. This is expanded on in section 3.6.1.

While older patrons tended to be identified as less 'tech savvy' and therefore less comfortable or capable to take-up the digital gaming wallet technology, this was not the case for all older patrons. This is expanded on in section [5.2.4.1](#).

The main perceived costs or concerns of using a digital wallet for gaming machines are further outlined next.

### 3.5.2.1 Data privacy and security

The most significant and widespread concern about the digital gaming wallet among patrons was the way their data would be tracked, used and kept secure. Though data literacy varied among non-users who participated in the research, generally there was a good understanding that the digital gaming wallet would generate data related to location, gambling behaviour and financial information, all personally identifiable to an individual level.

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<sup>12</sup> Staff suggestions for why patrons did not sign up to the trial are based in part on conversations had with patrons in venue, but also coloured by personal observations and biases. It would be inappropriate for a staff member to probe patrons in-depth about the reasons they have elected not to take part in the trial, this information was more reliably gathered from non-user patrons through in-depth interviews.

Most non-users, and many staff members who spoke to patrons, were unsure or even suspicious of both the intentions and the ability of those behind the technology to keep this data private/only for the purpose of operating the digital gaming wallet. Their doubts are described next.

### 3.5.2.1.1 Who is able to access the associated data and how are they planning on using it?

Non-users felt there was a lack of clarity about who would have access to their data and what they would use it for<sup>13</sup>. Staff reported that patrons generally felt as though *"big brother was watching"* when it came to the trial. They reported older patrons they spoke to were particularly wary of this.

Most non-users identified 'the government' as a group who would have an interest in and access to the data (both state government and Commonwealth). Only one person identified Liquor & Gaming NSW as a department interested in gaming data. Most other non-users were concerned about the financial implications of using the wallet and suspected that the Australian Tax Office (ATO) or (less commonly) Centrelink or the Treasury would use the data generated from the wallet.



*"I think it's suspicious. While it claims that it's going to stop people gambling, or help people control gambling, if you have a card and they're recording everything you spend/gamble, it's a bit of an invasion of privacy. I wouldn't join until I got all the facts. Like privacy, and there's no linkage to other government departments. Where is this information going to be kept? Does just the club keep it? Is this a disguised way of finding out if people are earning money and not declaring it for tax purposes?" [Non-user 008, Male, 70+ years, Very infrequent gambler]*

*"If you can set your own limit, then the only purpose I can see to this whole [technology] thing is the government getting access to what you're spending." Non-user 010, Female, 70+ years, Frequent Gambler]*



*"They don't trust the system... they have to link their bank account with the app. How does it work? Who will store their information? They worry about the government tracking their information." [Venue staff 015, Gaming floor staff, 5-10 years' experience]*



*"Because there's government involvement and that's been made clear to participants... that's a huge barrier. I don't think anyone feels that it's government's business whatsoever, to be looking at their leisure activity spending... and the banks as well." [Expert advisor 002, Gaming industry]*

*"We've learnt why people didn't sign up. We know they're worried about privacy. We know they're worried about the government being in their business. And we'll just have to work on explaining to them why this is useful and necessary." [Expert advisor 010, Gambling support advisor]*

The idea of their identifiable data being shared with government departments was not well received by many non-users; with some feeling it was *"spying"* and potentially misleading or forcing patrons to share information they do not want to be shared. This was similarly mentioned by staff, who relayed that patrons spoke to them

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<sup>13</sup> Communications about the trial was provided in venue, which included information about data collection, use and storage. However, non-users we spoke to did not read this material.

about government involvement in the trial and that their access to data triggered patrons' *"paranoia"*: *"people don't want the government to know what they're doing."* Staff mentioned at least one patron who did not want to sign up to ensure the ATO was not able to match their gambling spend to their taxable income.

**“** *"Customers worry about the government tracking their information or bank account... one customer said it is good, but if I said to ATO my income is \$60k, but whatever I transfer on the app is more than \$60k, it's a conflict. They will ask where did the extra money come from?" [Venue staff 015, Gaming floor staff, 5-10 years' experience]*

Two non-users on a pension believed that Centrelink would have access to the gambling transactions that would show up in their bank account and were concerned about the impact that would have on their payments.

Another self-funded retiree also had concerns; specifically about the transactions being shown in her bank account. Though she was not able to specify why this may be an issue for her, she clearly did not appreciate her gambling activity being visible outside of the venue, though she reported a low spend.

**“** *"I don't want it coming in and out of the account... it'll show where [the money] has gone. It's just a hobby... I just don't like it." [Non-user 010, Female, 70+ years, Frequent Gambler]*

Though none of those concerned with being tracked admitted to any wrongdoing that might surface with data tracking, they felt strongly about what they saw as the principle of the matter: preserving their privacy.

In contrast, a handful of non-users were unconcerned with being tracked by the government, as they indicated that they *"had nothing to hide"* and tended to have a greater understanding of what data already exists about their gambling in clubs, expanded on in section 3.5.2.1.

**“** *"The government has access to anything; they know where you've been on a given day based on the cards you've used. I don't care about 'big brother' spying on me, I don't do anything wrong to worry about... they already have all that information, they're watching anyway." [Non-user 003, Female, 50-54 years, Frequent Gambler]*

There were a few mentions of patrons who work for cash-in-hand, and how the transactions linked to a digital gaming wallet may expose otherwise-undisclosed income of cash-economy gamblers, with potential legal ramifications.

Non-users interviewed were slightly less likely to raise concerns about organisations outside of the government, such as financial institutions, accessing gambling transactions recorded by the digital gaming wallet. This was likely due to the fact that research participants were beyond the age where they would tend to take out car or home loans. However, venue staff indicated that this was a concern for some of the patrons they had spoken to, and experts also raised this as an issue.

**“** *"It's privacy. A lot of them think that if they sign up, banks will know what their spending habits are... A lot of people brought up mortgages and banks [knowing] that they're transferring to play gaming machines and the amount you transfer might harm your ability to get loans and mortgages in future." [Venue staff 016, Gaming floor staff, Under 5 years' experience]*

**“** *"If I wanted a loan and known to be a heavy gambler - that might prejudice my ability to get loans." [Non-user 012, Female, 70+ years, Frequent Gambler]*



*"Biggest drawback is bank account linkage as they don't want anyone to see how much they're spending; banks would have a record of their gambling. 'Is the bank watching me?' That's actually legitimate." [Expert advisor 004, Gambling support advisor]*

*"When you consider how many in the population already have a sports betting account, but there is an urban myth still out there, that if you once you do this [track gaming machine use], you'll never be able to get a loan, you'll never be able to get a credit card. Whether that's factual or not doesn't matter." [Expert advisor 009, Gaming industry]*

A couple of staff members mentioned patrons not using ATMs in the club to avoid this kind of tracking.



*"We have ATMs downstairs, but there's multiple times where in high rollers room for customers, they'll go to the street at the [bank ATM] because they don't want their banks to know... the whole link to the bank, where the money is going, [and impact on] terms of loans." [Venue staff 037, 038, Gaming floor staff & manager]*

*"I know that a lot of people brought up mortgages and those types of things and then having banks go in and seeing that you're transferring to [gaming machines]. Whoever plays gaming and the amount that you transfer might harm your ability to get loans and mortgages in the future." [Venue staff 016, Gaming floor staff, Under 5 years' experience]*

There were also very few mentions of other forms of gambling like commercial sports betting apps, in relation to data privacy. Just two non-users mentioned using these apps, both males under 60, and neither were concerned about the privacy of gambling transactions or how a digital gaming wallet may 'track' them.

While the financial implications of data tracking were the primary concern of most patrons, a few non-users were alarmed by the digital gaming wallet generating data that would allow their location to be tracked.



*"I don't want the government to know what I'm doing with my money, at all. It's my money, they can get nicked. I don't like the recording. I don't like the idea that [government] knows what I'm doing. I might be doing something I don't want my wife to know I'm doing... if something happened at the club, what's to stop them utilising this information?" [Non-user 005, Male, 60-64 years, Infrequent Gambler]*

Overall, the majority of patrons viewed tracking by government agencies or organisations to be an unacceptable consequence of digital wallet technology and saw no benefit to them in that data being made available. However, when it came to data being traceable by spouses or family members, patrons did not necessarily view this as a negative, as they felt this kind of transparency for families may lead to support for people experiencing harm from gambling.

A number of non-users and venue staff noted that switching to a digital gaming wallet would make it impossible to gamble privately and out of view of loved ones, especially if the wallet was linked to a joint bank account. Only one of the non-users reported that this may be an issue for him personally. Non-users and venue staff felt that this could be problematic in some circumstances, such as in cases of abusive relationships where a record of gambling and location may make a patron more vulnerable to their abuser. In other circumstances, such as for people experiencing harm from gambling, some tentatively suggested that the inability to hide gambling might be a positive, where family will become more aware of the issue and able to intervene before the gambler reaches 'rock bottom'.



*"Maybe they wouldn't [sign-up] because they don't want their partners or family to know... I think they wouldn't because they don't want people to know what they do with their money when they've got cash in their pocket... if we're talking about the people that do have a problem." [Non-user 004, Female, 70+ years, Infrequent Gambler]*



*"Am I gonna get questioned about it? What will my partner think if they see that? So it could have a negative or a positive effect. It's just really, it's hard to say." [Venue staff 005, Gaming manager/supervisor, 16 -20 years' experience]*

*"I think it's probably more the effect that they're concerned about...being able to be trapped by the partners or whatever... I might go home and my wife will be able to see on the statement where their money is going ..."* [Venue staff 020, Gaming floor manager/supervisor, 11-15 years' experience]



*"I had client who hadn't told his partner for seven years that he was gambling and by then he had nothing at all left in the account that they were saving up for a house. Nothing at all. But because she didn't watch that account, she was assuming that they were putting this much in. She was at home looking after the kids. It was the biggest fraud in her life. Their marriage almost broke." [Expert advisor 012, Gambling support advisor]*

### 3.5.2.1.2 The difference between the digital gaming wallet and other digital footprints

In talking to non-users about their data privacy and security concerns, a clear contradiction emerged: patrons are willing to use loyalty cards in venues, and most were also willing to use digital payment systems in other contexts (like online shopping and online banking), so why was there such a perceived difference between these 'digital footprints' and the digital gaming wallet?

#### People will share their data when there is a direct benefit to them

Venue loyalty cards are positioned as beneficial to users. In some venues, by inserting their card into gaming machines, they can earn points which can be redeemed for free drinks, additional member draw entries and more.

Patrons' levels of awareness that loyalty cards record and save gambling data was mixed. Some were aware that data detailing their gambling activity already exists, linked to their club membership and name. These non-users tended to be under 60 years old.



*"The club already knows from the [carded play] how much is going in and out of the machine on a daily basis... the club's already watching anyway. They'd know how much I put in and pulled out. They've already got all my information, there's no more [from being part of the trial]. So I'm not worried about privacy so much" [Non-user 003, Female, 50-54 years, Frequent Gambler]*

*"I know the clubs already know what you've spent, to the cent, if you use a card." [Non-user 010, Female, 70+ years, Frequent Gambler]*

A couple of non-users seemed to realise during the interview, for the first time, that loyalty cards could generate the same gambling data they were concerned about with the digital wallet.



*"Yes I use it, why not? You get drinks and that doesn't bother me when it's just the club. Where they put that information, I don't know. Never thought about it... I don't think the government would get that?" [Non-user 010, Female, 70+ years, Frequent Gambler]*



Those concerned with the data generated from the digital gaming wallet were not necessarily concerned with 'local' data the club or hotel already stored about their attendance and play. For one non-user staunchly against centralised data and digital payments, he saw no issue in data and security based on his loyalty card use, as he trusted the club to protect his data locally.



*"I've used it long enough to know the system is reliable." [Non-user 006, Male, 70+ years, Infrequent Gambler]*

He felt more familiar with the loyalty card, including the procedures if the card should be lost and need to be replaced, which made him feel more confident about the 'safeguards' applied to loyalty cards.

Another non-user felt the data linked to loyalty cards and the digital gaming wallet would be very different: in her view, the digital wallet carried personal financial information which increased the risk of illegal use. She did not believe venue loyalty cards carried this type of information. The perceived lack of financial data and associated risk was echoed by a handful of other loyalty card users. A couple of non-users mentioned they did not consistently play gaming machines with their loyalty card in the machine; whereas the ability to 'opt out' of gaming data being recorded is not possible with the digital gaming wallet.

Other digital payments, like online shopping, offer unmatched convenience compared to in-store shopping. In contrast, many considered the digital gaming wallet less convenient than using cash with gaming machines. Technology-literate non-users believe technology has to 'serve' them and increase convenience in order to invest the required time to sign-up or install.

Some of the strongest critics were willing to share their data with loyalty programs and other online payment methods and when queried how that differs from sharing the same data with the digital gaming wallet, two said *"it just feels different"*. This is one example of the 'horn effect bias', where the strength of their dislike for the digital gaming wallet and fear of it becoming mandatory made it difficult to fairly assess its features.

One staff member also noted that many patrons in their area are 'cashed-up' (i.e. wealthy but mostly transact in cash). The staff member believed that this would undermine their ability to pass the KYC process that checks occupation in verifying source of funds (NB: this is not the case for KYC for the digital gaming wallet), although he felt this was not necessarily for illegal reasons. This member of staff felt that some 'high rollers' would perceive the KYC process as a barrier.



*"Because if the government goes digging into that side of it, where they can ask for that 'source of wealth', asking things like occupations and actually coming down on that, where they can track people who might be spending X amount of money, but it's way too much for that person's occupation to be a housewife or a builder." [Venue staff 040, Gaming manager/supervisor, 5-10 years' experience]*

*"They don't want KYC and to provide an income source... they can't come into the venue, so they're going somewhere else. So it's not this technology, it's the rules and restrictions on gaming..." [Venue staff 034, 035, 036, Gaming floor staff & manager]*

### **People say they want to minimise how often they put their information into 'cyberland'**

A common theme among those hesitant to sign up for the digital gaming wallet, but not other technologies, was the principle of 'minimising' how often they share their personal information. Where there is a clear personal

benefit and minimal perceived risk, these individuals will trial a new technology or use digital payment systems. However, the more times they share their data with organisations, the more vulnerable they feel to potential fraud or data breaches.



*"The less amount of times you put your data into the world, the better." [Non-user 010, Female, 70+ years, Frequent Gambler]*

*"I don't want to add to what memberships I have... that adds to my vulnerability. I want to minimise my data [being available] while maintaining the services I use." [Non-user 012, Female, 70+ years, Frequent Gambler]*

Financial information carried the most concerns for fraud, particularly when the digital gaming wallet is an unknown entity. For instance, one non-user mentioned they were very comfortable with PayPal because of its proven reliability and security, but was unsure who was 'backing' the digital gaming wallet.

For others who are less trusting of digital systems altogether, avoiding the digital gaming wallet is partly about minimising what kind of data or 'surveillance' they opt in to, as they feel there is already too much unavoidable digitisation of their information already.



*"I have concerns with bank access to anything, but you've got to do it. I mean, that's where the most of the problems seem to start. Banks or cyberspace stuff, I've never had it happen to me... but both my brothers have had money taken from their accounts... to me, that's just scary, that can happen when you've done nothing wrong. And you're just being pushed all the time into this digital world that you don't really want to go in." [Non-user 005, Male, 60-64 years, Infrequent Gambler]*

*"Don't trust the government to not get their fingers into information they shouldn't have, it's too easy. There's enough surveillance now without volunteering to be surveilled." [Non-user 005, Male, 60-64 years, Infrequent Gambler]*

The progression of 'data sharing' in clubs appears to feel more gradual and is not alarming to non-users. Patrons are used to signing in when they visit clubs, one said *"assume it's for fire and safety reasons"*. However, a small number of non-users shared their frustration at needing to share personal information with all kinds of service providers that they don't feel is necessary.



*"There's no reason for clubs to take information from you, it goes beyond what they need for the service they are providing. It's all requested under the guise of proving who you are... I don't think there's an agenda for how they will use this personal information, it just makes me feel vulnerable [to fraud]." [Non-user 012, Female, 70+ years, Frequent Gambler]*

A number of industry experts and venue staff felt the best option for the future rollout of digital payments and account-based play would include using the existing system infrastructure, like loyalty cards, to 'add on' digital payments and harm minimisation features. This is expanded on in section 6.1.4.2.

### **Patrons are unconcerned about 'local' data, but issues arise when it is 'centralised'**

While there was a general level of confidence that data associated with carded play in venue was kept private at a venue level, a few non-users nominated the centralisation of digital gaming wallet data to be the source of their privacy and security concerns.



*"This will be centralised, no matter where you go - by whoever runs the whole system, this whole cashless thing has to be run and monitored by a central point." [Non-user 005, Male, 60-64 years, Infrequent Gambler]*

Non-users believed that it is this 'centralised' management of the wallet system that provides their identifiable data to the government, which would otherwise be kept private by the local venue. Patrons were unsure how access to this hypothetical repository of identifiable gaming and financial information would be kept secure and safe, and some immediately assumed multiple government agencies would have direct access to this information without the patron's consent. Some staff echoed these queries.



*"We do membership, you have to verify someone's driver's licence or passport. So that doesn't really bother me. But it's more that link to the bank. Will I be able to get a loan? That's the question that a lot of people will be asking. Who is monitoring me going to a club to play? Yes, I as a member I signed up, I put my card in to earn points. I understand that the club is monitoring that. However, it only ends within those walls of that club." [Venue staff 037, 038, Gaming floor staff & manager]*

One non-user, who was one of the most technologically-literate patrons who participated in the research, cited that the transfer of data was the most vulnerable stage that concerned him, and would be rife if the digital gaming wallet system was rolled out.



*"The whole cashless thing is about control. So at some point, that data has to be sent to a controlling body, to make sure everyone is abiding by the rules. Each time it goes to another body, it gets more and more open to abuse, can get into the wrong hands. As data gets transferred, that's where it's at its weakest." [Non-user 005, Male, 60-64 years, Infrequent Gambler]*

While most patrons are not likely to have this level of data-literacy to echo these beliefs, many shared a common fear that sharing data made them more vulnerable, reflecting the core concern about data transfer.

While most non-users trusted their information to venues, one user (65 to 69 years) raised concerns about generating more data through the digital gaming wallet that would be accessible by venue staff. For her, the suggestion that any financial or gambling data was going to be generated increased the risk of fraud or leaking her personal information.

### 3.5.2.1.3 Fear of data breaches and hackers

Many non-users were concerned about the risk of data breaches, given the personal and identifiable nature of the information needed to join this trial, and gambling and financial data generated by using the digital wallet. For multiple non-users, security concerns were the main reason they did not want to use a digital gaming wallet. Venue staff also mentioned hesitancy from patrons they spoke to around data security, and the need for venues to gain their trust around how the data would be handled by the venues and others.



*"I've always been suspicious of global interfaces with internet and stuff... I don't trust internet-based..." [Non-user 006, Male, 70+ years, Infrequent Gambler]*



*"To be very honest, two of my members, they were very excited to start up when we explain this is a new feature, they were excited to know it's a new technology. They are technology lovers and but the majority of members are not keen to use this feature at all. I would say at this stage, a lot of scams going around, a lot of people are getting the text messages from the different parts of the world and then they*

*are worried if they connect financial information with our app." [Venue staff 007, Gaming floor manager/supervisor, 16 - 20 years' experience]*

Recent high-profile hacks were cited, like Optus and Medibank, and some non-users said they were directly affected by these or had cards cloned in the past or had known people who'd been impacted by data security breaches.



*"I don't like the idea of transferring money from an account to a card. I've been scammed before." [Non-user 009, Female, 70+ years, Frequent Gambler]*

*"I don't doubt the privacy intentions... but hackers are very skilled." [Non-user 012, Female, 70+ years, Frequent Gambler]*



*"They don't trust the system, prefer cash... things like the Optus data breach. Because they're going through a third party, not [venue], they didn't trust it. Where's the info going, where's it being stored, who's controlling it?" [Venue staff 011, 012, Gaming floor staff]*

A few non-user patrons indicated that they would not link a digital gaming wallet to their main account. Two of these non-users who were particularly security conscious, already had an account specifically set up for online payments and/or automatic debits, to protect the main account their income was deposited in. In their view, a secondary or 'slush' account would make them less vulnerable to data breaches.



*"It's been shown again and again, places with all the security in the world get hacked. So [in this case], all your bank account details are there to be sold to the highest bidder. That's a big turn off. So you'd set up a different account / bank [for this]" [Non-user 005, Male, 60-64 years, Infrequent Gambler]*

Non-users also raised concerns around venues potentially having access to their financial information like bank account details, which, in their view, might provide another avenue for fraud. Patrons felt that venues could be a soft target for hackers, especially given that some high-profile institutions that were considered secure by non-users, have been hacked. Some venue staff shared this concern too.



*"What hope have we got if others have had data breaches?" [Venue staff 013, Gaming floor manager/supervisor, 11 - 15 years' experience]*

The strongest critics of 'cashless' technology also noted that this technology might be compromised not only by malicious breaches, but out of error. One non-user cited the CrowdStrike outage on Microsoft systems in July 2024 as another type of risk digital gaming wallet technology may expose users to.

#### **3.5.2.1.4 Some patrons were not concerned about data privacy and security**

There were a few non-user patrons who said they were not concerned about data security, or only had minimal concerns. Some had not considered data security at all. While these individuals varied in age and gender, they were slightly more likely to be infrequent gamblers.



*"I don't really think about [data security], it doesn't cross my mind. I know there are data breaches out there, but I don't think about it." [Non-user 002, Female, 60-64 years, Infrequent Gambler]*

These patrons had an implicit trust in digital systems and felt that using the digital gaming wallet would be no different from linking their information and bank account to other types of apps, for example sports betting apps.



*"I assume it's all legitimate, safe and confidential." [Non-user 002, Female, 60-64 years, Infrequent Gambler]*

*"They put the systems in place to stop the data from being abused. And there's always going to be hackers somewhere who break in and do something. But as long as they look after you, you don't care. Not a worry in my life." [Non-user 013, Male, 55-59 years, Infrequent Gambler]*

One non-user patron, who was firmly in favour of digital gaming wallets and further gaming machine reform, saw no issue in requiring a player have their identify verified before gambling, and having their gambling tracked. He saw this as only marginally different from registration for government services.



*"You have to sign up... we have to join everything anyway! Most of the country is on MyGov or whatever, we're all in the system somewhere or other. Just being in another system regulated by the government isn't a bad thing when it comes to gambling... the do-gooders will say 'you're breaking our human rights' but \*\*\*\*\* to human rights when it comes to gambling." [Non-user 013, Male, 55-59 years, Infrequent Gambler]*

Similarly, two experts also queried whether the extent of concerns about privacy are reasonable, or somewhat exaggerated given the gaming context.



*"There are concerns about privacy with any technology-based solution, whether you're talking about a firearm registry, whether you're talking about driver's license, whether you're talking about online banking, whether you're talking about Netflix... like there's privacy concerns with any technology-based solution. Whether this is any different than those, I don't think there's a strong argument that it is." [Expert advisor 005, Gambling support advisor]*

*"I think there is a myth that people will see as a dis-benefit, that the government will be able to pry into their bank account details or their money. I think this is a myth that the industry is promoting because at the moment most of those people have loyalty cards and/or use their credit card details. They're happy to hand that information over to a profit-making business and then they panic about the government. So it's tied up with that general malaise of modern democracy that people aren't trusting their government. But it's not an actual dis-benefit. I think it's a myth, but I think it is something that people will talk about. And I think we collectively need to do quite a bit of work to demonstrate that people's data will be more secure." [Expert advisor 010, Gambling support advisor]*

### 3.5.2.1.5 Cultural groups who are especially distrustful of government

It was the opinion of some industry experts that there are sub-groups in the population of gamblers who are the most distrustful of initiatives linked in any way to the government. This distrust could result in these sub-groups ceasing to use gaming machines altogether, and possibly going online or 'underground', expanded on in section 5.2.5.



*"Everybody's got a distrust of governments. whenever it's a government mandated thing, there's always going to be, unfortunately, the distrust and especially in some demographic situations we've got a lot of immigrants who have come from countries where there's even higher distrust of government." [Expert advisor 009, Gaming industry]*

*"Some cultures, immigrant cultures like south-east Asia, are deeply suspicious of any government or bank oversight of their activities... we see this reflected in lower loyalty card use or propensity to take up digital options across the board." [Expert advisor 002, Gaming industry]*

### 3.5.2.2 Taking away choice

A common and impassioned complaint from non-user patrons was that the technology would take away their autonomy and freedom of choice. It was very common to hear that *“it’s an individual’s choice if they gamble or not”*. Many non-users felt that the digital gaming wallet was the government attempting to interfere with ‘personal freedoms’.

While some non-users acknowledged that some people gamble in a harmful way, most felt it would be unfair if ‘responsible’ or ‘self-disciplined’ players were forced to adopt a cashless and/or tracked-play system in order to protect this small proportion of the gambling population.



*“I think even if you’re losing your money, it’s your money. You’re making a conscious decision... but I can see it causes awful impacts for families for gamblers who are out of control.” [Non-user 012, Female, 70+ years old, Frequent Gambler]*

Part of the concern from non-users stemmed from the often-held perception that the technology would impose pre-set limits on how much money they could gamble. This was coupled with many non-users saying that, were voluntary limits to be introduced, they wouldn’t set any for themselves. In other words, they were rejecting the perceived mandatory limit setting, which they saw as a harm reduction tool for others, but not appropriate for them personally, and shouldn’t be forced onto them. Limit setting is expanded on in section 4.3.4.

Some non-users resented a perceived lack of choice to gamble how they want and seemed frustrated with digital technology more broadly for encroaching on choice. This was echoed by industry personnel, who felt that ‘forcing’ customers to adopt a new technology would turn them away.



*“Everything that’s digital these days has taken away freedom of choice. I don’t have the freedom of choice to go either cash or card. I HAVE to go card; I can’t get a piece of paper [ticket]... you have to get money out on a card. I find that confronting - I prefer the paper because I can see the printout of what was on the machine on the paper - I don’t know that it’s on the card.” [Non-user 003, Female, 50-54 years, Frequent Gambler]*



*“If you try and force customers into using something, they’ll probably go elsewhere and do other things and not feel pushed into something.” [Expert advisor 002, Gaming industry]*



*“When you make something mandatory for people, they will avoid it. Having both options, making it their choice (cash and anonymous or wallet) - if we go to a mandatory model, they’ll avoid it.” [Venue staff 034, 035, 036, Gaming floor staff & manager]*

## 3.6 Signing up to trial

Expectations of the sign-up process were mixed. Patrons with previous experience with signing up for venue memberships (e.g. Crown Melbourne Rewards) expected the sign-up process to be similarly tedious and time consuming, while other patrons expected it to be as straightforward as re-confirming their existing club membership and establishing a PIN to use the digital gaming wallet. Non-users’ estimates of the time it would take ranged from 5 to 30 minutes.

Non-users who gambled infrequently or did not have a negative view of the technology still thought that signing up would be *“too much of a hassle”*. One non-user had been told by staff what to expect for sign-up:



*“I was told it would take 20 minutes. It’s a long time when you want to meet up with friends... You have to go through this whole thing, signing up at every venue separately. I don’t gamble enough to make it worthwhile.” [Non-user 012, Female, 70+ years, Frequent Gambler]*

Industry personnel who had signed up to try out the technology felt that there were too many steps and that identity checks felt invasive.



*“[It took] about 20 steps to go through, from joining the hotel loyalty schemes to verification to hooking up a bank account. It took 15 to 20 minutes. Unless I REALLY wanted to participate in the trial... as an average person, there’s no way I’d go through that to sign up... I would have dropped out halfway through sign up... It’s a detailed intrusive, clunky process. And so there is no surprise that people haven’t signed up. It’s MUCH easier to sign up to an online bookmaker.” [Expert advisor 001, Gaming industry]*

Venue staff reported that the sign-up process was a major barrier in trialling the digital gaming wallet technology. First, they felt the process was disruptive as most patrons go to a venue ‘for a night out’ and don’t want to take the time to go through the sign-up process. Second, eligibility to sign up for the trial required patrons to have a smartphone, physical identification (e.g. driver’s licence, Medicare card), bank account details (or banking app), and to have a personal (not shared) email address. Staff reported that the requirements excluded many patrons, particularly older patrons.



*“There’s a lot of people asking questions, but there’s an awful lot of patrons that are ineligible to even attempt to go into the trial. You must meet all the requirements. Our demographic, don’t do internet banking... they’ve got basic little phones without phone technology to download apps...husbands and wives have one shared email address ....” [Venue staff 013, Gaming floor manager, overseeing trial / staff, 11 - 15 years’ experience]*

*“A lot of people [only] carry their digital licence.” [Venue staff 008, Gaming floor staff, interacted with patrons about the technology (minimal), 5-10 years’ experience]*

A couple of venues reported technical glitches during the first days of launch, which required the trial to be temporarily halted whilst these were fixed; further validating the need to conduct soft-launch testing.

Staff felt that there were too many steps and repetition in the sign-up process, such as six one-time-passcodes being sent to customers during onboarding, and filling in ID information four times and address three times (though the latter was out of view of customers). They recommended streamlining this to shorten the process, thereby removing this barrier to sign-up.



*“It’s not difficult, it just takes a long time. You have to preface it for people like this is going to take 10 min and that is also a barrier of entry because they don’t want to wait... If we can cut the time down to 2-3 min, it would be much more appealing to people.” [Venue staff 016, Gaming floor staff, Under 5 years’ experience]*

Venue staff were asked to rate the difficulty of the sign-up process. The overall average was three out of five, where one was very difficult and five was very easy. The most common score was two out of five. The three technology types averaged different ratings, albeit based on small sample sizes: 4.3, 3.5 and 2.7.



Staff reported that all providers delivered outstanding service support and staff training, and were highly responsive to venues throughout the trial. Where staff reported technology glitches, they also said these were resolved swiftly. Refer to Table 43 (Appendix 9.4) for staff perceptions of training, support and information during the trial.

Staff indicated that the elements of the sign-up process that are controlled by the technology provider worked well; the biggest pain points related to issues that were outside of the provider's control including KYC and banking requirements, and connectivity issues with gaming machines (e.g. being smartphone brand dependent).

**“** *“At the moment venue hosts onboard through a URL and then the customer receives text messages to KYC and then it goes back to the app to facilitate the link through to the PayTo agreement. If it was all within one ecosystem, e.g. download app...enter your details, SMS link KYC back to app, link your bank account...that would streamline the process and just make it a lot easier.” [Venue staff 003, Gaming manager/supervisor, 16 -20 years' experience]*

*“[Sign-up]... it was going into this website and then going into that side of the app, doing the security checks and all that. It'd be good if it was just all-in-one.” [Venue staff 031, 032, Gaming floor staff & manager]*

There were few reported dropouts during the sign-up process, which may be credited to the attention and support of venue staff. The low number of genuine users of the technology was most likely not a reflection of the actual time and effort involved in the sign-up or the staff's understanding or performance during the sign-up process. However, one industry representative noted that if he did not have a professional interest in trying the technology, he would have dropped out halfway through the sign-up process (which took approximately 20 minutes).

Staff had more experience signing up industry representatives than patrons, so their insights into the friction points of the sign-up process were primarily based on these experiences.

### 3.6.1 'Friction points' in the sign-up process

Staff indicated that for patrons who met eligibility criteria to sign up for the digital gaming wallet, the process was time-intensive but not complex, and that the Know Your Customer (KYC) stage was the main 'bottleneck'. The KYC stage required:

- Physical drivers' licence. For one provider, digital licences are not currently accepted due to the requirement to take a photo of both sides which prevented some patrons from signing up. This also required advanced notice be given to potential users to bring along physical ID to sign up.
- Aligning photos for facial identification/recognition. This was challenging due to lighting and data connectivity issues.
- A few staff reported down-time issues with the back-end KYC processes, which occasionally crashed and could only be resolved by contacting the technology provider.

**“** *“[There are] minimum technology requirements, and the customers' ease in finding information on their phone and understanding their banking app and understanding how to navigate their device [were barriers].” [Venue staff 003, Gaming manager / supervisor, 16 -20 years' experience]*



*"It was very dependent on the person that was signing up, how their bank accepted the PayTo agreements. That was a big factor of how long the sign up took because of where they get their notifications. Some banks had Authenticator and it was really quick. Other banks people would have to go off the app onto their live browser. So it was time consuming and a bit frustrating for some people."* [Venue staff 005, Gaming manager / supervisor, 16 -20 years' experience]

*"The ID part is very difficult, taking the photo of the driver's licence, both sides trying to get a decent photo. It is a bit time consuming and then trying to marry it up to the facial recognition, which doesn't always work when the photos are not matching."* [Venue staff 013, Gaming floor manager, overseeing trial / staff, 11 - 15 years' experience]

*"KYC Process was terrible - constantly glitching and slow."* [Staff survey, Gaming floor staff, 5+ years' experience]

One staff member reported witnessing a patron attempt to sign up twice, unsuccessfully, and then being locked out from a third attempt.



*"The other day someone was showing me that the lady [who] did the sign up [was] unsuccessful [two times] and could not sign up."* [Venue staff 037, 038, Gaming floor staff & manager]

The KYC requirements, a major factor in the length of time required, was a strong deterrent to patrons according to staff and some industry experts. Five staff estimated it to take between 10 to 25 minutes, and two staff members reported over 40 minutes. The length of time was contingent on a number of factors, including connectivity, and whether the person signing up had a banking app on their phone. This friction point was considered significant, especially if regular patrons are required to sign up separately across multiple venues. One patron user mentioned that the process took far longer than expected mostly slowed by the bank details required. See Appendix 9.3 for case studies.



*"For a lot of people that is also a barrier of entry because they don't want to stand around and wait for 10 minutes to sign up. I think it's not a difficult process, it's just a long process."* [Venue staff 016, Gaming floor staff, did not interact much with patrons about the technology, Under 5 years' experience]

*"The fastest I've done one is 40 minutes and that's pretty streamlined with somebody that works in the industry that knows how to go straight into all the links and everything."* [Venue staff 013, Gaming floor manager, overseeing trial / staff, 11 - 15 years' experience]



*"The KYC check component as well, that it was a bit of a barrier to entry because I don't think that customers understood why they were now needing to do a KYC check and take an image of their licence or their passport to be able to continue to do something that they were doing yesterday without that requirement."* [Expert advisor, Not attributed due to potential identification]

Venue staff and expert advisors felt that the length of time and effort to sign up to a digital gaming wallet would be too onerous for infrequent or casual gamblers, including travellers, or new gamblers.



*"But your casual players especially because of the 'know your customer' sign up, it's way too much time for them to worry about it...If everything goes well, it can take anywhere from 10 to 20 minutes."* [Venue staff 021, Gaming floor staff, interacted with patrons about technology with sign ups, scanning IDs and activation, 5-10 years' experience]

*"You don't want to have to do a 15 to 20 minute process to sign to sign up. Even though it may be a one time process sometimes. Like for me who would just do it casually here and there. [Venue staff 037, 038, Gaming floor staff & manager]"*



*"[Current solution] completely excludes infrequent or casual gamblers, tourists... you just won't go through that process at each venue." [Expert advisor 001, Gaming industry]"*

One provider noted that banking 'PayTo' agreements did not appear to be standardised across banks, which made it challenging to provide instructions that were applicable to all patrons. Banking setting changes required navigation to the bank's web page or toggling different settings through banking apps. For some patrons, general lack of familiarity with internet/app banking slowed this process. The sign-up process was also not able to be done independently by a patron, and so required them to be in the venue and have a dedicated staff member take them through the process, which was time-consuming for staff.

A few staff members mentioned that it had not been possible to sign up international visitors, due to restrictions on phone location settings and/or KYC checks not accepting non-Australian identification.



*"We had two international people from the States...who tried to sign up but they couldn't because of their phone location. The country properties wouldn't let them because the software recognised they were not Australian phones." [Venue staff 025, 026, 027, Gaming floor staff & manager]"*

### 3.6.1.1 Linking a bank account to the digital wallet

In the early stages of the trial, venue staff provided feedback that some patrons felt uncomfortable when asked to provide their bank account details during the sign-up process. Staff reported that this was due to security concerns, especially as patrons were required to enter the account details on a device owned by the venue.



*"One of the members, when [they were] going to join raised their concerns about adding their bank details on our laptop, on our computer... They're feeling a little bit unhappy giving their bank details to us...bank details should be by them, not by us." [Venue staff 007, Gaming manager / supervisor, 16 - 20 years' experience]"*

Linking a bank account also resulted in some glitches, as some banks blocked customers from establishing a Pay-To connection.



*"Banks blocked their account and they've had to then go through the long process of contacting their bank and trying to get it undone." [Venue staff 028, 029, 030, Gaming floor manager/supervisor]"*

This was further tested with non-user patrons, to understand if security concerns were from linking their bank account to the wallet or from the way the sign-up process required them to share their details on a shared device.

Most non-users, except for the strongest critics worried about being tracked, indicated that they were not opposed to the concept of linking their bank account to the digital gaming wallet. Some slightly preferred the idea of linking their debit card instead, as this felt more familiar as a payment method and felt like an additional layer of security.



*"I would use the bank card rather than the account. The bank card gets updated every 2-3 years, the account stays the same... Plus then the club has access to my bank account, whereas on the card... I know"*

*it's still a bank account, but there's some accountability or protection there, rather than giving bank account details."* [Non-user 003, Female, 50-54 years, Frequent Gambler]

As outlined earlier, a few non-users said they would only link a digital gaming wallet to a secondary bank account, not their main, to minimise the impact of fraud or a large data breach.

In one case, a non-user who works with seniors, was of the opinion that linking the digital wallet to a bank account would be good for older patrons with regards to data security:



*"[The cashless technology is a winner as far as pensioners are concerned. That's how they pay things, transfer from bank account. They don't like using their credit card because they feel the card is more vulnerable." [Non-user 008, Male, 70+ years, Infrequent Gambler]*

Overall, non-users did not view linking a bank account to the digital wallet as the main issue. Privacy concerns about tracked play persisted regardless of how money was transferred. Their primary concern was sharing bank account details with staff or on a shared device.

One staff member suggested technology providers who use a third-party holder of bank details could potentially provide patrons with more comfort over privacy and security of bank information.



*"Instead of the patron having to give their bank details, they gave [the third-party technology provider] a BSB and account number. It was a third party where you were depositing and withdrawing to that separate number wasn't your own details that you were giving to [the venue]. The third party protects their [bank details]. It might be just an illusion as it's still gonna show up in their bank account that money is going to a third party but it's that thought, 'Well, I'm not giving my personal bank details. This is safer for me to use.'" [Venue staff 005, Gaming manager/supervisor, 16 -20 years' experience]*

Recommendations for how the sign-up process might be streamlined in the future are made in section 6.1.3.

## 3.7 Technology functions and use

Due to the low take-up of the technology and low participation rate of users in the research, accounts of how the digital gaming wallet functioned are based partly on feedback from venue staff and expert advisers consulted for this research. An outline of the pre-conceptions of non-users about how the technology works is provided, followed by a recount of how users interacted with the technology.

### 3.7.1 Technology preconceptions: How do non-users think the wallet works?

Almost all non-users felt unable to explain how a digital gaming wallet would work, and there was a general sense that the wallet was complex. However, most non-users went on to demonstrate some level of understanding of the steps involved: setting up the wallet and limits, depositing money and connecting to a machine via a card or 'tapping' their phone.

Most patrons tended to prefer a card over an app, as using a card for the transfer of money was a familiar action. Some older patrons were off-put by the idea of an app, and seemed to feel intimidated by the concept of learning

how to use the app and anticipated that keeping their phone charged and needing to unlock their phone before any transaction would be more burdensome.



*"I could see the card being easier for people. The phone - people wouldn't use it, maybe too complicated."* [Non-user 004, Female, 70+ years, Infrequent Gambler]

A few anticipated needing staff help if they were to sign up, which some were more comfortable with than others.



*"My biggest concern would be taking money out. People with a disability may require staff assistance to take cash out or put money in the machine...I'm always confident asking for help from staff. Without staff, I wouldn't know what I'm doing half the time."* [Non-user 001, Male, 25-29 years, Frequent Gambler]

There were a number of preconceptions about what the wallet would come 'pre-loaded' with and how it would feel to use it.

### 3.7.1.1 Preconceptions of limits

As outlined above, many non-users thought the purpose of the digital wallet was to reduce gambling, and therefore assumed there would be maximum limits on the money able to be spent gambling through the wallet.

Just one user assumed that the limits applied by the digital gaming wallet may not just be a maximum spend but may have a minimum threshold to be able to gamble, i.e. a deposit requirement.



*"I didn't sign up because I didn't know what the limit was for spending on the machines. There's got to be a limit around it, but I don't know... if you have to put a certain amount of cash in to use it."* [Non-user 001, Male, 25-29 years, Frequent Gambler]

Another non-user heard through a family member "something about only being allowed to have \$500 on this card". Their family member was conflating the 2023 introduced requirement for new gaming machines to have a cash input cap of \$500 (Liquor & Gaming NSW, 2023), but this demonstrated how other harm minimisation mechanisms and existing processes in venues, such as using a venue-provided card to 'cash out' gaming machine credits, can be confused with the digital gaming wallet.

### 3.7.1.2 Preconceptions of linking a bank account

A couple of non-users felt that using a digital gaming wallet would essentially be like playing gaming machines with a debit card. They assumed that rather than depositing money into the gaming wallet, the wallet would have direct and unlimited access to one's bank account and could even result in funds being overdrawn.



*"I prefer cash onto the card, because it's easier to use than a bank account, without overdrawing your bank account, which would go into negative/overdrawn, which has happened to me before."* [Non-user 001, Male, 25-29 years, Frequent Gambler]



*"Negative connotations with cashless...some think it's like you can instantly transfer money directly from debit card into the machine instead of the reality where you have to transfer it to the account, it gives you leeway and time...one of the misconceptions about how it works."* [Venue staff 002, Gaming floor staff, Under 5 years' experience]

### 3.7.1.3 Preconceptions of depositing money on the wallet / card

Understanding of how money was stored on the digital gaming wallet or gaming card was also mixed. A couple of non-users seemed to consider the gaming player card to be like a gift voucher. While most non-users were familiar with gaming cards having PIN numbers, a few still held security concerns that losing a card might be like losing cash.



*"If I lose that card, what happens? I know I can get a replacement, but is my credit still there? Is that still a tangible asset to me? Whereas cash, I feed that into the machine and I like getting that out of the machine."* [Non-user 003, Female, 50-54 years, Frequent Gambler]

A couple of non-users seemed to perceive the digital gaming wallet as transferring money one-way i.e. you can deposit funds into the gaming wallet, but they did not consider taking funds out of the gaming wallet back to their bank account. In this regard, there may be some concerns from a minority of patrons in the future that loaded funds are 'non-refundable'. However, most non-users were acquainted with cashless payouts, through ticketing / automated cashiers.

One user also raised concerns about transfer fees and assumed that there would be a cost associated with transferring money through the digital gaming wallet, thus making it a more expensive way to play gaming machines.



*"In the ideal world, you wouldn't have to pay to get the money back into your bank account. I think the fee is about \$2 each way."* [Non-user 009, Female, 70+ years, Frequent Gambler]

### 3.7.1.4 Preconceptions of issues and troubleshooting

Those who felt negatively about the technology overall also felt that it would be more susceptible to technical glitches and problems/issues. For some, this was conflated with 'cashless pay' systems like EFTPOS, where blackouts and internet outages can be disruptive. For others, they presumed that the 'additional steps' in using a digital wallet instead of cash would open the possibility of more pain points, such as uploading funds or cashing out going wrong.



*"When I use the membership card, it's asking me all these things, it's asking me to put my pin in ... one time I put my pin in and the machine went off at me!"* [Non-user 001, Male, 25-29 years, Frequent Gambler]

One non-user with a disability acknowledged that while it might be challenging to learn how to use the technology at first, the functionality of 'tap and play' might make it easier for people with a physical disability to 'self-serve' and deposit money into machines independently. Another staff member pointed out that vision-impaired users may require more accommodations.

### 3.7.1.5 Questions about how the wallet functions

Non-users posed a number of questions about the functionality that impacted their sentiment towards using the digital wallet:

- Could the digital gaming wallet link to other forms of gambling outside the venue? The two patrons who brought this up wanted the answer to be no.
- Could having the digital gaming wallet on your phone lead to targeted marketing or gambling advertising? As above, the two patrons who raised this as a concern wanted assurance this would not happen.

## 3.7.2 Technology functionality

Users who completed a survey reported that, to date, they had used the technology for between 50% and 100% of their gaming machine play (in the venue participating in the trial), and encountered some minor issues. Refer to Appendix 9.3 for patron user case studies.

Most venue staff and expert advisors reported that beyond the sometimes ‘painful’ process of sign up, they found the technology intuitive, simple and easy to use and menu navigation to be straight-forward.



*"No issue, the technology works. It's new, it's not going to be perfect, but from what we can see, it's working efficiently and effectively." [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]*

*"It's a streamlined app, basic function, not over complicated, wasn't like you had to go through a thousand menus to find your balance or transfer, very user-friendly." [Venue staff 011, 012, Gaming floor staff]*

*"The technology generally functioned well. The requirements of KYC, linking bank account, having digital contact details and general low technical skillsets by the general public is the biggest issue." [Staff survey, Gaming manager/supervisor, 5+ years' experience]*

One staff member indicated that the digital gaming wallet was similar to the existing carded play system and felt that this made it easier to teach patrons how to use it; that is, it's not a brand-new system, just a new feature in an existing system.



*"The biggest pro is it's easy to transition across. You're not having to reteach the members all this new information. The UI [user interface] is simple, very similar to the old system so it's not a big step. It's easy." [Venue staff 039, Gaming floor staff, Under 5 years' experience]*

Two of the technology providers and some venues acknowledged that there were some ‘clunky’ elements to the sign-up process and in the functionality of the digital wallet/s, but in line with the “*trial and learn*” principles of the trial, they were confident that the trial has provided important insights that will inform revisions of the technology; and which will make the features more customer-centric in future.



*"Customer experience should be driving the technology, not the reverse... Going into the trial, maybe the technology drove the customer experience a little bit. But really the customer experience should be driving the technology." [Expert advisor 008, Gaming industry]*

Another industry stakeholder who trialled the technology themselves agreed that it was “*convenient though not perfect, but that's to be expected.*”

One industry expert was of the view that some of the solutions did not appear to be ‘market-ready’ in time for the trial. They cautioned that, while it is important to learn from trials and continuous testing, going live with sub-

optimal versions of the technology might create a poor customer experience, and has the potential to undermine consumer perceptions of the product, which could exacerbate low levels of adoption.

“That’s a problem because if the initial adopter experience is bad, you’re not going to get that champion, or that person in the venue who’s going to propagate usage.” [Expert advisor, Not attributed due to potential identification]

Another staff member echoed this statement and indicated that it was ‘embarrassing’ for their team whenever there was a technical glitch.

“Technology was terrible and not reliable. It was embarrassing for us as a team every time there was an issue with the technology.” [Staff survey, Gaming manager/supervisor]

### 3.7.2.1.1 Issues with the technology

Venue staff were asked approximately how many issues related to the technology they assisted potential users with during the trial, as see in Table 19.

**Table 19. Staff - Number of problems that staff helped users with during trial**

	n=	% of total
None	17	39%
1 to 3	11	25%
4 to 5	7	16%
6 to 10	7	16%
11 to 20	2	5%
Over 20	0	0%

Q6. Approximately how many problems with the cashless gaming technology did you have to help patrons with? Please share your best estimate. Base: n=44

Note: staff answered this survey between July and August 2024, may have continued to assist potential users with issues from September onwards that are not counted here.

Venue staff were presented with a short list of categories to describe the types of issues they assisted users with and were asked to assign a percentage against each category (a ‘constant sum’ question) to indicate what parts of the digital wallet sign up and usage required the most staff assistance. Results in Table 20 indicate that staff felt the highest number of issues were related to confirming identity (e.g. completing KYC), with about one-third (33%) of their time supporting patrons with this stage, followed by registering for the app (22%) and transferring money in/out of the digital wallet (18%).

**Table 20. Staff – Types of issues staff helped users with during trial**

	Average % of issues assigned to category	Average number of issues across all staff*
Registering for the app	22%	37
Confirming their identity (e.g. completing KYC)	33%	49
Transferring money into or out of the cashless technology	18%	21
Connecting or disconnecting to a poker machine	12%	16
Setting or changing a limit	9%	12
Other	7%	1

Q7. Thinking about all of the time you spent helping patrons... Please allocate a percentage against each step of using the cashless gaming technology according to how much time you spent helping patrons with that step. Base: n=26

Note: staff answered this survey between July and August 2024, may have continued to assist potential users with issues from September onwards that are not counted here.

\*The 'average number of issues across all staff' was calculated for each record by multiplying the midpoint of number of issues assisted with by the % against that category. The resulting number was then averaged across all 26 staff respondents who assisted users with an issue. Each number was rounded to the nearest whole decimal place

While the calculated average number of issues per step is only indicative of the experience of staff across all venues, it does demonstrate which parts of the trial were most time-intensive for staff and users to complete.

Users reported that they found most steps to be easy to follow, and that the information and support available on how to use the technology was good/very good.

**Confirming their identity through KYC** was the step most fraught with technical glitches and frustrations, followed by registering for the app, as outlined in section 3.6.1. This included struggling with “*creating a link to the bank account and also verifying with banking app*” and “*Wi-Fi problem and verification*”, as mentioned by staff in the survey. Other issues with the functionality of the technology were expanded on in venue staff interviews, below.

There were no reported problems with **transferring money into the digital wallet** from staff in interviews. However, one patron user was initially uncertain about the different ‘wallets’ in their digital wallet with one provider (e.g. gaming and financial wallet), and how to transfer funds to them. Not all technology solutions had this.

“Transferring the money \$500 or whatever the desired amount to transfer from the bank account to the app happened very smoothly.” [Venue staff 007, Gaming floor manager/supervisor, 16 - 20 years’ experience]

“I’ve signed up both venues, I’ve connected a bank account, I’ve transferred money, it all worked seamlessly.” [Venue staff 023, Gaming floor manager/supervisor, Over 20 years’ experience]



However, in **transferring money out of the digital wallet into bank accounts**, staff suggested that delays in the transfer of winnings to patron bank accounts (versus cash payouts) could be problematic. Staff attributed the issue to the bank or third-party service financial transactions providers.



*"We've had issues with the back-end banking payments. We use too many third parties so that we can pay patrons into their bank accounts from say 'e-cash' providers but it's not very quick, so by the time we upload it into the system to pay the patron, it's a couple of days rather than 48-hours according to legislation." [Venue staff 028, 029, 030, Gaming floor manager/supervisor]*

*"Once you're finished playing and the funds are in your digital wallet, transferring those back into the bank account takes about a day, but that's because of the bank side. [The patron] was not so much complaining, but saying how come I can't receive my funds? If I had cash, I'd receive funds straight away." [Venue staff 025, 026, 027, Gaming floor staff & manager]*

Mixed approaches by technology providers could potentially create confusion for players regarding the transfer of winnings from the different digital 'wallets' to bank accounts. One provider automatically transferred winnings exceeding \$5,000 to linked bank account. Other providers required patrons to initiate transactions and were therefore not automatic.

One staff member relayed that a patron experienced delays in the transfer of winnings which created some confusion due to the user needing to initiate a fund transfer from their digital wallet to their bank account.



*"She thought that once she collected from the machine, the money will go directly to her bank account. I explained that it is a 2-step process, and you need to go into your app, confirm and transfer it out before you can see the money in your bank account. She was a bit confused with that process." [Venue staff 008, Gaming floor staff, 5-10 years' experience]*

However, another staff member mentioned that patrons may also be surprised by automatic transfers of winnings over certain amounts to bank accounts, although this would be a rare occurrence.



*"One of the things that people will probably forget is that if you win over a certain amount of money, it will force you to take it out and put it into your bank account. A lot of people might not realise that's a thing because it's not often that you're winning those amounts." [Venue staff 016, Gaming floor staff, Under 5 years' experience]*

A couple of staff reported that having a hybrid model in place, where the digital wallet and cash could be used on any machine interchangeably, created some confusion. This was particularly an issue in one technology provider's system which, initially, did not reconcile cash winnings into the digital wallet; in other words winnings generated from the digital wallet were kept separate from winnings generated from the legacy system.



*"There was confusion because the amount that we can see on our system was different to [the patron's] total amount cashed out. We had to explain that whatever you put in your digital wallet goes back into it and the rest that you put in cash or tickets, needs to be collected from [the cashier]." [Venue staff 008, Gaming floor staff, 5-10 years' experience]*

*"If they transfer \$200 from the app into the machine and then add \$10 cash into the machine, when they take their card out, it transfers \$200. If they won \$1000, it would only transfer \$200 into their online account and the rest would get beamed to the cashier so it wouldn't go on the members' card. It was a bit of an inconvenience." [Venue staff 002, Gaming floor staff, Under 5 years' experience]*

*"If a member is using [digital wallet] and they insert cash, they confuse themselves because when they press the collect button, some money goes back to their app, some money goes back to the cashier, and the money that goes back to the cashier does not print a ticket." [Venue staff 007, Gaming floor manager/supervisor, 16 - 20 years' experience]*

*"Unless there's a connection between how much you're spending online and actual cash and tickets in the machine, a lot of members might find they have an issue overspending or overplaying. But if you can connect the two that'd be perfect." [Venue staff 039, Gaming floor staff, Under 5 years' experience]*

There were some issues in **connecting the digital wallet to gaming machines**, with connectivity issues attributed to differences in smartphone brands (Apple vs. Android) and their orientation when connecting to gaming machines. Staff were required to troubleshoot this during the trial at the front and back-end (e.g. removing phone cases, installing antennas).



*"I look forward to seeing technology improvements because there were hurdles with the kind of phone you had, where you tapped it, where the reader was on your phone and where it located it on the machine." [Venue staff 023, Gaming floor manager/supervisor, Over 20 years' experience]*

*"Android phones have to use the back, whereas Apple is the top. It's a bit awkward because you to need to take the phone case off [with Android] to connect which is inconvenient." [Venue staff 002, Gaming floor staff, Under 5 years' experience]*

*"We had some problems with Bluetooth connections. IT people had to [put] up antennas because they weren't picking up the phone [connection] to the machine." [Venue staff 001, Gaming floor staff, Under 5 years' experience]*

One user indicated that they experienced issues in connecting their digital wallet to the gaming machine, although this had been resolved by venue staff.

Regarding automatic **disconnection from gaming machines**, there were some reports that patrons were concerned about 'leaving their money on the machine' when they walk away. Accordingly, some staff members expressed there was a need to refine this step to ensure closer to real-time transfer of funds back to the digital wallet. One patron user confirmed this was a concern for them, and that they were slightly worried that the slight lag/delay in retrieving funds after walking away from the gaming machine may result in an opportunity for someone else to gamble with their money left on the machine.



*"When the guest moved away, a couple of times they've stepped away and it disconnected, [but] there's a slight lag when the money transferred from the machine back into their wallets." [Venue staff 020, Gaming floor manager/supervisor, 11-15 years' experience]*

*"If you've got your credits on there and your digital card on there takes about 10 metres before you walk away for it to disconnect. So if credits might be left in the machine, someone else might play it." [Venue staff 037, 038, Gaming floor staff & manager]*

*"Easy to connect phone, to tap it... Leaving the machine without disconnecting your phone did take quite a distance for it to auto-disconnect. It took more than 5 meters [than] it was supposed to take." [Venue staff 034, 035, 036, Gaming floor staff & manager]*

The technology user also recommended providing more direction for players in regard to the discrepancy between gaming machine reserve functions (3 minutes) and automatic wallet disconnection (2 minutes).



*"I hit reserve and so it's [2] minutes or something. If you don't use it, it automatically goes back to your digital wallet. But when you reserve the machine, it's usually 3 [minutes]. So, there's a bit of a question about that because does one overtake the other? I've got 3 minutes to go to bathroom and come back, but then if the [digital wallet disconnects after] 2 minutes your credits come out. So, if you take a second longer than the reserve [time], someone can easily jump on your machine because there's no credits on there anymore." [User 001]*

Two staff members mentioned technical glitches with disconnecting from carded play but not the app which caused some inconvenience and confusion.



*"If they had their card in and they took it out it would freeze [the gaming machine]. But these were more technology issues related to the card, not the app." [Venue staff 005, Gaming manager/supervisor, 16 - 20 years' experience]*

*"If a member moved to another EGM and they inserted credit first in the machine and then the membership card, it would display that the card is in use. This caused confusion. You have to start with zero credit in the machine, then insert the membership card, and then money credit." [Venue staff 007, Gaming floor manager/supervisor, 16 - 20 years' experience]*

*"What we were told was that if the patron leaves the machine, after 5 metres, it will automatically disconnect it. But when we tested it, it was a bit longer than 5 metres, which means patrons can leave the machine, walk away and their credit remains in the machine. A person leaving the machine [might] believe the credit is automatically transferred to their wallet but then someone could jump on that machine and continue playing with someone else's credit." [Venue staff 034, 035, 036, Gaming floor staff & manager]*

Staff also felt that there were some issues related to security PINs and bank transfer fees. While the security PIN was problematic for one patron who was locked out of transactions due to user error (i.e. entering number incorrectly several times), the technology update in July that removed the PIN was considered by some staff to be a potential risk to users.



*"Entering the wrong PIN multiple times and the app blocked her transaction." [Venue staff 007, Gaming floor manager/supervisor, 16 - 20 years' experience]*

*"On the data security side when I log into tablet, there's no PIN to get into the app. Once you've got the app and you've connected the account, you set up the app, there's no security level inside the app to use it. It's linked to your bank account, but you can't physically transfer between different banks and take money, but I still think it needs some form of level of security to access it." [Venue staff 023, Gaming floor manager/supervisor, Over 20 years' experience]*

Staff also mentioned the need to communicate transfer fees clearly to patrons.



*"With our app it was a dollar each way. You need to communicate that to customers. So if you want to transfer \$50, it's going to charge you \$51, something like that. it would be better to do not per transfer [and pay a flat fee per day]. I guess it's cheaper than the ATM to be fair." [Venue staff 011, 012, Gaming floor staff]*

Of the staff members (n=27) who were asked to help patrons solve at least one problem with the digital wallet technology, over half of (59%) indicated that they were able to help patrons to resolve some to all of the issues (Table 21). One-quarter (26%) were able to solve some issues and 15% reported they were unable to solve the issue.

**Table 21. Staff - Ability of staff to help patrons resolve issues**

	n=	% of total
Yes, all of them	3	11%
Yes, most of them	13	48%
No, only some of them	7	26%
No, none of them	4	15%

*Q8: Were you able to help patrons resolve these issues? Single response allowed. Base: Among those who experienced problems, n=27 (low base size)*

Two technology users set limits and indicated this was easy to do, as per case studies in Appendix 9.3. Most staff did not help patrons **setting or changing a limit** on the digital wallet, however two staff members indicated that the limit function was operational.

Finally, one provider highlighted that the technology would benefit from further testing on a larger scale, which would include ‘stress-testing’ the bandwidth by having many users operating the technology simultaneously, and also a more diverse range of users to follow different pathways through the system’s features.

“The biggest challenge is actually the uptake by patrons and improving any technology, particularly payments technology like this. One of the core [tests] is to get as much volume as you can through those platforms. You want to test for bandwidth, you want to test for customer experience, you want to test for all the non-payments side of things as well all the harm minimisation tools, all the different user journeys that may occur and all the edge cases that you might face... We just haven't seen all of the different cases, all the different demographics, all the different skill sets in terms of digitally savvy human beings versus non digitally [savvy] human beings.... it's just that integration piece to make sure that everything sort of hums when it's under the pump.” [Expert advisor, Not attributed due to potential identification]

## 4 Harm minimisation

### 4.1 Key findings summary

This chapter addresses the anticipated impact of the technology on gambling-related harm in NSW, including reactions to the harm minimisation features built into the technology and the predicted impact of a hybrid versus a mandatory model on gambling-related harm.

The results presented are based on the perceptions, opinions and intentions of patrons, staff and experts regarding harm minimisation, as outcomes related to gambling harm were unable to be determined due to the short time frame of the trial and low take up by patrons.

#### *Perceptions of how digital gaming wallets may impact harm minimisation*

- Industry experts and staff view the technology as a **positive step** but believe that, ultimately, it will have **minimal impact on harm minimisation if these features remain voluntary**, because take-up of the harm minimisation tools would be low. Gambling support experts expressed the strong opinion that mandatory limits are essential to effectively minimise gambling harm through the technology.
- **Some non-user patrons expressed the view that the technology might unintentionally exacerbate gambling harm** by: increasing the convenience and speed of gambling, removing natural breaks in play (created by going to the ATM, for example), removing the tangibility of cash (which some use to budget and 'feel' losses) and removing some visible cues of gambling harm (such as multiple visits to the ATM).
  - Most non-user patrons framed these as concerns for people with gambling problems and not for themselves.
- Industry experts and staff believe that built-in '**friction points**' in the digital technology could **mitigate the risks of increased gambling spend** including delay on second/further wallet deposits in a day (currently set at 3-5 minutes for two providers, and geo-fenced for another so patrons need to leave the gaming floor to upload funds).
  - However, staff and patrons believed **most people who gamble would benefit more from having a longer break** (than 3-5 minutes) and/or being forced to leave the gaming floor.
- Gambling support advisors, and some patrons and staff, believe these **friction points are insufficient for people who are experiencing gambling harm** i.e. they are not sufficient to 'break' their focus and will allow them to continue to overspend/chase losses.

#### *Perception of limit setting features*

- Many patrons felt that **reducing gambling spend in NSW**, and thereby reducing gambling-related harm, is one of the key purposes of the technology, and they therefore **assumed that prescribed limits would accompany the introduction of the technology**. Prescribed limits were not applied in this trial.
- Many patrons and industry personnel felt that **limits should be voluntary**; making them mandatory was perceived to be taking away people's autonomy and choice, and many thought it would be considered too judgemental. Some pointed out that patrons could simply set exorbitantly high limits to 'get around'

the feature, which is generally consistent with findings from casino and online betting research related to limits.

- However, most patrons, some staff, and gambling support experts considered **voluntary limits ineffective** on the basis that usage would be low (as demonstrated in this trial) and that the goals of the technology rollout would not be achieved.
  - Most also believed that those who gamble in harmful ways would be the least likely to voluntarily set realistic limits (and would simply over-ride them if they did).
- There was evidence of **stigma** associated with 'limit setting' among all respondents (e.g. it is targeted at 'undisciplined' or 'out of control' users). Gambling support experts acknowledged that this perceived stigma could deter users but suggested that **repositioning features as a budget tool or monitoring tool suitable for use by all gamblers** might reframe their use and encourage acceptance.
- When it came to **cutting players off when their limits are reached**, non-user patrons were divided. Some recognised that hard limits are a protective mechanism, while others viewed it as another infringement on their autonomy and a reason to reject the technology. Similarly, staff reported that some users, during the trial, had been cut off from play, and that this had subsequently caused those patrons to increase or remove their limits.
- Gambling support advisors acknowledged that 'cutting-off' users who reach their limit is a crucial feature to get right in terms of minimising harm, and they recommended more research to optimise the user experience with this part of the technology.
- When it came to different types of limits, **there was consensus that money limits are more effective and useful than time limits**. Many pointed out the challenge in setting a universal money limit due to the differences in financial means of users.
- Some suggested that using the features as 'budgeting tools', incorporating incremental alerts before limits were reached, and setting limits over longer periods (such as monthly instead of daily, which was allowed in this trial) would be effective for users but less disruptive on a daily basis and would therefore increase acceptance.

### ***Actual and intended use of limit setting features***

- **Most technology users set a limit** (9 of 14 users), and those who did tended to set multiple (both time and money limits). The average limits were: three and a half hours per day play limit; \$316.67 per day spend limit; \$330 per day deposit limit; \$102 daily loss limit; \$3,183.33 monthly spend limit. Limit types varied slightly between technology providers. The small sample size meant that statistically-robust findings could not be drawn from the data, such as no relationship being evident between limit setting and spending behaviour.
- Only one user accessed their Player Activity Statement during the trial, and no users used the break or self-exclude functions.
- While staff felt that the technology made it reasonably easy to set limits, their professional experience suggested that when **limit-setting is optional, patrons do not use it**. This is likely (in small part) due to the barriers in place in the past, where staff needed to set the limit on behalf of a player.

- When asked, **most non-user patrons indicated they would not use limit-setting features if they were optional**. In contrast, about half of those who were classified (by the PGSI) as at-risk gamblers (low, moderate or high-risk) reported that they would consider using limit-setting features.
- If it were mandatory to set a limit, but the exact amount was left to the discretion of individual users, many **patrons suggested they would simply set the maximum amount**, in order to avoid hitting their limit. Industry personnel also suggested that this way of ‘getting around’ limits would be widespread.

### ***Perception and use of other harm minimisation features through the technology***

- **Player Activity Statements:** received a positive response from most respondents. Providing personalised feedback to encourage self-management was seen as one of the biggest benefits of the technology.
- All stakeholders were supportive of having PAS available on an app, as it allows a PAS to be accessed privately and at any time, thus **removing the potential barrier of needing to ask staff** for a copy. This privacy would likely reduce the fear of judgment or being seen to be ‘out of control’.
- Multiple patrons felt PAS information would be useful to them, even if just out of curiosity. Some indicated that it would make them reconsider their spend on gambling (and possibly reduce their spend).
- **Self-exclusion and taking a break:** were seen as ‘good to have’ features, although use was predicted to be low. As with PAS, being able to access these features privately was seen as an enhancement on current practices. However, most industry personnel agreed that self-exclusion is better managed by other technology (like facial recognition) to close potential loopholes in the digital gaming wallet technology (e.g. using other people’s cards to play).
- **Gambling support contacts:** were also seen as ‘good to have’. Clear and direct access to support services was perceived to be useful to someone who is experiencing gambling harm or hits rock bottom and might not know where to get help.
- **Use of app/tools outside:** having personalised gaming data and harm minimisation tools available outside of the venue (i.e. on your phone, available 24/7) was seen in a positive light, particularly by experts, as it may empower people to access information and helpful tools when they have the headspace to do so – i.e. not in front of a gaming machine.

### ***Predicted impact of the digital gaming wallet on harm minimisation***

- While most stakeholders agreed that the harm minimisation tools included in the technology are an improvement on current strategies, most maintain that use will be low under a voluntary model, and consequently their potential to impact harm minimisation will be limited.
- In terms of the intersection of the technology’s harm minimisation tools with **current harm minimisation practices**, venues differed in the level of sophistication of their current methods to identify and respond to gambling-related harm. According to staff, some venues were equipped with digital systems to monitor players, while others relied solely on staff observations. Most industry personnel felt that personal interventions, by staff, are the most effective ways to respond to gambling harm.
- Staff noted that a decrease in use of ATMs (due to the link between the digital wallet and bank account) would remove a key, visible indicator of gambling harm and would reduce opportunities for staff intervention. Overall, they felt that the technology is likely to reduce staff and patron engagement.

- While venue staff believed that they could bridge this gap with additional welfare checks from Responsible Gambling Officers, patrons and gambling support advisors felt **that current practices around staff intervention are infrequent and ineffective**. In their view, **technology-driven tools could be more effective in identifying risky gambling behaviours**.
- Industry personnel and patrons felt that limits would have a negative impact on the experience of people who gamble recreationally and without harm.
- Some felt that the technology and inclusion of limits would work better as a **'preventative' measure for gamblers to avoid harm**, rather than as a way for people who gamble harmfully to change their behaviour.
- Gambling support advisors felt that the technology (and its limit setting tools) will send a message that gaming machines are potentially harmful products and require protections to be put in place. They hoped that, over time, this would **change normative approaches to gaming machines** with future users being more primed to consider their budget before they gamble.

### ***People who gamble harmfully***

- Industry personnel and patrons felt that **limits may not effectively address issues** experienced by people who gamble harmfully.
- People who gamble harmfully were thought to be the group **least likely to adopt the technology under a voluntary model**; patrons, staff and gambling support advisors were of the opinion that a mandatory model, with pre-determined limits, would be the only way to meaningfully influence the behaviour of those already experience gambling harm. However, loopholes are expected to be exploited by high-risk gamblers, such as using others' accounts and setting the maximum limit amount.
- **Those with lived experience of gambling harm** consulted in this research were **in favour of strict limits and mandatory account-based gambling**, i.e. putting as many 'friction points' and caps in place as possible to prevent and reduce harm.



## 4.2 Perceptions of how digital gaming wallets may affect harm minimisation

All research respondents were asked about the potential impact of the digital gaming wallet on harmful gambling and then specifically about the harm minimisation features built into the technology.

Venue staff and industry experts tended to express the view that the technology would have minimal impact on gambling harm in NSW; although it was considered a 'step in the right direction'. Uptake of any harm minimisation features was generally expected to be very low. Gambling support experts supported the introduction of these harm minimisation tools but felt that the technology and tools would need to be mandatory for everyone in order to effectively minimise gambling-related harm. This is expanded upon in section 4.5.

As outlined in chapter 3, a number of non-user patrons assumed that the main purpose of digital gaming wallet technology was harm minimisation or the introduction of more controls over gambling spend (controls exercised by individuals and the government) with the purpose of reducing use of gaming machines in NSW.

The majority of patrons believed that the technology was designed for those who had problems with their gambling and was not relevant to those who remained 'in control' of their gambling.



*"Like most gamblers, I feel I'm in control of what I do. I don't need a gambling card because I can control what I spend... there's been stages in my life when I couldn't control my spend, and the card would have been useful then." [Non-user 013, Male, 55-59 years, Infrequent Gambler]*

Meanwhile, non-user patrons believed that the introduction of a digital payment system for gaming machines would be more likely to lead to more harmful gambling rather than prevent it. This was due to a perception that digital payments would make it easier to gamble, increase the speed of deposit and therefore play, and remove breaks in play or visible cues that might be 'protective'. These points are expanded on below.

### 4.2.1 Digital payments may be 'dangerously convenient' and increase speed of play

Many non-user patrons felt that introducing digital payments would be like *"putting your debit card into a [gaming] machine"* and would facilitate both over-spending and faster gambling.



*"The mobile phone app... You have got to be kidding me. There's a lot of problem gambling in society and when you have it on your phone, and you have access to all your bank apps on your phone, people are going to go broke very quick. That's really dangerous... having unlimited access to their funds creates a really big problem." [Non-user 003, Female, 50-54 years, Frequent Gambler]*

However, most non-users framed this as a concern for other gamblers, not themselves. Just two non-users thought they may be in danger of overspending if using digital payment systems, although both were unfamiliar with the process of depositing funds into the gaming wallet.



*"Playing pokies on a card, I could spend all my money in 15 minutes and I wouldn't notice, you just top it up and don't notice you're spend cause you keep topping up, whereas with cash you look at your wallet and go 'oh that's empty.'" [Non-user 003, Female, 50-54 years, Frequent Gambler]*

Some venue staff similarly felt that digital gaming wallet may increase the convenience of playing gaming machines in such a way that people may spend more money.



*"Makes it easier to spend money, even with the [deposit] break - people will spend more money on gambling if they're using the technology in the current form." [Venue staff 003, Gaming manager/supervisor, 16 -20 years' experience]*

*"Sitting at a machine, seeing it digitally, they might look at it different as well, 'cause it's not physical cash that they're holding in their hand. I find it easier to spend." [Venue staff 037, 038, Gaming floor staff & manager]*

One staff member highlighted a risk based on a patron who was using digital wallet technology (app or card not specified) alongside the legacy system. The patron was able to reload cash without any breaks and apparently without much consideration. The patron was surprised by how much they had spent (though they did not hit their upper spend limit).



*"[Did not expect] how quickly someone can spend money if they're not paying attention? Obviously there's limits set. So that sort of alleviates that a bit. But the patron I talked to spent about 15 minutes on the machine and didn't even realise they'd gone through about 400 bucks once they reloaded a couple of times. So that was a very quick like, oh, wait a sec. Like, you know, I didn't hit my limit, but I went through that very quickly." [Venue staff 022, Gaming floor manager/supervisor, 11-15 years' experience]*

Overall, however, most venue staff and industry experts did not believe that more convenient digital payments would lead to increased gambling spend, due to built-in 'friction points' in the digital technology. This view was shared by a couple of patrons who had used the technology or were more open to its potential adoption; in other words, those who did not have strong aversions towards the technology because of going 'cashless' or being tracked. They tended to assume that using a digital gaming wallet would slightly slow down gambling.



*"The devil's in the detail. Because if you just link your bank account, then you could just be transferring even it's actually easier to spend money. So we need to be sort of mindful of the friction and things that's built into the system." [Expert advisor 004, Gambling support advisor]*

#### 4.2.1.1 Other types of roadblocks to spending

A handful of respondents pointed out that other, external limits may impact use of the digital gaming wallet, such as bank account withdrawal daily limits. A couple of non-user patrons mentioned they had a bank withdrawal limit in place and considered this a protective mechanism: one to protect funds in the event that the account or card be 'hacked', and the other to limit how much access they had to money if he goes out gambling and/or drinking and gets 'carried away'.

While bank withdrawal limits have the same impact on cash withdrawals at the venue, this attitude demonstrates the perception of the gaming wallet as a conduit between bank and gaming machine; rather than a standalone tool where the gambler can deposit and withdraw money at any time (not just in venue).

While bank account daily limits were seen as useful to non-users, gambling support advisors were of the view that they cannot be relied on to help control gambling in venues; because the limits are high, and they ‘renew’ daily.



*"In a 24 hour period... that's what happens with people [who have] withdrawal limits on their bank – it tips over midnight and then it's the new day and they can withdraw another 2 grand... so limits would need to be longer than that [24 hours]... money is probably the most essential limit to have on there."*  
[Expert advisor 006, Gambling support advisor]

*"[The limit wait period] needs to be a hard 24 hours from the moment the loss is made. A lot of banks are reset at midnight, and I used to use that. Because I knew that at midnight, I could go and get another 1000 bucks out."* [Expert advisor 007, Lived experience advisor]

## 4.2.2 Keeping breaks in play and visible cues

Some non-users and venue staff shared concerns that the digital gaming wallet may enable a greater speed of play by removing ‘natural’ breaks in play like leaving the gaming floor to withdraw more money.



*"Look back, to where they put [ATMs] out of the poker machine areas, to make people put in effort to [withdraw money], if you make it too easy... but I suppose, at the end of the day, you're not going to be able to help the hardcore gamblers until they hit rock bottom."* [Non-user 004, Female, 70+ years, Infrequent Gambler]



*"[Technology] could have a negative effect because people usually have to step away from the machine, whereas in this case they don't have to step away from the machine... If they're just sat there on a phone, they don't have to leave at all. So it actually could have the opposite effect [of harm minimisation], potentially."* [Venue staff 014, Gaming floor manager/supervisor, Under 5 years' experience]

*"Might be easier for them to access their money if they're just sitting there and transferring, like they're not having that break away from the machine, whereas they need to walk down to the ATM. They might have a conversation with someone or walk out the door. Now they're kind of just at that machine and once they're out of money, they can just keep transferring the money across."* [Venue staff 037, 038, Gaming floor staff & manager]

This resulted in concerns that switching to a more private method of depositing and withdrawing money might remove friction points and visible cues that may help patrons to control their gambling. For instance, some respondents pointed out that the requirement to withdraw cash from the ATM (under the legacy system) might deter further gambling, because it introduces a necessary break, and potentially subjects patrons to the scrutiny of venue staff and other patrons. Moreover, making multiple trips to the ATM is a sign of potentially harmful gambling for staff and an opportunity for them to intervene. The potential social pressure to limit ATM withdrawals, to avoid drawing attention to themselves may act as a protective factor against overspending, which is removed by the digital wallet.



*"When people go to an ATM at a club, they're likely to go only once or twice, because if they're seen going multiple times, it's like 'what's your problem'... being visible means there's more accountability [for gambling]."* [Non-user 003, Female, 50-54 years, Frequent Gambler]



*"You can kind of hide in a way as well, because who wants to be seen going to the ATM five times? I think people with gambling addiction will probably hit them a little bit more because you can kind of hideaway. You don't have to get up off your chair. You can sit on that one machine and just keep transferring money into your digital wallet."* [Venue staff 018, Gaming floor staff, Under 5 years' experience]

Staff reported that the loss of visibility of patrons using ATMs could increase the risk of gambling harm, as it removes a key observable indicator of problematic behaviour, and further limits their opportunities to intervene, as expanded further in section **Error! Reference source not found..**

However, some factors built in to the technology may serve to mitigate the risk of reducing breaks in play. The trial digital wallet technology incorporates 'friction points' or 'breaks in play'. For one provider, this meant that deposited funds are 'quarantined' for approximately three minutes before they can be used to gamble. This feature is designed to mirror the delay a patron might have in leaving the gaming floor to go to the ATM. Another provider required players to leave the gaming area (i.e. out of Bluetooth range) in order to deposit funds.



*"I think there should be a delay on any deposits, any of the second deposit. So first deposit should be immediate, but any subsequent deposit within the same day should have a delay. Now I understand the delay currently is something like three or five minute break in play... I would prefer it be 10 or 15 [minutes]... it's supposed to simulate the break you would have to go to an ATM... But I mean, obviously the longer the better."* [Expert advisor 004, Gambling support advisor]

Research respondents were informed of this functionality to gauge their reaction to a 'three or five-minute upload break'.

Almost all venue staff and non-users felt that this was too short to be useful and would not encourage players to reflect on their gambling. They also felt it would not prevent harmful behaviour like chasing losses. While some patrons suggested this time may be used for a bathroom break or to get a drink, they felt that it would be unlikely to slow down gamblers; with some players not likely to leave the gaming floor at all.



*"I don't think the cooling off period is going to work on anyone. If you're chasing that jackpot, you'll keep doing it. If you have a gambling problem, I don't think the digital wallet is going to do much."* [Non-user 008, Male, 70+ years, Infrequent Gambler]

*"You could sit in front of the machine and transfer money on your smartphone. You don't have to get up at all! And a hardcore gambler will do it."* [Non-user 005, Male, 60-64 years, Infrequent Gambler]



*"Don't think 3-minute wait will prevent gambling harms. It's not long enough."* [Venue staff 018, Gaming floor staff, Under 5 years' experience]

For some patrons, the perceived inadequacy of the time delay further undermined their trust in the purpose of the technology and harm minimisation features.



*"[3-minute upload break] laughable. It's got to be a day. It's a token gesture, they don't actually want [patrons] to stop playing."* [Non-user 005, Male, 60-64 years, Infrequent Gambler]

Venue staff understood the parallel between this time delay and a walk to visit the ATM to withdraw cash. In nearly all venues, this requires patrons to walk away from the gaming area for an equivalent time or longer (5-10 minutes). During this time, staff believe there may be more opportunities for patrons to interact with staff and

take longer breaks. However, it was expected that patrons would spend a three-minute pause at the gaming machine, and thus not have the benefit of stepping away from machines or engaging in a 'meaningful change' like going outside.



*"3-minute wait time is the same as walking to the ATM to withdraw cash." [Venue staff 024, Gaming floor staff, Under 5 years' experience]*



*"Walking to ATMs right now is a 5-10min break for patrons. So that's going to give them quite a significant break in play. They're going to be walking past people, staff members, reception, potentially, going to a food outlet. So it could give them more of an opportunity to go and have a larger break or leave the venue completely rather than sitting on a machine just waiting for 3-minutes up and then loading more funds." [Venue staff 003, Gaming manager/supervisor, 16 -20 years' experience]*

*"3-minute break - it's a lot easier than walking to the ATM. It's a \$1 transaction fee, it's a lot cheaper than the ATM fee. And it does give you a chance to stop and think... but having access right there at the machine, I don't know if customers would think that's an easier way to access money. The ATMs are downstairs, and maybe on the way to the ATM you keep walking to the car. But you've got the digital wallet while you're still at the machine." [Venue staff 034, 035, 036, Gaming floor staff & manager]*

One non-user patron shared her budgeting habit of keeping extra money in her car and only carrying in the cash she intended to spend gambling. She indicated that, if she spent her budgeted money faster than anticipated and wanted to continue play, she was forced to go to her car. This would result in a decision point that often resulted in her deciding not to continue gambling. As she noted: *"once I go out to get more money, I usually think 'nah, I don't want to do this... and stop."* [Non-user 012, Female, 70+ years, Frequent Gambler]. She anticipated that using a digital payment system would preclude the need to take that walk, and therefore reduce her opportunity for self-reflection.

Staff from one venue shared the reaction of one of their technology users to the transfer delay saying that he found it frustrating in that it takes longer than the equivalent walk to an ATM in that particular venue. His response arguably demonstrated the value of having these 'friction points' in place to encourage self-control and planning in using gaming machines to reduce the potential for reactive or impulsive behaviour. Moreover, the ability to set limits whilst away from the machine (and the venue itself) is likely to result in more considered and careful limit setting.



*"The one player has said that's far too long, but he's not thinking you can do that from home on your way here, and then by the time you've made that drive, you have those funds sitting in your account. I think he's just thinking of it straight from the perspective of I've run out of money on my current session, I'll go to the ATM, I'll get some more like in our club that would take less than 90 seconds to walk to the ATM, maybe 2 minutes if there's a customer ahead of you. So that 5 minutes time is probably too long." [Venue staff 025, 026, 027, Gaming floor staff & manager]*

### 4.2.3 Losing the tangibility of cash and use of cash in budgeting

Some non-users are wary, or outright against, the perceived abolition of cash (see section 3.2.1) and felt this would have an impact on spending and budgeting for gaming machine play.

First, some non-user patrons felt that people who gamble are more likely to moderate their gambling when using cash, and that using digital methods changes the ‘feel’ of spending money which could be particularly dangerous in a gambling context.



*"Cashless - it's too easy to blow your money. It's just numbers, you're not handling cash... People don't regard it as money, it's just 'extra turns'. It will be much more dangerous for people to not physically handle cash. It's almost like credit betting, even though it's not that." [Non-user 005, Male, 60-64 years, Infrequent Gambler]*

*"With cash, you can see what you're losing. On a card, it becomes funny money, you can become more reckless." [Non-user 011, Male, 40-44 years, Frequent Gambler]*

*"...would make gambling easier and quicker. It doesn't feel like you're spending cash. Seeing cash go hurts." [Non-user 007, Male, 60-64 years, Frequent Gambler]*

Currently, some patrons budget their expenditure on gaming machines using cash. Three non-users said they keep a section of their physical wallet or purse specifically for gambling money and seeing that side empty was a cue for them to stop playing. Similarly, they put winnings back into the ‘gaming-side’ of the wallet for future use in-venue. This method is a ‘concrete’ version of the digital gaming wallet, but they believed that physically handling cash was more effective for them.

One staff member pointed out that some patrons may take other steps to limit their access to money before going to a venue, such as leaving their debit card at home. However, the convenience of an app on a patron's phone means always having a way to play gaming machines, therefore a counterbalance of limits may need to be put in place to stop this kind of individual from unrestricted gambling.



*"I think it would be smart for them to set a limit because you can just transfer straight from your account into this digital wallet... I think that could be dangerous for some. So if you're going out on a night out, you leave your card at home so you don't spend too much money or you don't put it all through the pokies. I think you need to set that limit so you don't fall down the rabbit hole." [Venue staff 018, Gaming floor staff, Under 5 years' experience]*

Expert advisors also referred to research or professional experience of patrons using physical cash to budget effectively but noted that this issue was probably less relevant to people who are gambling at harmful levels because their gambling is likely to be driven by factors others than how cash is used.



*"People make a big molehill out of the sensory perception of cash, that you have this stack of cash and you visually see it and you feed it through and there's more processing that happens. But I suppose we see here people who have already moved past that, they're not thinking that way...for the most part, I don't think it makes a difference." [Expert advisor 006, Gambling support advisor]*

## 4.3 Perception and use of limit setting features

As previously outlined, many non-users felt that the technology's main purpose is to control gambling and they had a strong initial reaction to the idea of being limited in how much they could spend on gaming machines. Many assumed limits would be mandatory or pre-set.

**“** *"I have been asked why if it's a gambling app as such, why you don't have to set limits in there. That's a very interesting question because they get in there and they go, well, it says 'optional', [but] aren't I supposed to be getting a limit [set]? But then I was told that it was only optional for the trial, maybe they didn't know whether that's going to stay in there or not if it was to go ahead."* [Venue staff 013, Gaming floor manager/supervisor, 11 - 15 years' experience]

**“** *"I would imagine it comes with, like, you can preset your own limit and so it bans you from playing or if you lose X amount, they're going to lock you out."* [Non-user 007, Male, 60-64 years, Frequent Gambler]

Most non-user patrons strongly believed that setting limits should be voluntary. Even if they could choose their own amount, many still felt that making it mandatory to set limits took away their autonomy and their right to decide how to spend their money.

**“** *"I think people's decisions on how much or how little to invest in gambling is a personal choice, and it shouldn't be legislated by some outside agency that has an academic view of what people can and cannot handle. You can't legislate for idiots. Because you suspect that some people can't control themselves, doesn't mean the rest of the world has to have limitations imposed on them, because personal responsibility is being voided."* [Non-user 006, Male, 70+ years, Infrequent Gambler]

*"I don't want it to restrict people from being able to make their own choices about what they do with their money. Their money, let them do what they want to do with it... I wouldn't like [forced limits]. You need to be able to make your own decisions."* [Non-user 002, Female, 60-64 years, Infrequent Gambler]

This was supported by venue staff and gaming industry experts.

**“** *"Customers just won't sign up if they're forced to set limits - even if they get to choose the limits, the act of forced setting is triggering enough for customers to reject the technology."* [Venue staff 033, Gaming manager / supervisor, Over 20 years' experience]

*"I think we would have a massive majority people setting their max limit basically ... would be the way around it."* [Venue staff 011, 012, Gaming floor staff]

**“** *"I completely support voluntary. I think people should be able to set their own limits. It's not for me to judge how much someone can afford to bet or to lose. Everyone's personal situation is different. But I certainly support the idea of people having the opportunity to set their own limit... But if people didn't want to set their own limit, that equally would be fine as well. It'll be up to the individual."* [Expert advisor 001, Gaming industry]

*"People would just consider it a pain that would likely set limits that are completely unrealistic anyway and therefore not have any value. Sometimes prescribing can go against what you're trying to achieve with it."* [Expert advisor 003, Gaming industry]



*"I think giving people options is one of the benefits, leaving it up to the guest's personal journey and give them the tools to assist. But ultimately the tech needs to be customer centric." [Expert advisor 008, Gaming industry]*

However, a number of patrons and venue staff who understood the purpose of the technology to be harm minimisation, indicated that voluntary limits would not be effective. This created a cognitive dissonance between the existence of voluntary limits and the perceived goal of reducing gambling, and thus undermined – in their minds – the harm minimisation features. This is expanded on in section 4.5.



*"If cashless gaming is rolled out permanently [it's impact on harmful gambling] will depend if people actually set limits." [Venue staff 023, Gaming floor manager/supervisor, Over 20 years' experience]*

*"I think the fact of it being optional is a bit more encouraging. But in saying that, you may miss a few people that would definitely benefit from having the limit set" [Venue staff 011, 012, Gaming floor staff]*

Patrons who were the strongest critics argued that mandatory limits would unfairly restrict them in order to accommodate a small group of people harmed by gambling. Some of these patrons felt the government had no duty of care toward 'problem gamblers' and valued their personal autonomy over the potential benefits of mandatory restrictions for those affected by harmful gambling.



*"People are trying to legislate against idiots. People that discipline themselves don't need 'safe limits' because they've set them themselves. Maybe it might help people who don't have self-discipline... but to me, it doesn't make difference one way or another. I'll keep playing with my own disciplinary rules." [Non-user 006, Male, 70+ years, Infrequent Gambler]*

However, under a purely voluntary system, having limit setting features was seen to be a good thing. So long as they were not forced to use them, patrons felt it was better to have the features available than not.



*"I might not use [limit setting], but I like that it's there. Maybe one day I will use it. Because it's my option, I'm not forced to do it - if people are forced, there are some people who will deliberately not do it. Happy to do it if I can decide on it, not if I'm forced." [Non-user 015, Female, 65-69 years, Frequent Gambler]*

Most patrons felt they wouldn't set limits for themselves, and some assumed that other patrons – including high-risk gamblers – probably wouldn't set limits either. Future intentions are expanded on in section 4.3.4.



*"Once you go digital, the controls are there [for high-risk gamblers]. But this is only ever gonna work if you make [limits] mandatory." [Non-user 008, Male, 70+ years, Infrequent Gambler]*

The reason most patrons gave for rejecting in-app limit setting for themselves was a feeling of resentment or rebellion against the idea of being told what to do, particularly when most patrons felt they were in control of their own gambling and did not require any help.



*"I wouldn't like it. You need to be able to make your own decisions, not be told what you can and can't spend." [Non-user 002, Female, 60-64 years, Infrequent Gambler]*

*"I can self-regulate. Maybe ok for other people... I don't have a gambling problem. I don't think ... limits and everything, I don't want them. I don't need them." [Non-user 006, Female, 50-54 years, Frequent Gambler]*



However, there was also evidence of a stigma attached to setting limits, evident in all respondent groups. Some non-user patrons appeared to feel that by using limit-setting features, they were admitting to not being able to control themselves. Even though this form of limit setting is private, and some of the non-user patrons already had their own form of budgeting or practical limits they used when playing gaming machines, formal 'limits' suggested the player was *"undisciplined"* or only designed for people who were *"not in control"*. Staff also observed the stigma around limit setting being associated with gambling problems, and some industry respondents reflected a similar view of the limit-setting features being designed to control 'problem gamblers' rather than being convenient tools for all gamblers.



*"I'm in control of my life to know what I'm doing and what I can afford." [Non-user 015, Female, 65-69 years, Frequent Gambler]*



*"I think [limit setting] being an optional thing, it's a catch 22 really, because you don't want it to be a mandated thing in the sense that it's accusing absolutely everyone of having an issue when they don't. I think the fact that its optional is a bit more encouraging. But in saying that, you may miss a few people that would definitely benefit from having the limit set." [Venue staff 011, 012, Gaming floor staff]*

*"There's also like, regarding limits, another stigma that a lot of customers have where they think, or if you set a limit on yourself, it must mean you think you have a gambling problem." [Venue staff 002, Gaming floor staff, Under 5 years' experience]*

*Not everybody who gambles has a problem. It's such a small percentage of players who have problems and they should not stuff it up for patrons who do not." [Staff survey, Gaming floor staff, 5+ years' experience]*



*"Not everyone needs to do [set limits], not everyone wants to do that, but the ability is there... if I'm a responsible adult and can control my gambling, I don't have to do that." [Expert advisor 001, Gaming industry]*

### 4.3.1 Mixed sentiment towards cutting off play when limits are reached

Patrons had differing opinions on whether or not the technology should stop people from gambling once a limit had been reached. Some saw hard limits as an essential protective mechanism, without which many gamblers would over-ride limits and continue playing and thereby making limit setting pointless. However, for other patrons, being 'cut-off' was the main reason they rejected limits, as they felt that this took away their right to continue to gamble if they felt like it (even if they set the limit amount themselves).

One club staff member shared their experience of a technology user who set a time limit and then unexpectedly hit the limit. This caused confusion and frustration and, while staff assisted him in changing his limit, this new limit could not take effect for 24 hours. While this was not the sole reason, this user went on to withdraw from the trial because he was unhappy with its functionality.



*"The very first member who cancelled his cashless trial, he put his daily play limit for four hours without knowing it and then he was playing and then once his four hours done, he could not use his card and*

*app. So we did change his as he wished to, which take 24 hours to reset the limit.” [Venue staff 007, Gaming floor manager/supervisor, 16 - 20 years’ experience]*

One non-user patron, who preferred voluntary limits and “*doesn’t like being told what to do*” shared her experience of setting limits on her lottery app. Despite this non-user being open to the idea of voluntary limits in the digital gaming wallet so that she might budget her spend and setting limits on her bank account to protect herself from fraud, she reported being “*extremely annoyed*” at being ‘cut off’ by the limit she set for herself. She said waiting 24 hours was frustrating and resulted in her increasing her limit the next day. This has shaped her view of setting gambling limits, where the feeling of being forced to stop, even if it is a self-imposed limit, was unacceptable.

Similarly, one technology user was mostly accepting of limits and had previously used them with an online wagering app but ended up taking the limit off when he got annoyed at being cut off. However he did find it overall interesting and somewhat beneficial to explore limits. See Appendix 9.3 for case studies.

“*I did a few years ago on an [online wagering app], set a limit for \$40 a day. And I ended up taking it off it because it was a bit limiting... I found it a bit limiting on [the app], but then I also had [other apps], which didn’t have the deposit limit to take advantage of different promotions, so jump across... But it did sort of work for a while. And it did raise my own awareness of what I was spending. You know that money can disappear very quickly or it can be topped up and then you play on that for a while... I do sort of [set a budget for playing pokies], but whether I follow [it] or not... it’s never to really to the point of overspending.” [User 001]*

These cases highlight how enforced limits is a significant ‘pain point’ for patrons, and may lead to resistance, such as removing or increasing optional limits. This push back could potentially create unintended consequences if rolled out widely.

Venue staff felt that if patrons were to breach limits unexpectedly, and get cut off as a result, they would probably stop using the technology, assuming that other forms of gambling remained an option. But they also felt that, for the technology to have an impact on gambling harm in NSW, then forceful limiting of spend or play needed to be enforced. It may also have implications for the choices of limits made available such that people may prefer longer-term limits (e.g., monthly) that provide protective budgeting without interfering with short-term gambling experiences.

“*But with cash also being an option, if someone really wants to gamble and has set monetary or time limits it’s very easy for them to walk down to the ATM and just use cash to continue gambling.” [Venue staff 016, Gaming floor staff, Under 5 years’ experience]*

*“Customers just won’t sign if forced to set limits - even if they get to choose the limits, the act of forced setting is triggering enough for customers to reject the technology.” [Venue staff 033, Gaming manager / supervisor, Over 20 years’ experience]*

*“The limits could stop some people over-gambling, but if they find another way to gamble, the technology won’t change behaviour.” [Venue staff 024, Gaming floor staff, Under 5 years’ experience]*

“*If you can’t get around [limits on time] it, then yeah, it is beneficial.” [Non-user 011, Male, 40-44 years, Frequent Gambler]*



*"This machine that I've never ever seen anywhere else...I thought, this will be fun...but I gave up after I realised I'd probably spent 600 over the course of three weeks on it, probably longer than three weeks. So, it was actually good."* [User 001]

Experts acknowledged that the way account-based gaming enforces these limits will have a major impact on the extent to which patrons accept them and their potential to minimise harm. To optimise limit enforcement and ensure that appropriate protections are in place for players and staff, more research is required, expanded on in section 6.2.3.



*"There does need to be research on how to [enforce limits] appropriately because obviously the reason the limits work is because you can't stop yourself. But it does mean that when you hit a limit, there's going to be that friction and you want to go past it. So there needs to be care in how you have the limit [enforced], in a way that's respectful for people, doesn't frustrate them more. Maybe they kind of can say, oh, I want to keep going, but I understand. Or, you know, and maybe the limit's just a 5 minute 'go get a coffee' or something like that. There does have to be research on what's the best way to impose limits such that it doesn't just make people frustrated or make them blow past them."* [Expert advisor 004, Gambling support advisor]

Some respondents also noted that player limits could vary due to factors like monthly budget, seasonality, or special occasions. Although apps allow users to change their limits, a few thought it would be burdensome to adjust and remember to increase the limit, even before learning about the 24-hour wait period for raising limits.



*"If you've got self-discipline, whether you're using cash, credit card, the cashless thing or whatever, you've got to set your own personal and work with it accordingly. I mean, now and then, for a special anniversary or a birthday or something like that, you say, oh, I normally flog \$20.00 at a time, but I'm gonna treat myself today. I'm gonna do 100 and the card says you're only set for 50. So how do you rearrange that?"* [Non-user 006, Male, 70+ years, Infrequent Gambler]



*"Everyone's situation is different and everyone's propensity to spend is different. It will differ at a point in a week or a fortnight or a month or in fact a calendar year due to what's on offer and seasonal factors. And discretionary spend that's available and personal preferences. As it should be."* [Expert advisor 002, Gaming industry]

There were a few patrons who felt very strongly that limit setting was needed and would be a positive, harm reduction tool. These suggestions are expanded on in chapter 6.

### 4.3.2 Usefulness and acceptance of different types of limits

According to most stakeholders, money limits, rather than time limits, were seen as the most useful mechanism to control gambling. Most patrons felt that a time limit would be irrelevant to them as they *"stay as long as the money lasts"*. Older non-user patrons, 70+ years, tended to be the only group that felt time limits may be useful.



*"I often play longer than planned."* [Non-user 014, Female, 70+ years, Frequent Gambler].

*"The time limit, I don't know. I just think it's all getting like a nanny state with this sort of thing, it should be your choice. I don't want to be governed by someone saying your time's up, get out, go home."* [Non-user 010, Female, 70+ years, Frequent Gambler]

*"If I was limited to an hour, two hours and I was winning and then I got cut off, I would be peeved. So I probably wouldn't use that feature either... [when a club shuts] sometimes I don't want to finish. So I will go to [another club] until I'm ready to finish. So time limit on me is no use." [Non-user 003, Female, 50-54 years, Infrequent Gambler]*

This was generally supported by venue staff and some industry experts.



*"I wouldn't imagine that a time limit would be a valuable thing to set. You could set an hour and lose thousands or \$10. I don't think time would help people who have any type of gambling problems."*

*[Expert advisor 003, Gaming industry]*

*"I think a mandatory money limit is the most useful thing. The time's a bit of a funny one, I think. Because I would wonder if people aren't just going to end up setting what the maximum is, just in case they're feel like they're about to win right at the end of that limit and then the card cuts out. You can spend all that money in a very short amount of time and not win anything." [Expert advisor 006, Gambling support advisor]*

One gambling support advisor suggested that time limits may be most useful for wealthy gamblers since, for these individuals, potential gambling-related harm might be more a result of the amount of time they spend on gambling (rather than other commitments), as opposed to the money they spend.



*"Money limits are a game changer, [but] time limits are a game changer for a certain demographic, for whom the real [issue] is the destruction of all their relationships due to the time they're not engaging with the people they love... For someone who's very, very wealthy, money might not be a big thing, but the time could be the thing that's destroying their life." [Expert advisor 012, Gambling support advisor]*



*"With the cashless system, I would envision seeing patrons maybe staying for longer periods of time, especially ones where they just have disposable income. They're not too worried about spending."*

*[Venue staff 039, Gaming floor staff, Under 5 years' experience]*

However, most respondents assumed that time limits would be set daily, and therefore be highly disruptive but not helpful if they only spend a few hours gambling at a time. Only one patron, a current user, questioned the period a time limit should cover: while he agreed that a daily limit would not be useful to him, he felt a weekly limit may be useful, or at least interesting (See Appendix 9.3 for case studies).



*"[Time limit] not really [useful]. I don't spend hours in there. But I might go in five or six times... It'd be interesting if it accumulated because, you might go in for little bits at a time, but you're still maybe sometimes doing as much spending as you would if you were staying there for [hours at a time]... a weekly [limit] perhaps." [User 001]*

Venue staff were asked, in the survey, how effective they thought a maximum daily transfer limit would be in helping users to gamble safely and within their limits: 30% said extremely or very effective, 34% said moderately effective and 23% said not very or not at all effective (14% said don't know). This reflected staff's view that the technology, and any limits it may contain, will not have much impact on people who gamble at harmful levels, expanded on in section 4.5. Detailed results of this staff survey question are in Appendix 0.

Although money limits were seen as more useful for gamblers, and more likely to be able to minimise harm, all stakeholders viewed them as more complicated due to the varying financial situations of players. This raised

concerns amongst some groups when discussing mandatory limits, in that they believed no single limit would be effective for all types of gamblers.

“*[Reaction to a prescribed limit] it's far worse because regardless of what number you come up with, it is arbitrary and it's going to be far too high to help some people who need help at a lower level and far too low for people who don't have an issue and can afford to gamble.*” [Expert advisor 003, Gaming industry]

With non-user patrons, excluding the few who believed in minimising gambling in order to minimise harm, limit setting features got the most traction when viewed as a budgeting aid. These non-users did not connect with limits as a ‘self-control’ tool or want hard limits to ‘cut them off’. However, some felt that using limits to track their spend and to alert them if they approached their intended spend would feel more acceptable than limit setting features that would cut them off from play. Non-users on a fixed pension tended to warm to this approach.

“*I don't think there's any harm in having it there as an option, you know? So, OK, I've only got \$20 today. I need to make myself stop. I can't keep going. Yeah, that would be good for that.*” [Non-user 002, Female, 60-64 years, Infrequent Gambler]

*“I think my normal limit when I go out, I'll probably play about 40 to \$50. I have a limit around that... I try and promise myself if possible, but it is a bit tricky because I'm a pensioner and I didn't get much money, but whatever if leftover, I go out for the night... I mean like I went out for my birthday in April from and I spent probably like over \$80 in one night on a pokie and blackjack I almost lost \$200.00 in one night... If I've spent over \$90.00, I'll have nothing left for tomorrow or the day after, right.”* [Non-user 001, Male, 25-29 years, Frequent Gambler]

*“[Time limit is useful] because I'm the time can certainly get away from people and then they're late for things.”* [Non-user 004, Female, 70+ years, Infrequent Gambler]

“*I'd say very likely [to consider using limits] because [I gamble] at the tail end of the evening. So, I probably will, just because why not like limit to \$50 or something and then at least I'm not spending everything, accidentally spending \$150 or something. Which you may not really think about negatively until the next day when you realise...*” [User 001]

This was also reflected by some gambling support experts, who acknowledged the perceived stigma of limit setting may not encourage use, but positioning features as a budget tool or monitoring tool may reframe their use.

“*It's really awkward to admit that you have a problem... that shame is stopping a lot of help seeking So we imagine that someone is out at the club with their mates and someone says come, let's go and have a slap on the pokies and someone says no, look mate, I've set my limit to 0 because the wife's birthday is coming up and I'm just saving money. So much more socially acceptable than to say I've self-excluded.*” [Expert advisor 010, Gambling support advisor]

### 4.3.3 Actual use of limit setting features

Out of the 14 genuine and active users, 9 utilised at least one of the limit-setting features. As shown in Table 22, the majority of users who set limits preferred daily and monthly limits, though almost as many set time limits. Self-exclusion and break-in-play features were not used at all. Key findings include:

- The average number of limits set across all users was 2. Excluding people who didn't set a limit, the average number of limits used was 3.
- **No breaches:** None of the users exceeded their set limits, and limits were only adjusted by one user. For five users who set a limit, their total wallet value was less than their daily spend limit, suggesting that they set a limit much higher than they intended to gamble with the digital wallet.
- **Daily time limits:** Seven users opted to put in a daily time limit, ranging from one and a half hours to eight hours. The average time limit was set at approximately three and a half hours. Only one person modified their time limit (increased it).
- **Daily deposit limits:** Were set by seven users, ranging from \$100 to \$500. The average cap was \$330, though the most common daily limit set was \$500. No one altered their deposit limit after setting it.
- **Daily and monthly spend limits:** Six users set both daily and monthly spend limits. The average daily spend limit was \$316.67, and the most common daily limit was \$500, though limits ranged from \$100 to \$500. The average monthly spend limit was \$3,183.33 (limits ranged from \$100 to \$10,000), and the most common monthly limit was \$1,000. Once set, these limits were not increased.
- **Daily loss limits:** Two users set daily loss limits, with an average cap of \$102.00, making this the strictest financial limit set. One person modified their loss limit (increased their limit).

**Table 22. Overall use of limit setting features**

Limit setting feature	Total used feature	Average limit set	Mode (most common limit set)	Total modified limit	Total breached limit
Daily Time	7	209 minutes (3 and a half hours)	2 hours	1 (increase)	-
Daily Spend	6	\$316.67	\$500	-	-
Daily Deposit	7	\$330	\$500	-	-
Daily Loss	2	\$102.00	-	1 (increase)	-
Monthly Spend	6	\$3,183.33	\$1,000	-	-

It is likely that some users were experimenting with the limits, and that their use of limits may change in the future.

As seen Table 22, the sample size did not allow for any conclusions to be drawn between limit setting and spending behaviour. Users with a low total value loaded to the digital wallet (under \$100) were as likely to set spend and deposit limits as those with higher wallet values. The top five highest time and money spend users illustrate this:

- User H had the highest wallet value (\$7,751) and the most transactions (65 interactions with their digital wallet) and transfers to EGMs (326), as well as the longest play duration (42 hours). They had the longest daily time limit set (8 hours) but their average daily spend limit was no higher than others (\$500). Their monthly limit (\$5,000) was slightly higher than other users.
- User J had the second highest wallet value (\$1,065), though a low number of interactions with the wallet (6) and transfers to EGMs (13) and 6 hours of play duration. Despite having the second highest wallet

value, this user set some of the lowest limits of all users: a daily time limit of an hour and a half, a daily spend limit of \$100 and daily deposit limit of \$300, and a monthly limit of \$1,000.

- User I had the third highest wallet value (\$994), and the second-highest number of interactions with the wallet (20) and EGM transfers (38), albeit a low play duration (3 hours). They set only one limit: a \$210 daily deposit limit.
- User A had the fourth highest wallet value (\$440), 5 interactions with the wallet but 25 transfers to EGMs, with the second highest play duration (33 hours). They did not set any limits.
- User N had the fifth highest wallet value (\$302.10), with 4 wallet interactions and 3 transfers to EGMs and a very low play duration. This player set a 6 hour daily time limit which they later modified, and a \$200 daily loss limit, which they also modified.

Users who chose not to set a limit had a range of wallet values from \$7 to \$440, again demonstrating that there was no pattern between spending habits and limits set during the trial.

Both users surveyed indicated that setting limits was easy/very easy, and of those staff who were familiar with the process, most felt setting limits was easy (as per Table 23).

**Table 23. Staff - Ease of setting limits through digital gaming wallet**

	n=	% of total
Very easy	5	13%
Easy	12	30%
Neither easy nor difficult	21	53%
Difficult	2	5%
Very difficult	0	0%
<b>NET: Very easy/Easy</b>	<b>17</b>	<b>43%</b>
<b>NET: Very difficult/Difficult</b>	<b>2</b>	<b>5%</b>

*Q13. In your opinion, how easy or difficult is it to set limits through the cashless technology? (Single response) Base: All staff who were aware of limit setting features in the app (n=44)*

Gaming managers/supervisors were more likely than gaming floor staff to rate setting limits as easy/very easy. Four in five people who said they had used the digital gaming wallet themselves said that setting limits was easy/very easy, and managers/supervisors were more likely to have used the digital gaming wallet. This suggests that more exposure or hands-on experience with the technology, not only improves understanding, but also improves staff's perception of the tools it offers.

It is important to note, however, that the single 'difficult' rating appears to be based on perception, as this staff member indicated they had low familiarity with the features and had not assisted any patrons with the technology during the trial.



### 4.3.3.1 Precedence for setting limits, prior to trial

Some of the venues in the trial had optional carded play where limits could be set, prior to the trial. Their experience has been that, when limit-setting is optional, patrons do not use it.

**“***“Our system has always had that capacity to set limits on their cards. In the 10 or so years I've been here, we've had three people choose to take that up... a lot of them are mitigated anyway by us when we do wellness checks and things and they end up self-excluding.” [Venue staff 011, 012, Gaming floor staff]*

*“In all the time I've worked here, I've never in all my whole entire time here had anyone ask me how to set a limit even though it is available.” [Venue staff 013, Gaming floor manager/supervisor, 11 - 15 years' experience]*

Staff suggested that patron awareness of these features was low, and the need to ask staff about setting a limit may have been a barrier. They saw the technology offering limits during sign-up and making it easy to set or change limits as a positive step, but overall, they did not expect high adoption of voluntary limits.

**“***“I think it's a really good step to enable people to set limits and the like and put responsible gambling more in the forefront of things. I think it's a really good thing, that people should be thinking about what their limits are and using technology or facilitating ways that you can maintain those limits... We've always had the ability to set limits in our system, but players haven't really cared to do that. But if everybody was the same and... don't take away their choice, I think it won't be a problem.” [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]*

This was supported by industry experts.

**“***“The ability to offer a player activity statement within the mobile app. At the moment customers need to request this in venue and sometimes they might be a bit hesitant about requesting one of these statements.” [Expert advisor 008, Gaming industry]*

*“[In-app] they're encouraged to set a limit, that's made obvious... They're able to do that in their own time and manage that privately. I think is actually going to promote the use of it. If you have to go and speak to somebody or go somewhere visible to set your limits or modify them, may put a bit of a stigma around it. If you're just self-managing, this allows somebody to be in control of that.” [Expert advisor 009, Gaming industry]*

### 4.3.4 Intended use of limit setting features

The likelihood that non-user patrons would use limit setting feature was explored during the interviews, and posed to one user of the technology (who had not yet used limits). Out of 16 patrons interviewed:

- 5 were open to using the limit setting features (including one current technology user)
- 3 were unsure
- 8 said they would not use the limit setting features

Albeit based on small sample sizes, those that felt more positively about the technology were more likely to consider using the limit setting features. Older patrons (60+ years) and frequent gamblers were slightly less likely to intend to use the limit setting features (Table 24 and Table 26). Those who were at risk of gambling harm varied



in their intentions to set limits. Two non-users who were classified as ‘high-risk gamblers’ according to the PGSI reported being likely to trial the limits, whereas those of moderate to low risk were slightly more unlikely to. Among ‘minimal-risk gamblers’, three out of seven were unsure but would consider setting limits (Table 25). Note that this is a small sample and should not be considered generalisable to the population of people who gamble in NSW.



*“No, I wouldn’t [set up a time and money limit] it’s not relevant to me as it’s not something I sit for hours doing.” [Non-user 004, Female, 70+ years, Infrequent Gambler]*

**Table 24. Patron intention to use limit setting features by frequency of gambling**

	Frequent gambler	Infrequent gambler
Very to slightly likely to use limit setting features	3	2
Uncertain	1	2
Unlikely to use the limit setting features	6	2
<b>Total</b>	<b>10</b>	<b>6</b>

*\*Note: frequencies are based on a sample size of 16. This information should be considered indicative only.*

**Table 25. Patron intention to use limit setting features by gambling risk profile**

	Minimal-risk Gamblers	At-Risk Gamblers
Very to slightly likely to use limit setting features	1	4
Uncertain	2	1
Unlikely to use the limit setting features	4	4
<b>Total</b>	<b>7</b>	<b>9</b>

*\*Note: frequencies are based on a sample size of 16. This information should be considered indicative only.*

**Table 26. Patron intention to use limit setting features by age**

	Under 49 years	50 to 59 years	60 to 69 years	70+ years
Very to slightly likely to use limit setting features	3	1		2
Uncertain	1		1	1
Unlikely to use the limit setting features		1	3	4
<b>Total</b>	<b>3</b>	<b>2</b>	<b>4</b>	<b>7</b>

*\*Note: frequencies are based on a sample size of 16. This information should be considered indicative only.*

#### 4.3.4.1 Setting very high ‘maximums’ to avoid being restricted

Respondents shared their views of what limit setting might look like under a mandatory system, where all patrons would be required to set some sort of time and/or money limit. A number of non-user patrons indicated they would set a limit much higher than they intended to play so they would effectively be gambling without limits. This was expected by many venue staff and industry experts.

“The important thing is the ability of customers to set their own limits. If you compel customers to put in place particular measures... they'll set the maximum limit for example, rather than seriously considering a realistic limit.” [Expert advisor 002, Gaming industry]

“[In cases where forced to set a limit] People aren't taking it seriously, they put in pretty ridiculous numbers because they're not actually [taking it seriously]. You have to tell a staff member [which] is always awkward because you're forced to do it and it's not necessarily encouraging thought about that limit. It's just saying I've got to do something so you can put a ridiculous number in there.” [Expert advisor 009, Gaming industry]

“They may set a limit that is above what they're currently doing so it won't have an impact” [Venue staff 016, Gaming floor staff, Under 5 years' experience]

Another respondent, who had lived experience of gambling harm, confirmed that they would have put in ‘the highest amount possible’ as their limit during their worst times.

Respondents drew comparisons to mandated limit-setting at Crown Casino Melbourne, which introduced mandatory carded play and limit-setting on gaming machines at the end of 2023 (Crown Melbourne, 2023). One non-user patron who had recently visited Crown Melbourne said of the limits: “people will make it up, a pretend amount. I do it at Crown - I don't know, a \$1000. I'll never spend that.” [Non-user 005, Male, 60-64 years, Infrequent Gambler].

Another non-user shared his thought process when facing a requirement to set a time and money limits.

“My experience at Crown [setting limits], I just had to do it. I just got through as quickly as I could. I didn't pay any attention to it. They made me set a limit. I just said 12 hours, like I just gave him an answer, so I could tick the box and get on with my night... [in this technology] are they going to use an accurate number or are they just going to use like a holy \*\*\*\* number? I think you'd have more success when it's voluntary. Everyone else that's not interested in it, like myself, [the limit] would just say a number, let me get on with it. So yeah, it can be [useful] but it has to be taken seriously.” [Non-user 011, Male, 40-44 years, Frequent Gambler]

As mentioned earlier, not all patrons feel the same way. Some were open to the idea of setting limits for themselves, either because they were already used to budgeting for gambling or, in one case, because they have a problem and are trying to control their gambling

“I would set myself some decent limits as well, I'm a believer in that I have to restrict what I can do. If I'm allowed to do whatever I want, I can get into financial trouble. You have to be sensible.” [Non-user 013, Male, 55-59 years, Infrequent Gambler]

However, most felt that the group who would benefit most from mandatory limits – those who gamble in a harmful or uncontrolled way – would be the least likely to voluntarily set reasonable limits.

## 4.4 Perception and use of other harm minimisation features available through the technology

The gaming technology trialled was also equipped with Player Activity Statements, optional 'take a break' functionality, the ability to self-exclude from the venue, and support contact information.

While non-user patrons tend to feel that most harm minimisation features are irrelevant to them, most believe it is good to have them in place for others. In their view, it *"doesn't hurt to have them"* available.



*"Good to have there, whether [the features] would be useful or not... you might pick up a small percentage of people, but generally problem gamblers won't use that." [Non-user 013, Male, 55-59 years, Infrequent Gambler]*

*"Having the features doesn't hurt, could be useful." [Non-user 002, Female, 60-64 years, Infrequent Gambler]*

Reaction to each type of tool is detailed below.

### 4.4.1 Player Activity Statements

The inclusion of Player Activity Statements (PAS) received the strongest and most positive reaction from all respondents.

Some non-user patrons liked the idea of getting their PAS because it would give them more information to self-regulate, whilst maintaining their autonomy. They felt that reading the information in their PAS would influence their attitude towards gambling and reduce their gambling, in that they would need to confront their actual spend and losses.



*"I would find that quite interesting and that's something that might sway me, to be able to look at that... that's a good tool. It would make me gamble less." [Non-user 004, Female, 70+ years, Infrequent Gambler]*

*"That would be useful because you get an idea of what you're actually doing, find out how much you're losing as opposed to how much you're winning. Because let's be honest, it's always gonna be in the club's favour, right?... It would be useful... that statement would give a good indication also how many days I've been [at the club] and what my expenditure is. So I know where I can probably change my budget or change some of my habits. It will give me a good overview of my playing, how I play the machines... That would be a great idea. I'm very open to that. [Non-user 003, Female, 50-54 years, Frequent Gambler]*

Venue staff and experts support this view based on their interactions with patrons. In their experience, an objective account of transaction history can be very useful for patrons. Making patrons more informed about gambling and their own habits was seen as a key benefit of account-based gaming.



*"When you see your transaction history on your app being humans, you feel a little overwhelmed: 'Oh my God, I spent \$1000'. You can check this app and see everything on your phone. [It will lead to a]*

*significant decrease in how much people spend” [Venue staff 007, Gaming floor manager/supervisor, 16 - 20 years’ experience]*



*“People tend to like to access that information they see that is really relevant for them... people said that activity statement feedback [spend] to them which is really useful.” [Expert advisor 004, Gambling support advisor]*

*“Another tangible benefit for people is the information is in their hands. There's more information in the app than they would have [compared to] normally playing at the moment. That gives them a bit more information about what they're doing... [what matters most] is the ability to set limits, but also education. So having access to information and being able to see what you're doing and knowing what you're setting limits for, was the most important [for young adults].” [Expert advisor 003, Gaming industry]*

*“Information to the player. I think we go from being a casual player to actually have identified harm and then you'll set limits for yourself, exclude and there's like a big gap there. How do we close that gap? Maybe data's just more informative so people can then say ‘maybe I'm spending too much or spending too much time’. I think that's a gap that as an industry we need to try and close so that it's not this draconian type thing setting limits and self-excluding... but maybe they'll want tools to be able to just see... dashboards and things, to ‘see where I'm up to with my spend and my time’. I think there's a bit of work that the industry can do overall to be more informative to the player.” [Expert advisor 008, Gaming industry]*

Venue staff were asked, during the survey, how effective they thought a PAS would be in helping users to gamble safely and within their limits: 32% said extremely or very effective, 34% said moderately effective and 23% said not very or not at all effective (11% said don't know). Approximately half of gaming floor staff were unaware that the technology included the ability to review PAS. Gaming managers/supervisors were the most likely group to feel that PAS would have only a moderate to low effect on harm minimisation (two-thirds felt this way). Results of these staff survey questions are in Appendix 0.

Most non-user patrons felt they would be motivated to review the PAS out of curiosity, rather than viewing it as a ‘safer gambling tool’. The personalised nature of the statement makes it relevant to them in ways that limit setting and other tools are not.



*“I might check it out of curiosity... that's where it will be useful, people will check it out of curiosity. Then you can see [spend] and go ‘Oh!’.” [Non-user 005, Male, 60-64 years, Infrequent Gambler]*



*“The app sort of tracks and gives you the ability to give you your player history if you're using our membership card, and you get your player history, gives you a better understanding of how often and how much money you're spending on gambling so you can put it into perspective rather than it being sort of abstract.” [Venue staff 016, Gaming floor staff, Under 5 years’ experience]*



*“[Player Activity] Statements are of interest because it's personal, it's targeted, it's exactly the same as any marketing communication. If you want cut through, make it about me because I'm the most interesting subject in the world.” [Expert advisor 003, Gaming industry]*

*“I think people will check it, will check how much they've spent and how much they've lost... lots of people have banking apps and they check them... whether they do anything with this information is another thing, but just the act of looking at it and being informed is important” [Expert advisor 005, Gambling support advisor]*

While PAS have existed for some time, and pre-dated the trial, awareness among patrons tended to be low. Previously, patrons were required to request a PAS from staff at the venue. All respondent groups highlighted the benefits of being able to access this information privately, and that this is likely to result in patrons accessing this information more frequently.

**“** *“A lot of customers didn't even realise that you could get their [PAS] gaming statement at the cashier desk. We track how much they're playing, if they're a member but a lot of customers don't realise they agree to that when they play machines. I think [patrons] do have a right to know what they're doing. They can do it in private, at home.” [Venue staff 002, Gaming floor staff, Under 5 years' experience]*

**“** *“I worked in venues for a long time and the only time I ever got asked for a player activity statement was from the police, people don't ask for those....and we can see people have been running [reports], it gives them access to information they didn't have before.” [Expert advisor 003, Gaming industry]*

Other non-user patrons were indifferent about accessing their PAS, as they feel confident that they can track their spending themselves and are not interested in viewing their losses/returns.

**“** *“If you gamble, you know what you're putting through anyway.” [Non-user 010, Female, 70+ years, Frequent Gambler]*

*“I don't play them enough that I need an activity statement. I put \$50.00 in very rarely.” [Non-user 008, Male, 70+ years, Infrequent Gambler]*

*“For me doesn't mean anything, you know, I know how much or how little I've done. So why should anybody else need to know that information?” [Non-user 006, Male, 70+ years, Infrequent Gambler]*

One non-user patron viewed this kind of summary as confronting and did not want to view the PAS, because she felt like it would make her feel guilty and this would cause her to reduce her gambling.

This was reflected by other patrons and venue staff, who believe that the PAS may deliver a 'reality check' that is important to raise self-awareness and may result in more help-seeking for gambling harm.

**“** *“Very useful - people don't realise the low return they get on poker machines. If people could see in a basic graph, this is what you've spent and this is what you've had returned, and these are your percentages, they might look at it a bit better and go \*\*\*\* I didn't realise. I've learned from that and learned to adjust my habits.” [Non-user 013, Male, 55-59 years, Infrequent Gambler]*

**“** *“Puts it into black and white, then you have a much better understanding of your gambling patterns and you might [realise] 'I do have a problem if I'm in there for this amount of time and lose this amount of money'...We have the ability to give you your player history if you're using one of our membership cards, but you can also get your playing history from the app it sort of gives you a better understanding of how often and how much money you're spending on gambling so you can put it into perspective rather than a being abstract. So, I think it just gives you a clearer idea of how gambling is influencing your life.” [Venue staff 016, Gaming floor staff, Under 5 years' experience]*

*“It could create self-awareness so the player is more aware of what their activities are... if they had access to their statements and they were spending more money than they thought, perhaps... something on the app asks you if you want to speak to somebody or put them in contact with a counsellor.” [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]*

While the PAS will not be utilised by everyone and may have limited impact on people who gamble harmfully, its inclusion in the app is widely viewed as an enhancement on current harm minimisation practices.

“I think if it has a pushed activity statement, that will help a lot of people to be able to track their spend. So that will help in attitudes and awareness. Again, it's a soft gradual approach. For some people that'll be really helpful for people who are already gambling really problematically, they just won't look at them, you know, so there'll be people who just don't look at them.” [Expert advisor 004, Gambling support advisor]

“I'm not sure that [this] technology would make that much difference from a venue perspective because we're seeing the same kind of data anyway. I think it's more from the perspective of patrons where they could more clearly see their data, their player activity statements being regularly available in the palm of their hands.” [Venue staff 003, Gaming manager/supervisor, 16 -20 years' experience]

“If they want to fix things, there has to be some substance behind it for someone who has an issue, not just, hey, 'you've lost this much today.' That's not a safer gambling strategy. That's just the report. It doesn't do anything to change behaviours if they do have a problem.” [Non-user 011, Male, 40-44 years, Frequent Gambler]

## 4.4.2 Self-exclusion and taking a break

The technology also allows users to self-exclude or 'take a break' from gambling for a nominated period of time. As with most of the features, non-user patrons felt it was good to have this functionality, but none thought it was appropriate for them.

Venue staff recognised the value of these features in helping players with “self-controlled intervention” to help overcome potential barriers like embarrassment or stigma that might prevent them from seeking assistance from venue staff.

“To be able to request assistance in the app or self-exclusion will probably help more people than you think. Because there's the element of people feeling embarrassed or ashamed to do it in person, but by having the opportunity to do it privately on your phone, that could encourage more people that wouldn't regularly think to even do that in person.” [Venue staff 025, 026, 027, Gaming floor staff & manager]

“It might actually increase request for help from the right person to talk to you rather than asking someone who doesn't really know what they're doing. You don't want to ask the 18-year-old at the bar.” [Venue staff 028, 029, 030, Gaming floor manager/supervisor]

Industry experts also felt that the option to take a break or self-exclude privately through the app reduced barriers to using these kinds of strategies, and therefore enhances the accessibility and range of harm minimisation strategies available to users.

“It's better than what is there now, ability to start a self-exclusion by sending it through the app. It means that person doesn't have to go and find someone to help them. They can send that [request] and then they can be contacted in a way that's more comfortable for them. And even just the ability to take a break... people might not want to go down the road of self-exclusion, but they just want to be able to put a break on themselves for a period of time.” [Expert advisor 003, Gaming industry]

However, when it came to monitoring self-exclusions, it was widely agreed that different, tailored technology would be more effective; some felt account-based gaming would leave some loopholes open.



*"Self-exclusion needs technology, to be managed through some kind of system... it's impossible for humans to enforce." [Non-user 015, Female, 65-69 years, Frequent Gambler]*



*"There's other technology tools that will be more effective, like facial recognition, excluding [gamblers] from the venue full stop." [Expert advisor 001, Gaming industry]*

*"There's definitely opportunities around [technology] to make sure that self-exclusion works...the self-exclusion program doesn't currently work because there's so many loopholes where a person can be let into a venue... because it depends on human beings remembering like 100 faces. It's just not going to be effective in that way. And we've got the technology there to help people to be identified anyway." [Expert advisor 006, Gambling support advisor]*

This was reflected in venue staff survey results in which they were asked how effective a self-exclusion feature would be in helping users to gamble safely and within their limits: 34% said extremely or very effective, 34% said moderately effective and 14% said not very or not at all effective (18% said don't know). Approximately two-thirds of venue staff were aware of the ability to self-exclude through the app. Detailed results of this staff survey question are in Appendix 0.

### 4.4.3 Gambling support contact through the technology

The technology solutions also include contact details for gambling support and counselling services.

While there were no accounts of patrons using these details during the trial, their inclusion was widely supported by venue staff in particular. One venue manager suggested that the ability to contact professional support needs to be easily accessible and carefully timed to appear during the brief window between a loss or low point and the urge to gamble again.



*"You've got to get them while they're in the mood to speak to someone." [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]*

*"Obviously the apps have the gambling messages within them, voluntary player commitments...It might offer assistance to people that they may not generally want to ask for and it's right there for them. So that could be a good feature." [Venue staff 005, Gaming manager/supervisor, 16 -20 years' experience]*

A couple of non-user patrons also noted that much of the communications and signage in the gaming area becomes "noise" and is unlikely to get the attention of anyone who gambles.

Industry and gambling support experts felt it was beneficial to have the ability to contact professional support through the app, in-venue but especially out of venue.



*"I don't think the general public know that help is free and confidential and out there, even though that's literally in the ads every time. I think having some linkage there would be really helpful, even if it's just like find your local service or something like that and then contact details on there." [Expert advisor 006, Gambling support advisor]*

## 4.4.4 Availability of the app and tools outside of venues

Some respondents saw value in an app as it would be accessible to gamblers outside of venues. They believed that people who gamble harmfully are unlikely to use limit-setting or other features while in the venue, as their focus would be exclusively on the gaming machine, not on seeking help or information.



*"During play, none of that harm minimisation stuff tends to work." [Expert advisor 006, Gambling support advisor]*

*"We know that when people are in front of the machine, all decisions about the amount of time and money that you're risking, that all needs to be decided away from the machine... they are not things you should be able to turn off and on when you feel like." [Expert advisor 007, Lived experience advisors]*

Some felt that accessing the app's features and information at home could be an effective way for an individual to consider, and possibly address, their own gambling-related harm because it allows players to review their account and seek help privately.



*"These features put control in players' hands. The ability to request self-exclusion directly from an app when I'm in a safe space on my own at home after I've done something that I'm not proud of and providing knowledge to the players. Provides more knowledge to players. Being able to access to information." [Expert advisor 003, Gaming industry]*

One non-user patron added that going to see staff for a PAS signalled a problem with gambling, which he felt would prevent people from doing so.



*"Asking someone for your [player activity] statement is telling. Is a way of saying I think I've got a problem so they're extremely unlikely to go and get the 'yes, you got all signs'. In the comfort of your own home, you haven't asked anyone, you can discreetly look it up... much more effective! You'll get more effect from having it accessible remotely than you ever will having to request it from staff." [Non-user 005, Male, 60-64 years, Infrequent Gambler]*

## 4.4.5 Actual use of other features

The use of harm minimisation features was assessed based on objective usage data for the digital gaming wallets.

Only one user (User I) had accessed their Player Activity Statement at the time data was exported (end August 2024). This user had the second-highest wallet value and 13 transfers to an EGM. They accessed their PAS four times.

One user who completed the survey indicated they accessed their Player Activity Statement in September and reported that it was easy to access and understand and a useful way to help manage their gambling expenditure.

None of the genuine and active users examined in this report used the 'take a break' or self-exclusion features.

Both users surveyed were aware that they could request staff assistance, either through the app or through a gaming machine.



## 4.5 Predicted impact of the digital gaming wallet or account-based gaming on harm minimisation

Overall, industry experts and venue staff felt that the digital gaming wallet, as it currently stands as a voluntary method for playing gaming machines, is unlikely to have an impact on gambling-related harm in NSW.

On balance, the increased convenience of the digital wallet was seen to be off-set by purposeful 'friction points' in place to slow down depositing, and take-up of the wallet is low and expected to continue to be slow into the near future.

**“** Obviously you don't want to bring in super-convenient digital payments without any harm minimisation controls. The worst thing for the industry would be bringing in a new form of technology, you don't control its implementation and you see a huge uptick in gambling problems.... there's a balance to be had there.” [Expert advisor 002, Gaming industry]

“We're still [low] for sign ups. So I think it just shows that people haven't just gone, Oh my God, now I can use a debit card to play gaming machines...” [Expert advisor 003, Gaming industry]

Venue staff were asked to predict the impact of the technology being trialled on minimising gambling harm, as per Table 27. The majority of venue staff thought that it would have either no impact or reduce gambling harm by a little. None thought the technology would increase gambling harm by a lot. Staff with more experience in the industry or managers/supervisors were slightly more likely to feel that the technology would have no impact on gambling-related harm.

**Table 27. Staff - Predicted impact of digital gaming wallet technology on harm minimisation**

	n=	% of total
Reduce gambling harm by a lot	4	9%
Reduce gambling harm by a little	12	27%
Have no impact	13	30%
Increase gambling harm a little	2	5%
Increase gambling harm a lot	1	2%
Unsure/I don't know	12	27%
<b>NET: REDUCE</b>	<b>16</b>	<b>36%</b>
<b>NET: INCREASE</b>	<b>3</b>	<b>7%</b>

Q14. Based on your experience working on the gaming floor and seeing this trial of cashless gaming technology...How do you think apps or cards like the one trialled will contribute to gambling harm minimisation? (Single response) Base: All staff respondents (n=44)

The voluntary harm minimisation features included in the technology – the ability to set money and time limits, access to PAS, the ability to take a break or self-exclude and support contact details – were overall believed to be more accessible and encourage more active self-management and regulation than current harm minimisation practices in place in venues.



*"People should be able to make informed decisions about the way they play, activity statements and being able to set limits- all of that is good and has the potential to encourage safer gambling." [Expert advisor 002, Gaming industry]*

*"The important thing is we're giving the customer more tools. Giving people the tools and the information is not going to increase harm, that's going to help people self-manage." [Expert advisor 009, Gaming industry]*

Most assumed that use of these features would be low, so that the impact on the gambling population in venues would likely be minimal.

Most industry experts and venue staff expressed the view that technology adoption is slow and gradual and, when voluntary, cannot be expected to have high adoption rates. However, the harm minimisation tools were considered to reflect good progress towards minimising harm, both as a new feature available for people seeking to control their gambling and as another tool in the suite of gaming reform taking place in the gaming industry.



*"Most people won't set limits, but for some people that'll be really helpful. So we'll have a mixed effect. It'll help the people who want to help stay in control and it'll increase awareness of all [players]... it's not making a huge change, but it's sending a message, and it's starting the groundwork... and then we can start encouraging people to use [limits]. It's stepping in the right direction. So in, five years' time, 10 years' time, you can push the tools more...[but] it will have a minimal impact. It's not a silver bullet. It's not really going to shift the dial – for instance, I wouldn't expect to see prevalence surveys [on gambling] pick up anything overly different. However, it's part of a suite of bigger systemic change." [Expert advisor 004, Gambling support advisor]*

*"I think it would be a useful tool for people, an extra one that they don't have right now where they could set limits, money or time... I believe that there's other tools that will be more effective, particularly those that would target problem gamblers and actually just exclude them from the venue. This sort of scheme would still allow individuals who've got a gambling problem to gamble and that's not a good thing in my view." [Expert advisor 001, Gaming industry]*

*"What [harm minimisation features] might do though, is hopefully help those who might end up chasing as a way of getting in trouble, be a bit of a preventative tool upfront. But honestly... it's definitely not going to be something that's a silver bullet. I think it'll have an incremental effect." [Expert advisor 002, Gaming industry]*

*"It's not looking to eliminate [harm]. It's looking to support a modest number of people to moderate their behaviour. The measure of success here is not zero losses or zero revenue from gambling or whatever else. It's to try and nudge things in the right direction." [Expert advisor 005, Gambling support advisor]*

A number of industry and gambling support experts also saw great potential in this kind of technology to reach gamblers in personalised and data-driven ways, with privacy and discretion.



*"If somebody's on a machine for a certain amount of time, we already have something that alerts staff to go have a look and check their welfare. But at the same time you have the ability to actually send a*

*message through the digital wallet to customers so they're aware of how much time they're spent. It's an add on... you have subtle ways of communicating with customers as opposed to a more abrupt face to face communication... If messages are coming to them directly, discreetly, I think it's to the benefit of the player." [Expert advisor, Not attributed due to potential identification]*

Patrons were often unclear about what would define "success" in implementing tracked-play technology. Many assumed that, since the government was involved, a reduction in gambling-related harm would need to be demonstrated to prove the technology's effectiveness and justify any financial investment. While most non-users prefer keeping limits voluntary, some would consider the trial and technology a failure if it did not lead to noticeable changes in gambling behaviour.



*"You've got to be serious [about limit setting]. You can't have this opt in, opt out thing. It's got to be you have to set a limit. That's it. End of story. Like Crown's. That's I can see that being in the future. It's either do it properly or don't waste everyone's time. Don't pretend, is what I'm getting at." [Non-user 005, Male, 60-64 years, Infrequent Gambler]*

Several gambling support advisors and individuals with lived experience of gambling harm consulted in this research strongly believe that account-based gaming will be ineffective in reducing gambling harm in NSW unless the technology and its limit-setting and harm minimisation features are made mandatory. This included universal limits and control of the extent to which these limits can be changed.



*"It's going to be ineffective if it's not mandatory and across venues.... it's entirely pointless if you're going to have that choice. It needs to be universal if it's going to be effective at all. Under a mandatory system, it could have a really significant impact, it empowers people who are noticing their problems and want to make a change to actually do something effective." [Expert advisor 006, Gambling support advisor]*

*"I don't see it working unless it's across the board, for all gaming venues ... If it's too easy for people to up their limits, then there's really very little point in having them. I mean, the hard limits that were set in Norway, you know, they were accepted." [Expert advisor 007, Lived experience advisors]*

*"Has to be mix of self-selected and universal limits... It can't just be – you [the user] have the responsibility, you have to do it yourself. A lot of people don't make it to the [point where they have a] thought to try! Industry needs to be more responsible for people's safety." [Expert advisor 007, Lived experience advisors]*

*"The benefits would be strengthened if there was mandatory cashless card that included binding and default limits. It is essential that it is binding and enforced, not adjustable within 24 hrs." [Expert advisor 012, Gambling support advisor]*

Results from the patron user data suggest that the impact of the digital wallet technology on player behaviour may be minimal, but a move in the right direction as indicated by a slight improvement in one user's perceived ability to manage/control their spending and the other's awareness/control over their gambling in the future. For further details, refer to patron user case studies in Appendix 9.3.

## 4.5.1 How harm minimisation tools contrast with current harm minimisation practices in venue

Industry experts and some staff believed that the most effective harm minimisation and reduction strategies were personal interventions and other ongoing technology-enabled gaming reforms, such as facial recognition technology to identify self-excluded people.



*"Some of the technical solutions are not as effective as personal intervention type solutions. I think the government's made the right decision around responsible gambling officers and advanced RCG training. I think most of the signs of gambling addiction and gambling problems are actually not observable in the data. They're signs of emotional distress that you will see in people well before you see any sort of signs in the data." [Expert advisor 002, Gaming industry]*

*"The RGO will still communicate with patrons regardless [of how they play]. I think that's more useful than a cashless system... It's a tool, potentially a useful one along with all these other tools that the government is looking to introduce." [Expert advisor 001, Gaming industry]*

Venues differed in the variety and level of technology currently used to monitor patron gambling behaviour and to comply with responsible gambling obligations. Staff at venues with established digital systems to assist with responsible gambling obligations (e.g. cherrycheck) did not feel the additional harm minimisation features offered any additional value to the venue in identifying and responding to harm.



*"I don't think it's required... I think they're trying to fix something that's not broken. We already have technology in place to monitor addicted gamblers. I believe that the technology is all in place" [Venue staff 001, Gaming floor staff, Under 5 years' experience]*

*"The system that we use now, time based DPR flags if a machine's been played (member or non-member) for X amount of time, we have good practices in place regardless of [digital wallet] technology." [Venue staff 028, 029, 030, Gaming floor manager/supervisor]*

Venues with less sophisticated technology-based systems for registering patron gambling incidents tended to rely on gaming floor staff or Responsible Gambling Officers (RGOs) to monitor and report potentially harmful gambling behaviour in patrons (e.g. signs of distress, excessive time spent gambling, multiple ATM visits) in preparation for future staff interactions. Some staff from these venues acknowledged that the digital wallet could potentially deliver enhanced data-assisted identification and monitoring of potentially harmful behaviour if they were provided with access to reports from the app such as whether users were approaching their limits. However, they still emphasised the need for human interpretation, reading of emotional cues, and professional experience to react to and manage patron behaviour.



*"It's going to obviously give us some tools in the background to be more proactive." [Venue staff 023, Gaming floor manager/supervisor, Over 20 years' experience]*

*"If you had that sort of information [how long people are gambling] you could understand shifts in behaviour patterns. If you knew someone who regularly gambles for 2 hours and then they're starting to move up to 6 [hours] you can identify that much easier and go up and ask, 'are you doing ok can we help you out in some way?' [Venue staff 016, Gaming floor staff, Under 5 years' experience]*

*"It gives us a way to track it as well... But in terms of identifying those gambling behaviours, I think it's still more our job to watch the patrons, observe, report any issues with them." [Venue staff 008, Gaming floor staff, 5-10 years' experience]*

While technology systems were used by venue managers/supervisors to fulfil responsible gambling obligations, there was less awareness and inconsistent knowledge of how the technology functioned among gaming floor staff.

Among venue staff, there was substantial uncertainty regarding the extent to which digital gaming wallet technology will assist staff in delivering on their Responsible Conduct of Gambling (RCG) obligations with most (61%) indicating 'neither agree nor disagree' (Table 28). This level of uncertainty is consistent across metro (58%) and regional (69%) venues, and clubs (64%) and hotels (55%).

**Table 28. Staff - Extent that digital gaming wallet technology will help staff deliver on RCG obligations**

	n=	% of total
Strongly agree	2	5%
Agree	8	18%
Neither agree nor disagree	27	61%
Disagree	4	9%
Strongly disagree	3	7%
<b>NET: AGREE</b>	10	23%
<b>NET: DISAGREE</b>	7	16%

Q23. To what extent do you agree or disagree that cashless gaming technology will help gaming floor staff deliver on their obligations for the responsible conduct of gambling (RCG)? (Single response) Base: All staff respondents (n=44)

Staff felt that features in the technology like Player Activity Statements could potentially offer more opportunities for improved patron self-management, as outlined above. However, venue staff also suggested that incorporating more 'self-serve' technology to play gaming machines may reduce the opportunities for staff to interact with patrons on matters relating to gambling. This included eliminating visibility of patrons repeatedly visiting ATMs to withdraw cash or inserting a large number of notes into a gaming machine, minimising interactions with cashiers as winnings are transferred onto digital wallets (which is already partially automated in many venues) and overall, making gambling feel more private and more difficult to view or 'intrude' upon.

**“***"There wouldn't be any need for [interaction with staff], unless they've got an issue. Some people don't like to interact, they just like to be left alone." [Venue staff 002, Gaming floor staff, Under 5 years' experience]*

*"I told [a patron] yesterday I can show you how from transaction history over there, but she didn't want to let me to check her phone app." [Venue staff 007, Gaming floor manager/supervisor, 16 - 20 years' experience]*

*"It gives you less opportunities... like if people are coming to the desk for payouts, when you see them going to the ATM to get money out... I think you've got more opportunity there to notice if [they're*

*experiencing gambling harm]... whereas if somebody's just doing it on their phone, you've got no idea what they're transferring to and from."* [Venue staff 031, 032, Gaming floor staff & manager]

*"I could identify someone maybe having gambling issues because they're walking constantly walking to the ATM back and forth. But I guess if you're kind of sitting there just kind of tapping on your phone, transferring, we might not be able to identify that because they're sitting in front of the machine."* [Venue staff 037, 038, Gaming floor staff & manager]

Two-fifths (39%) of staff report that digital wallet technology is likely to reduce staff contact with patrons, one-quarter (27%) predict it may increase contact and one third (34%) believe that staff contact will remain unchanged (Table 29). However, it is important to note that staffing levels vary by venue, especially between large, metro clubs to smaller, regional hotels. As a result, the amount of interaction between patrons and staff on the gaming floor will vary, which may affect how well staff can help prevent gambling-related harm.

**Table 29. Staff – Predicted impact of digital gaming wallet technology on patron contact**

	n=	% of total	Club	Hotel
Increase contact between staff and patrons by a lot	6	14%	18%	0%
Increase contact between staff and patrons by a little	6	14%	15%	9%
No change	15	34%	27%	55%
Decrease contact between staff and patrons by a little	12	27%	30%	18%
Decrease contact between staff and patrons by a lot	5	11%	9%	18%
<b>NET: INCREASE</b>	12	27%	33%	9%
<b>NET: DECREASE</b>	17	39%	39%	36%

*Q22. To what extent do you think the rollout of cashless gaming technology will have an impact on the amount of contact between staff and patrons? (Single response) Base: All staff respondents (Clubs n=33 Hotels n=11)*

The 1 July 2024 requirement for Responsible Gambling Officers (RGOs) to be on duty at venues with gaming machines (Liquor & Gaming NSW, 2024b) came into place during the digital gaming wallet trial period. This was cited a number of times in venue staff interviews and had an impact on staff perceptions for how staff in venues will interact with gaming patrons in the future.

Many venues felt that staff will be able to bridge any additional 'gaps' that may be created via the increased role of technology in using gaming machines with their RGOs by conducting ongoing player welfare checks and encouraging a culture of responsible gaming.

**“***We have a culture that our staff interact with [customers]... RGOs checking in every 3 hours or in response to signs of gambling harm. And people are people and their behaviours will still be visible. But other visible signs of hitting a machine or crying at a machine or showing the stress, they're quite obvious."* [Venue staff 034, 035, 036, Gaming floor staff & manager]

*"It will also initiate a culture change around gambling and responsible gambling."* [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]

*"Perhaps there would be less interaction with staff and it may be more convenient for customers if it was widely adopted. It depends on how well responsible gambling officer interactions work in engaging people that have hit limits." [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]*

In contrast to the views of venue staff and industry experts, patrons did not feel that venue staff played a protective role in responding to gambling harm. This was in part a reflection of their own gambling habits and experiences, in that only one non-user we spoke to had had staff approach them to discuss their gambling and they reported that the experience was *"embarrassing and upsetting"*, done publicly and did not have any impact on their gambling habits. Most other non-users considered staff to be unable or unlikely to monitor gambling, identify harm and effectively intervene.



*"... they're more interested in being friendly! If you're a 'high-roller', you get biscuits and coffee... they don't watch how much money you are putting in. [They'd be] unlikely to intervene." [Non-user 012, Female, 70+ years, Frequent Gambler]*

*"Staff don't care. Staff are employees and there to earn money. They don't care who is there, how much they put in... they're just hoping there's no fights erupt, no drunks and no drugs!" [Non-user 015, Female, 65-69 years, Frequent Gambler]*

*"It's not their place. They can't stop people [gambling]. They can stop you drinking, you know, if you're drunk, but they can't stop you gambling. They might come up and offer you coffee or something, I think. I don't know what they do, but the staff can't be held responsible for people gambling. [Non-user 010, Female, 70+ years, Frequent Gambler]*

While the aforementioned RGO reform has just come into place, the attitudes reflected by patrons suggests that there is a perceived 'gap' in in-venue harm minimisation strategies that might be appropriately bridged by the self-management tools available in the account-based gaming technology.

Gambling support and lived experience advisors tend to agree that the role of staff in identifying and responding to gambling harm in venues has not been sufficient in minimising harm.



*"At the moment, like face to face club personnel, staff are very reluctant to want to tap people on the shoulder." [Expert advisor 007, Lived experience advisors]*

*"I don't think that staff are providing too much of a protective influence. I know that people on the gaming floor want the best [for] their patrons...[but] it's rarely that we hear that the interaction has made a difference to that person. There's evidence that says that people that work on gaming floors are actually exposed to gaming harm themselves. And they're not professionals trained, in that they're hospitality staff. It's also hard for venues because ... they are providing a harmful thing. It's a big revenue source to them so that places staff in a double-barrelled situation. We don't really consider that staff as providing any support. That's not how the system is set up." [Expert advisor 009, Gambling support advisor]*

In their view, introducing more technology-driven tools will help in taking the burden off staff to more reliably identify gambling harm.



*"It can also take some of the burden away from venues if it's set up in that way where it's across venue and they don't need to be doing managing things like identifying customers through their face... It's a great opportunity. Technology can really help. If someone's selected [a limit], then the burden is off the*



*venue to have to police that... if [the patron] is locked out of everything [gambling], then that's great."*  
[Expert advisor 006, Gambling support advisor]

*"If you think about the types of staff that work in a lot of hospitality venues, it's a lot of pressure on them to be identifying these types of things.... it's really hard to identify people experiencing harm. The more tools we can give people on the floor the better."* [Expert advisor 003, Gaming industry]

## 4.5.2 Potential for the technology to minimise gambling harm by gambling subgroups

Stakeholders differed in their views about how account-based gaming should be rolled out: whether it should be focused on the interests of 'the average punter' or more about minimising risk for those experiencing gambling harm.

The majority of respondents – non-user patrons, gaming industry advisors and some venue staff – felt that a voluntary digital wallet was the best fit for customers overall, as it allows them to make a choice in how they gamble. Gambling support advisors and those with lived experience of gambling harm favoured a mandatory model to protect all people who gamble, including those who gamble harmfully.

Moving to a mandatory framework, where account-based gaming was not optional and limits were set in place for all users, seemed too restrictive to most patrons and industry personnel, for the reasons outlined in chapter 3. However, these patrons and staff also acknowledged that if the technology were to be effective in minimising gambling-related harm, it would need to be mandatory.

They felt that restrictions placed on the population of gamblers would have a negative impact on the experience of people who gamble without harm, but not effectively address issues experienced by people who gamble harmfully.



*"The other finicky, overly prescriptive limits and all of those sorts of things. They're the types of things that impact on casual players who don't experience harm from gambling, but don't actually help the people that those measures are intended to help."* [Expert advisor 003, Gaming industry]

*"[In a Canadian trial] they saw a significant downturn in their revenue, 20-25% almost immediately. And they abandoned the technology after a short period of time, because it was the casual player they turned away. It made them more reliant on high-spending gamblers. The tech had the unintended consequence of taking away all the recreational players, because the barrier to play was too high. So it was a loss of revenue in the customer they wanted to grow and encourage, rather than the intent of the technology, to provide tools for high spenders to control their expenditure."* [Expert advisor 002, Gaming industry]



*"Mandatory" being the issue. It will reduce the level of safe, social gaming play and make no difference to a problem gambler making it ineffective for harm min."* [Staff survey, Gaming manager/supervisor, 5+ years' experience]

Some respondents considered account-based gaming to be important in a 'preventive' capacity for gambling-related harm, rather than as an 'intervention' to assist people already experiencing gambling harm. That is, people



starting to play gaming machines under an account-based system would accept it and the associated limits, but existing players will be more resistant.



*"Might prevent someone from becoming a problem gambler. But if someone is already a problem gambler, this isn't going to do anything." [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]*

*"People with any problem gambling issues, no matter how you [present] the idea to them, they will still have their predetermined views on it...Government will find issues trying to convert very strong regular players onto this new programme because they will be very sceptical regardless of how you tell them...If you know you're doing something wrong, you're generally going to be sceptical...they're just going to be very apprehensive and very fanatical about it." [Venue staff 039, Gaming floor staff, Under 5 years' experience]*

*"For the people who are new into gambling, they may find it difficult, they might not gamble often or a lot... it might slow down their behaviour or they would limit as the government or company want... But for people with problem gambling, they will always find a way to. It's not gonna stop them. In terms of people who are addicted already." [Venue staff 017, Gaming floor staff, 5-10 years' experience]*

Gambling support advisors and those with lived experience of gambling harm, suggested that additional regulation and moving to a mandatory account-based gaming scheme is in society's best interest.



*"To de-stigmatise, this needs to be normalised across the board as a safety mechanism. If you're going to use this product, there's significant safety issues in it, and we all need to be using [the technology], and we're not starting from a base of 'that's because people have problems', we take the view that this is a consumer protection product." [Expert advisor 007, Lived experience advisors]*



*"Put controls in place for known problem gamblers. It's a big problem. Why are people losing their homes, relationships and losing their families, because of problem gambling? It's not right... [limits and ID are] about slowing them down. There are people out there who are addicted and they can't stop themselves. And these are the people we should be addressing... no one likes being controlled. No one wants controls and restraints... but the controls and restraints are [only affecting] people who have problems, not your average citizen. They're the ones who will be most \*\*\*\*\*, but at the end of the day, you're doing it for their welfare." [Non-user 013, Male, 55-59 years, Infrequent Gambler]*

#### 4.5.2.1 People who gamble harmfully

There is a widespread belief among all respondent groups that the current voluntary framework, i.e. an optional digital gaming wallet and voluntary limit setting features, would have limited impact in terms of minimising harm for high-risk gamblers. Venue staff and patrons were of the view that problem and at-risk gamblers would have the lowest adoption of a voluntary account-based system, either to avoid spending limits tied to the technology or to avoid creating a digital record that could reveal their habits or make it harder to ignore their behaviour.



*"Problem gamblers...might impact them, but most likely, problem gamblers won't sign up due to losing anonymity, fear of change, tracking etc." [Venue staff 033, Gaming manager / supervisor, Over 20 years' experience]*

*"[On voluntary harm minimisation tools] People who identify with problem gambling are probably more likely to be reluctant to use it." [Venue staff 006, Gaming floor staff, Over 20 years' experience]*

However, as outlined above, almost everyone we spoke to was in favour of having harm minimisation tools included in the technology, in case people experiencing harm from gambling want to use them or reach rock-bottom and need support mechanisms.



*"Problem gamblers may try to bypass those features, but it is a step in the right direction." [Venue staff 022, Gaming floor manager/supervisor, 11-15 years' experience]*

*"It's better than nothing. It gives them time to think about it. For people at risk, it may turn down a bit." [Venue staff 017, Gaming floor staff, 5-10 years' experience]*

*"I wouldn't necessarily think it will completely stop [problem gambling], but it can probably reduce it" [Venue staff 008, Gaming floor staff, 5-10 years' experience]*

*"Like putting up the price of cigarettes doesn't stop smoker. It makes it more difficult, but people will still continue" [Venue staff 034, 035, 036, Gaming floor staff & manager]*

Industry experts and some venue staff believed that the inclusion of harm minimisation tools, at the very least, equipped users with more information about their own gambling to *"make informed decisions"*. This includes patrons who may not identify as a 'problem gambler', but may be spending money on gaming machines in a way that is harmful to them: there is potential for these tools to be 'eye-opening'.



*"The risk for heavy gamblers is not being able to keep track [of spend]. So an account-based approach allows people to better understand their own behaviour, better track their behaviour and to better control their behaviour with pokies... If you really talk about kind of the far end of the [people experiencing gambling harm], I think breaks in play and those types of things will be impactful... there's a good chunk of people who are sitting on the machines for hour after hour in a kind of zombie mode late night, and those are things you can intervene on." [Expert advisor 005, Gambling support advisor]*

*"Sharing the relevant resource at the right time has always been my mantra when it comes to harm minimisation. Because self exclusion may be one part, but setting the limit might be the precursor option that we should have an opportunity to talk to somebody well down the track or before we got to that last one." [Expert advisor 008, Gaming industry]*



*I believe that patrons being able to see player activity statements would be extremely useful. They are a real eye opening from my experience. The app has some very good features that would suit some patrons. [Staff survey, Gaming floor staff, 5+ years' experience]*

There was broad agreement among non-user patrons and venue staff that making the technology mandatory, with mandatory limit setting, and removing legacy systems for playing gaming machines, would be the only way for an account-based system to meaningfully impact those already experiencing gambling-related harm.



*"At the moment, [the safer gambling features] are totally irrelevant as long as you've got cash going in... nothing can stop a problem gambler from gambling." [Non-user 013, Male, 55-59 years, Infrequent Gambler]*

*"I don't think [the technology] will make any difference to [people struggling with gambling]. I think whether they have cash or card, they still have the money there - it's just abusing it in a different way, they still have the money to gamble whatever they want to gamble." [Non-user 002, Female, 60-64 years, Infrequent Gambler]*



*"If this was the only way to gamble, problem gamblers... they'll do whatever they have to do to be able to play but limits will deter them only a little." [Venue staff 013, Gaming floor manager/supervisor, 11 - 15 years' experience]*

In particular, prescribed deposit limits were the only way many respondents could see account-based technology minimising harm for high-risk gamblers, i.e. forcing users to spend less. Even non-user patrons strongly opposed to having their own spend limited acknowledged that if the purpose of the technology is harm minimisation, then mandatory limits must be put in place and enforced.



*"If you want to stop problem gambling, you're going to have to have set limits. But then it's just, to me, it's like a nanny state." [Non-user 010, Female, 70+ years, Frequent Gambler]*



*"Unless those limits are cemented. If you can change the limit, caps, I don't know how that will make a difference." [Venue staff 013, Gaming floor manager/supervisor, 11 - 15 years' experience]*

A common theme in most non-user patron and venue staff interviews was: *"if they've got a problem, they'll find a way to gamble"*. Even under a mandatory system, respondents felt there would likely be loopholes to be exploited. In order to deliver on harm minimisation, these would need to be considered in the technology design.



*"Problem gamblers will just go and get family members to sign up and they'll give them the money and say put this \$1000 into your account and give that to me." [Non-user 013, Male, 55-59 years, Infrequent Gambler]*

*"You could probably buy [digital gaming cards] on the black market. They'll find ways around it, pretty quick-smart." [Non-user 015, Female, 65-69 years, Frequent Gambler]*

*[Talking about mandatory limit setting...] "I've also found in other situations that smart people identify the limits, and they identify the loopholes, and they work their way around the limits." [Non-user 006, Male, 70+ years, Infrequent Gambler]*



*"Those people [problem gamblers] will find a way...you'll find a loophole." [Venue staff 028, 029, 030, Gaming floor manager/supervisor]*



*"I've worked with a number of the counsellors over the years, and they said, the lengths people will go to get around their own limits that they've set for themselves! Because they haven't addressed the underlying reason why they wanting to gamble so much... they will be so ingenious to get around anything that they've put in their way." [Expert advisor 002, Gaming industry]*

A small number of non-user patrons and venue staff believed that the digital gaming wallet could prompt change by reducing the privacy of people who may gamble harmfully. If this information became more accessible to family members or loved ones, it might lead to the gambler receiving help, though it could also cause relationship issues.



*"Essentially a trace of the money...happens all the time where partners of their family don't know they're gambling because it's all cash. I would like to think it would impact in a good way in that it would stop them but probably it would annoy them. A bit of both really". [Venue staff 014, Gaming floor manager/supervisor, Under 5 years' experience]*

As outlined previously, most respondents did not consider account-based gaming with harm minimisation tools to be a 'silver bullet' in harm minimisation. The general belief was that short of taking extraordinary measures with this technology to control gaming machine play (such as layered and mandatory limits, customising limits per

player based on income and steps to close loopholes like integrating facial recognition into gaming machine use), more effective harm minimisation strategies exist outside this technology, in a broader web of gaming reform.

**“** *"I think we know enough, either through evidence or through common sense, that these interventions will support individuals to be able to moderate their behaviour in important moments. It's not going to get rid of problem gambling. It's not going to get rid of losses. If someone wants to lose money and has a problem, they'll continue to gamble. But I think it's an important part of reasonable regulation for the sector."* [Expert advisor 005, Gambling support advisor]

#### 4.5.2.2 Those with lived experience of gambling harm

People with lived experience of gambling harm who took part in this research responded differently to the digital gaming wallet depending on whether or not they recognised they experienced harm from gambling. Some of these respondents were included in the research as experts from an advocacy group, while others were patron respondents.

Those who are at risk of gambling harm (moderate-risk to high-risk gamblers, according to the PGSI), but felt like their gambling is under control, have a mixed sentiment towards the digital gaming wallet, but overall do not like the idea of being ‘controlled’ and/or ‘tracked’.

Those who self-identify as ‘problem gamblers’ (one non-user high-risk gambler, according to the PGSI, and lived experience advocates), are strongly in favour of regulating gaming machine play and view the digital wallet’s primary purpose as putting ‘friction points’ in place to make overspending more difficult and having tools in place to minimise harm.

**“** *"How will [voluntary use] work? Personally, I don't think it will work unless there's severe restraints put in place to stop problem gamblers."* [Non-user 013, Male, 55-59 years, Infrequent Gambler]

**“** *"Benefits of the technology are the ability to exclude immediately, and digital time out... putting on limits so the machine is disabled as soon as the limit is reached."* [Expert advisor 007, Lived experience advisors]

These individuals with lived experience felt that, in order to have any impact on harmful gambling, account-based gaming would need to be mandatory for all, along with the limits and harm minimisation tools included in the technology.

**“** *"Unless this is mandatory across the board, it's not going to work."* [Expert advisor 007, Lived experience advisors]

*"Limits are a must. Any restrictions you can put in place yourself or have someone support you to put in place is where it begins."* [Expert advisor 007, Lived experience advisors]

**“** *"It's no good making a suggestion to people with a gambling addiction. It's like saying to a heroin addict 'you can only have this much heroin a day'. You can suggest as much as you like, but if they can get their hands on it, they'll use however much they can. It's the same for gambling.... The [harm minimisation features] at the moment are totally irrelevant. Cause I could just go and get cash and put it through the machines. It doesn't matter what you put in place, as long as you have cash in machines, you'll never stop a problem gambler."* [Non-user 013, Male, 55-59 years, Infrequent Gambler]

*"You'd have to have so that the machines only work with digital wallets, otherwise they'd go and get cash, wouldn't they? This is only ever gonna work if you make it mandatory." [Non-user 008, Male, 70+ years, Infrequent Gambler]*

They were also in favour of putting as many steps in place as possible to prevent changing limits and closing loopholes to account-based gaming.

**“** *"Make the 'friction points' the hardest possible - why 24 hours? Make it 2 weeks. I don't see why we have to leave the door open for people with addiction to come back in." [Expert advisor 007, Lived experience advisors]*

**“** *"But at least it's limiting how much they can do each time, you know, slowing them down. It's all about slowing people down." [Non-user 013, Male, 55-59 years, Infrequent Gambler]*

However, people with lived experience felt account-based technology is not a solution for people experiencing harm from gambling. While they considered it better to have the harm minimisation features than not, they expect the impact for people already experiencing harm to be low.

**“** *"It may catch a percentile of people and help a percentile of people, the harm minimisation characteristics are designed more for the people who know their risks." [Expert advisor 007, Lived experience advisors]*

#### 4.5.2.3 Other types of harm

It is generally understood that account-based gaming is not designed to address deeper-rooted issues that may serve as the cause of harmful gambling, such as mental ill-health or alcohol or substance abuse. These comorbidities may influence the way patrons gamble, on the app or with cash, and this technology offers no more or less protection in light of these issues.

**“** *"The app, the features, it gives them a tool to help them with the gambling habit. But that's like I think it will only help like half a way. So when people are not drinking and like they're conscious of their behaviours then yes, it definitely help. But when people are like out and party, I think it would be hard for them." [Venue staff 019, Gaming floor staff, 5-10 years' experience]*

**“** *"[People with gambling problems] unlikely to limit themselves because they haven't addressed the underlying causes, which is the emotional distress they're trying to escape by going to the machine in the first place...We can be a more proactive in trying to identify people who might be experiencing emotional distress, get them into the right support networks." [Expert advisor 002, Gaming industry]*

*"Research that tells us that financial stress is a big harm caused by gambling and that in itself creates other harms, relationship harms, potential evictions that can lead to housing insecurity or homelessness. .... these comorbidities are quite complex, but in any situation, if people are losing far more money than they can afford...So if the losses are reduced, there's a correlation that the harms associated with that must inevitably be reduced as well." [Expert advisor 010, Gambling support advisor]*

*"It is a shared and dispersed agency with a product that's quite clearly designed to undermine your own individual sovereignty as well... the comorbidity here between mental health, gambling, smoking, eating badly, alcohol is very complex and the directions of travel of the causality or associations are very difficult to disentangle." [Expert advisor 007, Lived experience advisors]*

### 4.5.3 The impact of regulating gaming machine play on gambling norms

Several themes emerged here. The first related to the creation of an expectation that riskier activities such as playing gaming machines should come with associated safety mechanisms or processes. For example, a number of experts and some venue staff acknowledged that the act of moving towards account-based gaming for gaming machines, making limit-setting features more visible (i.e. appearing in the sign-up process) and integrating a number of harm minimisation tools, would send a strong message to people who gamble on gaming machines that the product has potential for harm and therefore requires some protections to be in place.

**“** *“It's a part of a suite of a much bigger systemic change. It sends a very clear message that gambling is a regulated, risk-based activity because it's very clearly making everyone jump through hoops, saying ‘the government is now saying this is so harmful that we all need to have accounts’. So it's sending a really strong message about orientating ‘what is gambling’ and how much you should be doing it.” [Expert advisor 004, Gambling support advisor]*

*“If you have these products [gaming machines], you have to be responsible in terms of how you're offering them to the community. And the community needs to understand their responsibility in terms of their use and that there will be necessary protections around that - they're actually they're safeguards... it really needs to be in the context of a public health approach and a population health approach to this. Like seatbelts. This analogy has been used before - we all had to adopt seatbelts in cars whether we liked it or not. We still will learn to drive. We have limits on the road and the rest of it, because we recognise it's a product that has potential harm in the community.” [Expert advisor 007, Lived experience advisors]*

Second, a couple of venue staff also saw potential to initiate a conversation about gambling harm during the sign-up and/or rollout process for account-based technology. In other words, the technology could provide a vehicle for greater staff and patron interactions around safer gambling.

**“** *“[The trial]'s increased the customer interaction and it's increased the level of conversation that we are all happening that we are all participating in with regards to harm minimization and customers.” [Venue staff 003, Gaming manager/supervisor, 16 -20 years' experience]*

*“It will initiate a culture change around gambling and responsible gambling... if we can change an education from the day somebody comes in and starts playing, they're recreational, they're 18, and they're made aware of limitations at that point! Further down the track, that becomes the norm, where they start to think about what they do.” [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]*

Some staff felt that a shift in the ‘norms’ of playing gaming machines may be resisted by older more established patrons, who are used to their ways of gambling, due to fear of change or barriers to entry of a new method of using gaming machines. But industry stakeholders suggest that with slow adoption, this new way of playing gaming machines will become the norm and change the way future generations think about using gaming machines as a leisure activity and budget their spend accordingly, thus over time, reducing the per capita spend on gambling that sets NSW and Australia apart from other parts of the world.



*"The culture now is... [limits] are not talked about. The people that enjoy playing the pokies, if you say to them [something about limits], they go 'I'm sick of hearing it, leave me alone'. But if we can change and educate from the day somebody comes in and starts playing when they're 18... And they're made aware of limits at that point, further down the track, that becomes the norm, where they start to think about what they do... it might prevent someone from becoming a problem gambler."* [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]

*"I think it would reduce potential problem gamblers in the future. I don't know if it would necessarily have a significant effect on the ones who already have issues gambling. I think it would be more of a preventative measure rather than a solution."* [Venue staff 002, Gaming floor staff, Under 5 years' experience]



*"[With technology and tracking play], it could help to have harm minimisation strategies like taking a break and other ways of caring for that person prior to the development of significant harms, because they can actually see that behaviour."* [Expert advisor 006, Gambling support advisor]

*"Where we see the huge benefit that no one's talking about is that middle section of moderate risk and even low risk gamblers who at the beginning of the slippery slope. And if they can set themselves limits before things get out of hand and the and help themselves stick to those limits, then fewer people will end up at the bad end of the PGSI scale anyway. So to me, it's about normalising these protective factors and that's going to be helping people across the board, not just people who have already developed a significant problem."* [Expert advisor 010, Gambling support advisor]

Lastly, a similar view was also expressed by one non-user patron who had lived experience with gambling harm, who spoke about wanting a balance between Australia's 'punter' culture and safe and controlled gambling norms for his children. In his view, a new generation of players being introduced to gaming machines that come with limits would help to prevent addiction.



*"I think [cashless] would make them more self-aware of gambling. The last thing I'd want to see is my son become a big gambler... if you grow up with something it's normal. My kid goes to a club and this [technology] is in place and it's the norm, you have to set a limit on what you spend every time you go in, 'I understand that'. And it's training their brain to what 'normal' is - training their brain to say spending a massive amount in one drunken binge sitting is not normal and I should be restricted from doing that [by having mandatory limits]. We don't have the processes in place to stop that right now."* [Non-user 013, Male, 55-59 years, Infrequent Gambler]



# 5 Impact on industry and staff

## 5.1 Key findings summary

This chapter covers the anticipated impact of the rollout of digital gaming wallets or account-based gaming systems on patron gambling behaviour, gaming industry, venues, staff, and the broader community.

The results presented are based on the perceptions, opinions and intentions of patrons, staff and experts when asked about impact of the digital wallet technology on gambling habits, industry and staff. Due to the short time frame of the trial and low patron take-up, respondents noted that it was difficult to predict the impact of the technology into the future.

### *Impact on gambling habits*

- Machine and venue level data from the Centralised Monitoring System (CMS) were analysed to summarise gambling behaviour before and during the trial. Due to the low take-up of the technology, most gaming during the trial was done through legacy systems, and therefore no conclusions could be drawn about the impact of a digital gaming wallet on gambling habits.
- Almost all non-user patrons indicated that they would not adopt the digital gaming wallet if it remained **voluntary**. Staff and experts were unsurprised by this and indicated that a lack of personal benefit (e.g. convenience and incentives) and too many barriers to entry (e.g. a difficult sign-up process) were responsible for this.
- Though based on a small sample size, about half of non-users said they would reduce or stop using gaming machines if the wallet became **mandatory** (i.e. if legacy systems like cash were removed).
- Infrequent gamblers tended to feel that a digital gaming wallet would not influence their habits and most conceded that they would sign up eventually. Frequent gamblers (who are more likely to experience harm) tended to be more resistant to the technology. They were more likely to report that they would stop or reduce their gambling if the technology became mandatory, due to concerns about being tracked and lack of privacy and feeling like their choice/autonomy would be taken away.
  - There were indications that at least some of the aforementioned non-users would return to venues and using gaming machines after initially rejecting the change, which was supported by gambling support experts and some staff.
- Industry personnel shared the belief that many patrons, especially older ones, would cease using gaming machines under a mandatory model, and that this would have significant implications for the industry.
- Industry experts suggest that the technology needs time to transition through a natural adoption curve, and, during this time, should remain voluntary.
- In the opinion of staff and industry experts, one of the unintended consequences of rolling out mandatory account-based gaming where accounts are venue or venue-group specific (as they were in this trial), may be that gamblers will reduce the number of venues they visit (to avoid the sign-up process), thus increasing and/or concentrating venue loyalty among some patrons.
- **Patrons with low technology literacy** were likely to be left behind, according to industry personnel, and often this was assumed to be older patrons. However, the technology does not automatically preclude



older patrons from adopting, as confirmed by some of the non-user patrons over 65 years interviewed in this study.

- Industry personnel also fear the exclusion of **casual or infrequent players and tourists** due to the length and commitment required in the sign-up process. International visitors are currently, in some cases, precluded from using the digital gaming wallet due to features of the KYC process (such as requirement to have Australian ID/bank account).
- Whether or not gamblers would 'switch' from gaming machines to other forms of gambling (such as online gambling) was contested. Gambling support advisors postulated that existing research, and the return to venues post-COVID do not support this, while industry personnel argued that mid-COVID trends and international case studies that follow a similar mandatory framework resulted in increased online gambling. Any resulting shift to other forms of gambling may also be dependent on age and technological proficiency.

### ***Impact on the gaming industry***

- Industry stakeholders indicated that the **investment required** by venues to install any system (digital gaming wallet or mandatory account-based gambling) will be significant, though this is difficult to estimate accurately.
- Costs include: staff training and employment (especially during rollout), administrative costs, capital investment in equipment, software licensing cost, digital transaction fees and overall infrastructure and security to safely store and transfer data.
- While most stakeholders anticipate minimal **impact on revenue** from a 'hybrid' model (i.e. where using the technology is voluntary), industry personnel predict a significant decline in patronage and gaming revenue if the technology were to become mandatory. They estimated **this decrease to be in the range of 10%-60% (though circa 30% was the most common estimate)**. This was in line with the feedback of non-user patrons, who reported that they would stop/reduce gaming if the wallet became mandatory.
- Most respondents agreed that mandatory limits and other harm minimisation tools in place would reduce the overall revenue from gaming machines, and non-industry personnel felt that there would also be an impact from a reduction in fraud and money laundering.
- Industry experts felt the **sustainability of the industry** under mandated account-based technology or digital gaming wallets would greatly decrease; that there would not be a full recovery and some venues would be forced to shut down.
- Gambling support advisors, and people with lived experience of gambling harm, tended to believe that the impact on industry would be less significant and that most people who gamble on gaming machines would continue to do so, but with stronger harm minimisation features.
- According to staff and industry personnel, **border town, regional and small venues** were universally considered to be most at-risk under a mandatory technology rollout and were perceived to have the most significant challenges in funding the technology rollout and facilitating digital connectivity.
- Industry and gambling support experts pointed out that venues would need to **diversify** their entertainment and hospitality offerings for long term sustainability, though it was acknowledged that food and beverage has lower profit margins than gaming revenue.

### ***Impact on venue staff***

- Staff experience of the trial has been relatively positive, with most feeling that the expectations of their roles/responsibilities were clear and reasonable. However, many **staff expressed concern about a mandatory rollout of the technology**, mostly due to assumptions that there would be revenue losses due to loss of patronage, and potentially aggressive behaviour from reluctant patrons.
- Most staff anticipated an **increase in workload during rollout of the technology**, which they anticipate to be far more significant under a mandatory model.
- After initial rollout, some staff felt there may be a downturn in their workload due to automation of some roles (e.g. cashiers), while others expected to be redirected to other hospitality and administrative services, including ongoing support for people who gamble through the role of Responsible Gambling Officers (RGOs).
- Staff anticipate that there will be **additional training/upskilling required** in areas of patron technology support, troubleshooting, and responsible gambling in future. New roles may also be created in back-of-house functions including administration, data systems, IT, reconciling accounts and management of third parties.
- Industry experts emphasised the importance of staff communication skills in facilitating a further rollout, and emphasised that these additional requirements will all come as a cost to venues.
- **Long term job security** is a concern for staff and industry experts, as a consequence of what they feel will be a decline in gambling revenue from a mandatory rollout.

### ***Other impacts***

- **Social and community:** Industry personnel warned that rolling out mandatory account-based gaming could have negative implications for the wider community, in reducing social spaces and economic contributions to the community, as well as possible implications for people in coercive or abusive relationships. Whilst gambling support advisors acknowledged that these factors are worthy of consideration, they asserted that they did not outweigh the digital wallet's potential for reducing harm.
- **Anti-Money Laundering:** While widely recognised as one of the goals behind the technology (including by patrons), AML was thought by many to be better addressed through other means and, overall, AML was not seen as a personal benefit to drive patron adoption or acceptance of the technology.

## 5.2 Impact on gambling and venue visitation

The trial was viewed as a good learning opportunity by venue staff and experts. However, as previously stated, the low take-up of the technology and the lack of clarity as to what the future of the technology will look like (i.e. voluntary or mandatory) made it difficult to forecast the impact of a full rollout. Similarly, the experts stated that predicting the impact depended on the final design and whether the technology and harm minimisation features would themselves be mandatory. Nonetheless, respondents offered their views of what the impact might be on patron gambling habits and visitation; industry revenue, costs and sustainability; venue staff; and broader community and any potential legal implications.

### 5.2.1 Gambling behaviour before and during trial

As noted earlier, Liquor & Gaming NSW provided data from the Centralised Monitoring System (CMS) to assist in analysing the impact of the introduction of the digital gaming wallet on people who gamble and the industry.

The ability to identify any impact of the digital gaming wallet is limited by the fact that the CMS data is not at an individual patron level and includes those that are not participating in the trial as well as those who are. Moreover, given the very small number of trial participants, the vast majority of each day's revenue and turnover data will most likely relate to the activity of those not participating. It is also important to note that adoption was always expected to be slow in the trial and in one venue not all machines were fitted with the trial technology. For these reasons, venue staff unsurprisingly felt that there was no observable change in patron habits during the trial: in how often patrons visited, how long they stayed, or how long they played gaming machines.

Figure 1 shows net gaming revenue for each week prior to and following launch, for each of the venues in the trial. The figures have been indexed to have an average value of 100 across all venues in the first week shown (i.e. week -12). Because different venues introduced the digital gaming wallet at different times, the data has also been standardised to aid interpretation so that for all venues week 1 in Figure 1 represents the 7-day period beginning on the day of launch, and week -1 represents the 7 day period ending the day before launch. The varying length of the series (to date) reflects the varying launch dates. The launch dates for Canterbury League Club and Harbord Diggers were less than one full week prior to the most recent date of data provided and consequently these venues are excluded from all charts.

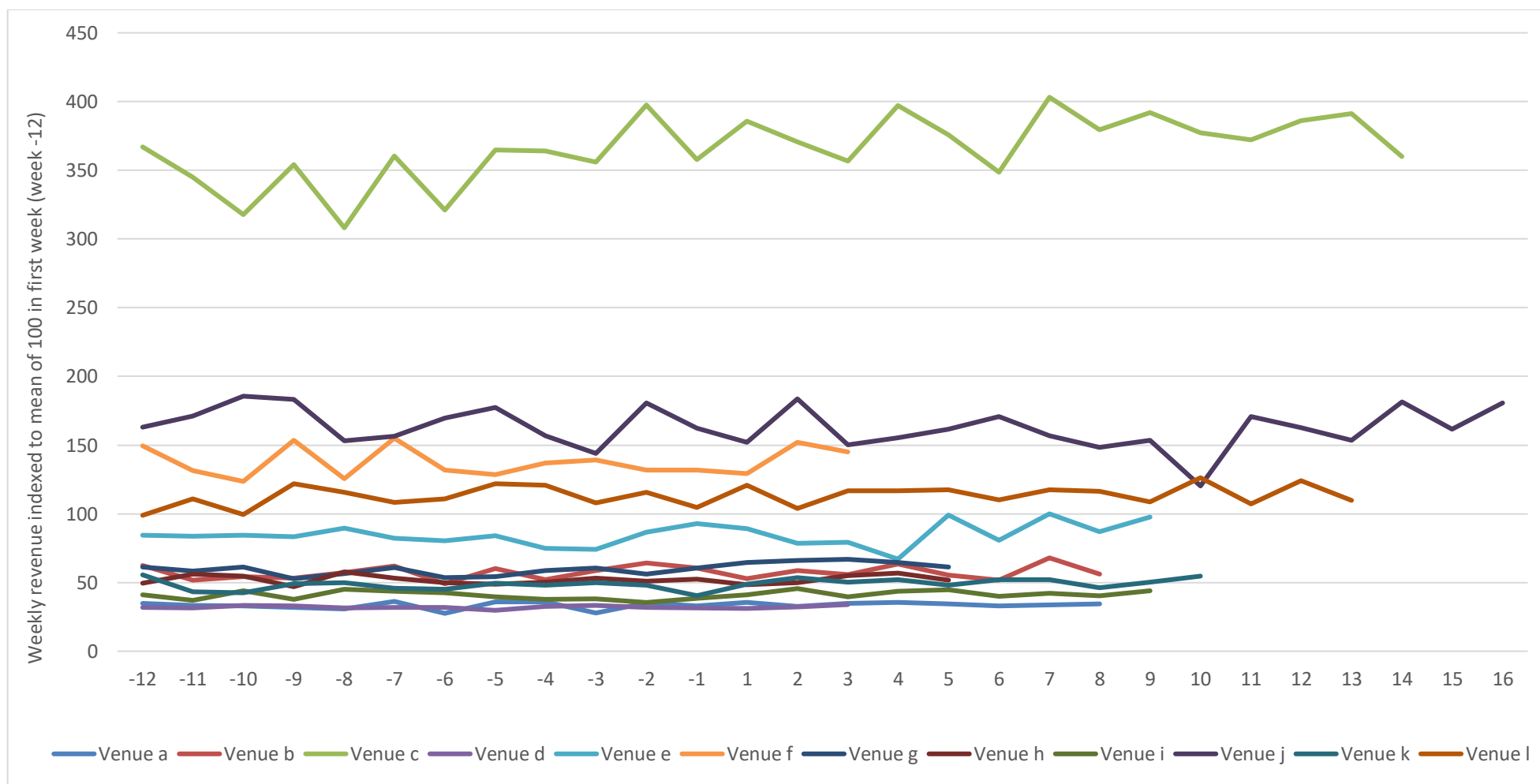


Figure 1: Weekly EGM Revenue by Weeks from Launch (indexed to average value of 100 across venues in week -12)

As expected, the patterns of revenue data do not show any clear pattern of change following launch (i.e. from weeks +1 onwards) compared with pre-launch figures.

Given the week-to-week variability in the data, we also compared the average weekly revenue for the four weeks prior to launch at each venue with that for the four weeks following launch. In the case of venues that commenced the trial in July 2024, the average weekly revenue following launch is limited to three weeks (rather than four). For each venue, the figures for the after period were indexed to the respective figures for the before period, with a value of 100 assigned to the latter. While there is no consistent pattern across venues, there are modest increases in a couple of the venues, most notably venues a and i (Figure 2). These increases cannot be attributed to the trial, however, due to the limited numbers of participants. Figure 3 shows the equivalent chart but for turnover. The increases are slightly less pronounced.

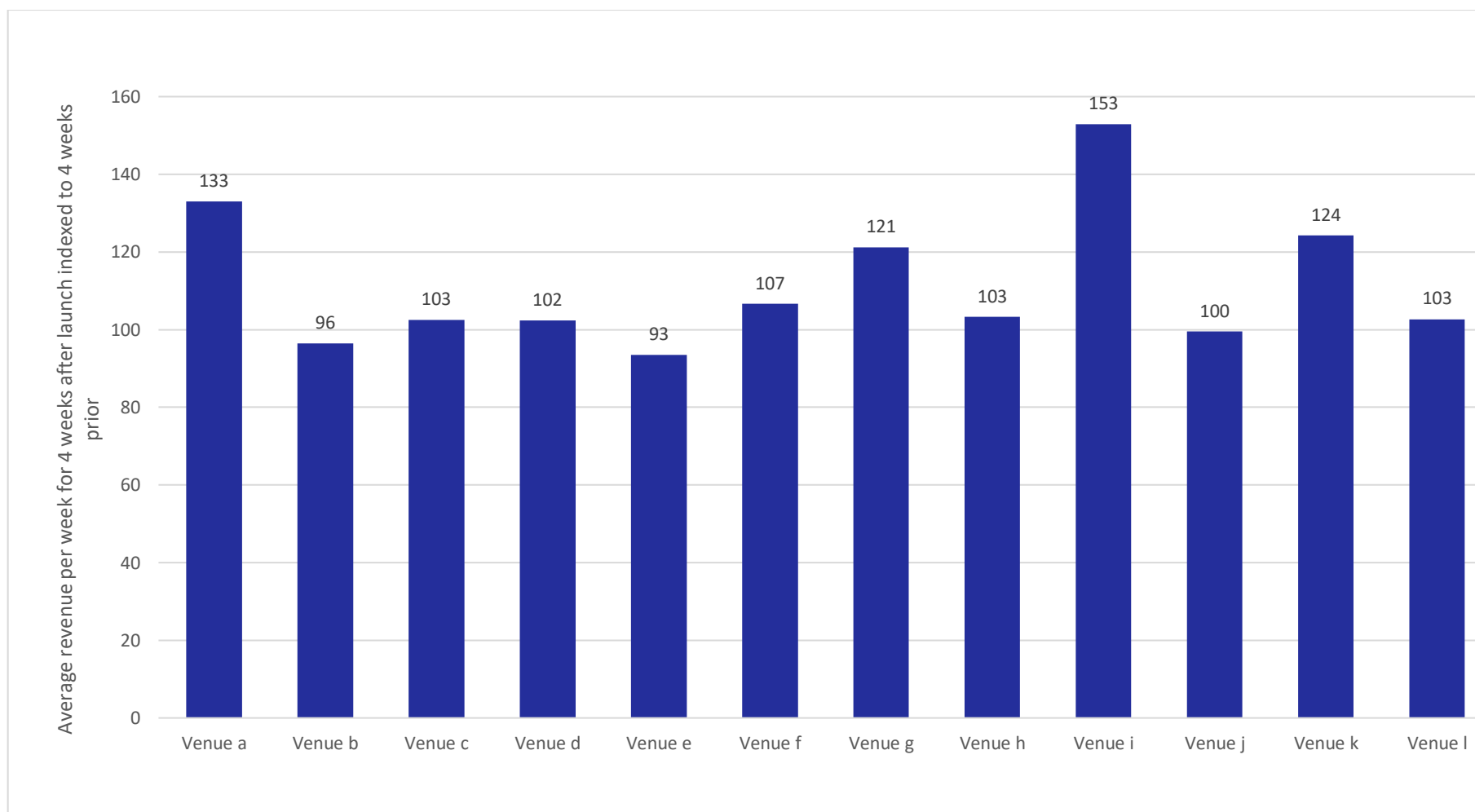


Figure 2: Average EGM Revenue: Four weeks after launch indexed to a value of 100 for the 4 weeks prior period for each venue

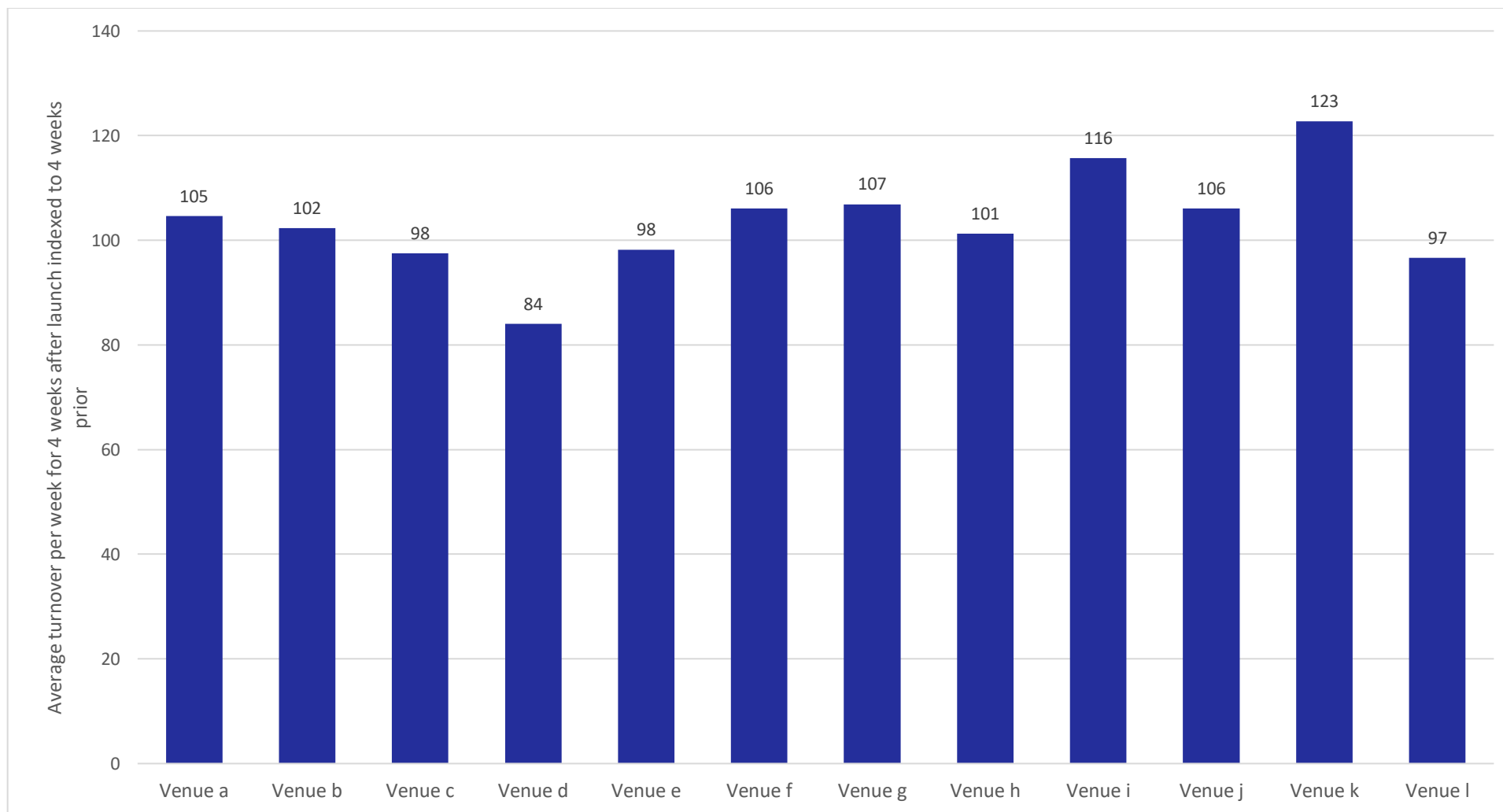
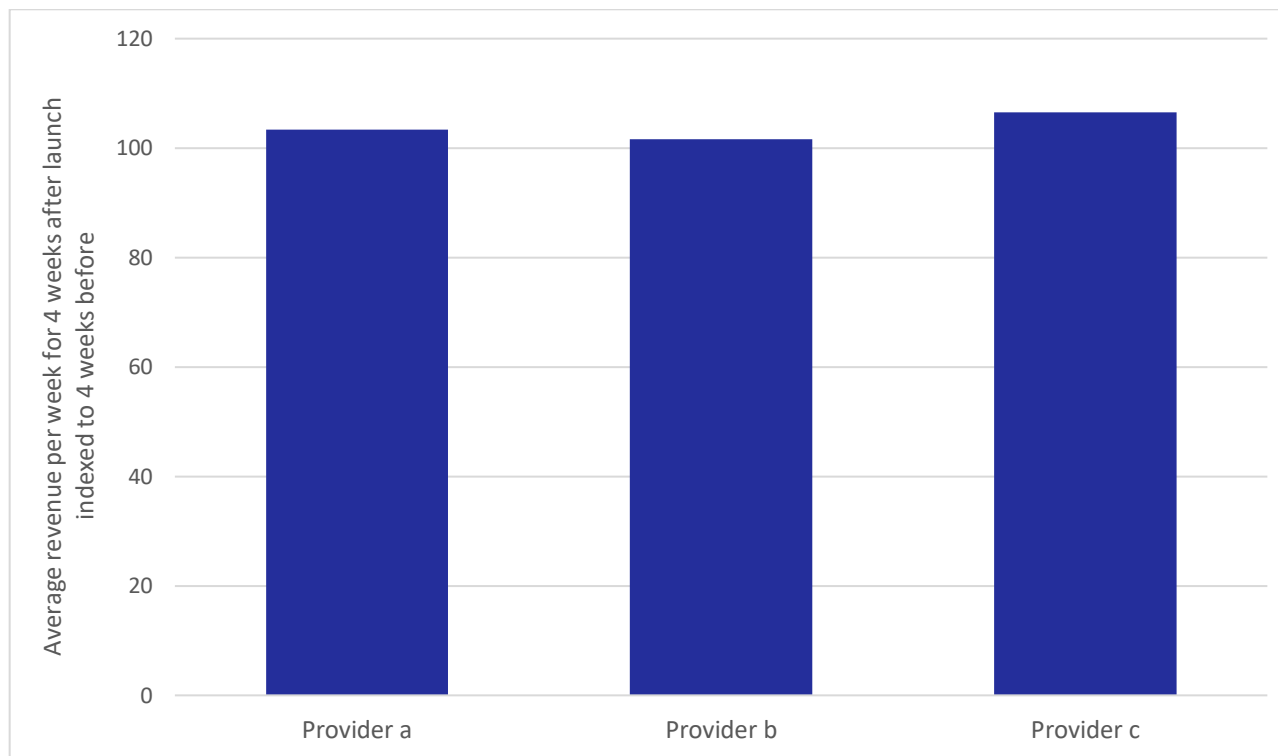


Figure 3: Average EGM Turnover: Four weeks after launch indexed to a value of 100 for the four weeks prior period for each venue

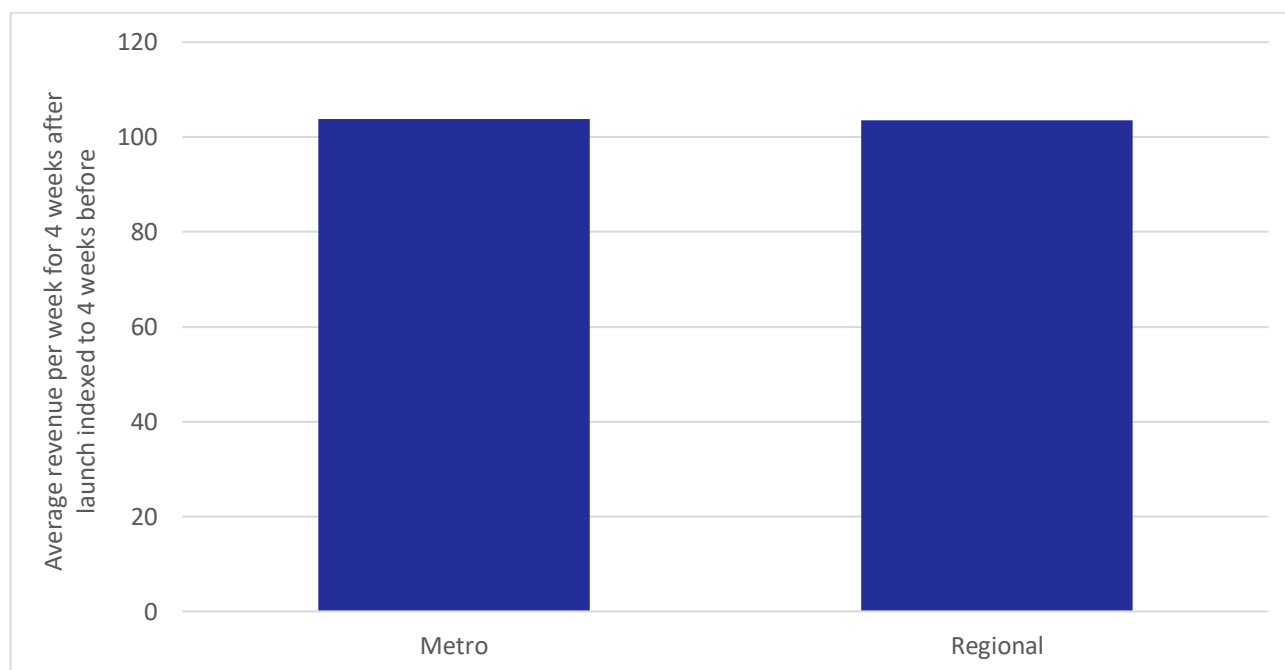
A further question is whether the impact on the industry might vary by technology solution. Figure 4 shows average revenue for the four weeks after launch, separately by each of the three technology providers. Again the figures were indexed to the respective figures for the four weeks before period which were assigned a value of 100.



*Figure 4: Average Revenue Per Week by Technology Provider: Four weeks after launch indexed to a value of 100 for the four weeks prior period for each provider*



Finally, we examined whether venues in regional areas differed from metropolitan venues, in terms of trial impact on revenue. Figure 5 shows weekly revenue in the four weeks following launch summed across metro venues and also summed across regional venues, indexed to a value of 100 for the respective before launch period. Again, no significant impact was detected.



*Figure 5: Average Revenue Per Week by Location: Four weeks after launch indexed to a value of 100 for the respective four week prior period for each location type*

Overall, the results demonstrate no clear impact of the rollout of the digital gaming wallet technology on revenue and turnover. While this is to be expected given the low take up rates, these analyses will be updated as research continues and more patrons adopt the technology.

## 5.2.2 Patron intentions following technology rollout

### 5.2.2.1 Patrons

Technology users were asked what impact a permanent rollout of cashless gaming technology might have on their gambling behaviour in the future with results from case studies summarised in Appendix 9.3. Users also felt differently about the technology, depending on whether it was voluntary or mandatory to use in the future, also detailed in user case studies.

Almost all non-user patrons interviewed felt that if the digital gaming wallet remained voluntary, and legacy systems remained in place (i.e. they could still use cash), they would not take up the technology and their gambling habits would remain the same.



*"If you have the option, there's no problem. If mandatory, you'll stop a lot of people gambling." [Non-user 008, Male, 70+ years, Infrequent Gambler]*

About half of the non-user patrons said that, if digital wallet technology was rolled in the future as the only way to play gaming machines, they would use it. Six out of eight of these 'intended users' said the technology wouldn't impact how often they play the pokies, while two of eight said it would reduce how much they play.

The remaining non-user patrons consulted said they wouldn't adopt the technology, and most felt they would stop playing gaming machines altogether.

Overall, around half of non-user patrons interviewed said that they would play gaming machines less, or stop playing, if the digital wallet technology was implemented in the future, as outlined in Table 30.

**Table 30. Non-user patron intentions to adopt the technology, and impact it would have on them playing pokies**

		Expected impact on playing pokies			
		No impact	Play less	Stop playing	Total
Likely to take up the technology?	Yes	6	2	0	8
	No	1	0	6	7
	Total	7	2	6	15

*Based on responses provided in in-depth interviews, base n=15*

Those who would be likely to take up the technology and those that felt the technology would have no impact on their gambling habits tended to be infrequent gamblers (i.e. play gaming machines once a month or less). Of the six infrequent gamblers interviewed, most (four) said that the technology wouldn't impact how often they play the pokies.



*"At the end of the day, we're going to a cashless society, so this will be a given, using your card or an app... I'm getting too old to worry about things like that, I just go with the flow." [Non-user 004, Female, 70+ years, Infrequent Gambler]*

By contrast, frequent gamblers were most likely to say they would stop pokies altogether: five of nine said they would cease playing pokies altogether if they had to use a digital gaming wallet, and one person said they would reduce how often they played. The remaining three frequent gamblers said the technology wouldn't impact how much they played.



*"I'd be inclined to play a lot less if it was cashless. I don't like cashless gaming. You're not looking into your wallet, you're not seeing the 50s disappear, it's just numbers." [Non-user 005, Male, 60-64 years, Infrequent Gambler]*

*"[If rolled out]" I wouldn't play the pokies anymore. I just don't like it. It's not a fear... It's just something I'm not used to and I don't like, though I know that's the direction we're heading..." [Non-user 003, Female, 50-54 years, Frequent Gambler]*

These intentions were based on a perception that a digital gaming wallet would become mandatory. Some non-users may reconsider their likelihood of taking up new technology if cash were still permitted; that is, mandatory

account-based gaming where all activity is tracked to an identity, but any method of payment is accepted. Three of the six non-user patrons who said they would stop playing gaming machines under a mandatory framework were primarily against the removal of cash, therefore a system that retains cash may be more acceptable to them.



*"I'd never play the pokies. Not with that [digital gaming wallet]. If I can't use cash to play when I want to, I will not go. Yeah, I wouldn't play them."* [Non-user 010, Female, 70+ years, Frequent Gambler]

There was a recurrent theme around concerns about gambling being tracked with those participants likely to be wary of any system where the information is identifiable and available to the government.

Some non-user patrons, who said they would stop using gaming machines indicated they would still like to attend venues for meals and socialising, but said that this would occur less often.

### 5.2.3 Industry stakeholder expectations of technology rollout

Industry experts and venue staff expected that patrons would not respond well to a rollout of the technology in its current form and that this would result in low adoption rates, at least in the short term. This was perceived to be primarily due to barriers to uptake, i.e. the sign-up process being too long and burdensome, data privacy fears, and the technology being voluntary.



*"I'm not surprised that people who are reluctant to change at the best of times are reluctant to adopt something that's not mandatory. So to me, [the low take-up] is not a surprise."* [Expert advisor 003, Gaming industry]

*"If it's hard to sign up and hard to then get in, that is going to make it difficult to drive adoption."* [Expert advisor 008, Gaming industry]

*"If they come in with deposit limits or whatever, I don't think they would recover. It never gets back to where it was. I think the recovery [would be] minor because the impost is not necessarily just getting rid of cash. I think the impost is the identification requirements. We've already seen... that the biggest barrier to take up was government involvement. People don't want the government knowing where they're spending money. And if you walk into a venue and say the only way you can play a gaming machine is to give me all of your personal details, they're going to say no thank you and then go and play online."* [Expert advisor 003, Gaming industry]

A number of experts and patrons felt that there was no incentive to take up technology when legacy systems are in place, as mentioned in chapter 3.



*"What's incentivising someone to sign up to the trial rather than to not sign up? Why would a consumer sign up? If there's no net benefit for the consumer, then why would they be signing up?"* [Expert advisor 008, Gaming industry]

Many venue staff and industry experts expect a significant and long-term drop in patronage and gaming revenue in the wake of a mandated technology rollout. Much of their concern related to the view that a proportion of people who gamble, particularly older patrons, would refuse to sign up and consequently cease to play gaming machines. They believed that, although some patrons had the capacity to use the technology, they would not accept it (i.e. they would have the ability to sign up but not want to be tracked or spend the time going through

the sign-up process). Others would not be able to use it (e.g., they lacked the skills and/or smartphone to acquire a digital wallet or account).

“People wouldn’t sign up, they’d be concerned about bank and government monitoring. They’d find another way to gamble.” [Expert advisor 001, Gaming industry]

Importantly, industry stakeholders did not believe the high-risk gamblers would be among the patrons who would stop playing gaming machines following a mandatory rollout.

### 5.2.3.1 Typical technology adoption

Overall, most experts and staff expected acceptance and adoption of digital gaming wallets to be low, in line with a normal technology adoption curve: innovators, early adopters, early majority, later majority and laggards (Rogers, 1962).

“It will mirror most of our adoption curves. It will be slow start, you get a few ambassadors in the venue who champion the technology and then all of a sudden everyone will start adopting it. It’ll be the same as that.” [Expert advisor 003, Gaming industry]

Industry experts noted that technological change and adoption is not new to the gaming industry. One gaming industry advisor highlighted that the adoption of carded play, which also experienced technical glitches/issues and low take up rates at first, required some time to develop into a more customer-centric and easily-adoptable form.

“That’s not uncommon. There is account-based play in clubs already... In trials of that carded play, we experienced the same challenges, the technology wasn’t quite where it needed to be from a customer experience point of view, customers weren’t well-educated in it... customer adoption takes time. And there’s no shortcuts to that. If you force customers to use something, they’ll just go elsewhere.” [Expert advisor 002, Gaming industry]

They further added that transitioning to account-based play for wagering “also took a number of years and there was a lot of incentivisation of customers to transition”.

However, some experts also pointed out that during the COVID restrictions in 2020-2021, venue patrons, even those typically seen as slow to adopt new technology, quickly embraced mandatory measures like QR code sign-ins.

“COVID proved that everyone is able to accept the technology, it’s just the rate of change, right? The adoption curve was very steep, we got a lot of people on board quickly.” [Expert advisor 003, Gaming industry]

Some respondents, particularly gambling support advisors, argued that the COVID experience undermines the ‘slow adoption’ argument: under a mandatory framework people who really wanted to gamble would adopt technology to do so.

“It only works in a mandatory environment. Similar to QR codes and things like that, people did go through the process of registering, getting their COVID [vaccination status] into their wallet, that kind of thing. If there’s enough information and it’s conveyed an appropriate way, people definitely would. If

*they had to. There would be a subgroup of people who wouldn't want to. But I think that the majority of people, even those who would grumble about it, with the appropriate support, would get on board because if they want to play pokies, that would just be what they have to do."* [Expert advisor 004, Gambling support advisor]

### 5.2.3.2 A return to gaming machines under mandatory account-based gaming

As discussed above, a number of non-user patrons indicated they would stop using gaming machines if it was mandatory to use a digital gaming wallet. For some, this appeared to be further evidence of a 'horn effect bias', whereby they were motivated to provide negative feedback and strong, negative intentions in an effort to dissuade the government from making a digital gaming wallet mandatory for gaming machines. For at least three of these 'rejectors', researchers were left with the impression that, despite their protests, these individuals would return to venues and sign up to the digital gaming wallet (if mandatory), in order to continue to gamble. In both cases, going to venues was an important social outlet, something they did regularly, and gaming machines were one of their preferred leisure activities. All three non-user patrons mentioned alternative leisure activities they would spend their time on instead ('hobbies' and 'match-three games on the computer'). One stated that she may return to venues under a mandatory, account-based framework if she were *"feeling lonely and missed the social aspect"*. The possible social consequences of moving to account-based gaming in venue is explored in section 5.5.

Gaming floor staff and some patrons tended to believe that most patrons who would initially stop going to venues would return and adopt the technology, as it becomes the 'new normal'.



*"[There will be a short-term reduction in people visiting the venue to play pokies] until the technology becomes just readily accepted, and if this becomes the way that, in NSW, we have to play on the gaming machines in three generations time."* [Venue staff 025, 026, 027, Gaming floor staff & manager]

*"[Problem gamblers] might be stopped for a while... they're going to come back anyway."* [Venue staff 015, Gaming floor staff, 5-10 years' experience]



*"Eventually everyone would sign up, it would just be the way of playing a poker machine. Just moving ahead with the times."* [Non-user 002, Female, 60-64 years, Infrequent Gambler]

Other gaming industry experts were not confident about revenue 'bouncing back', as expanded on in section 5.3.2.

### 5.2.3.3 Venue loyalty

Some staff and industry experts flagged that the barriers to entry could impact, not only adoption of the technology, but also the way market share is distributed and venue loyalty. Under a structure where each gaming account is venue or venue-group specific (which was in place for the trial and is the case for many loyalty programs), they felt the time and effort required for the sign-up process may lead to patrons limiting their gambling activities to a smaller number of preferred venues. As a result, while the total gambling spend might remain the same, it could become concentrated in fewer locations and reduce their patronage of other venues.



*"If you've got to sign up per venue, it's too much work. They might just pick one venue and that's the only place you'll ever go to. It's going to be a venue battle to see who can be the most loyal. It's going to be a war of loyalty, to be honest. If you're only like a \$20 punter, you're not going to sign up to four*

*venues that's in the radius of your house."* [Venue staff 023, Gaming floor manager/supervisor, Over 20 years' experience]

*"You're forced to say, I only want this many digital wallets. You're going to have much more of a narrow field of choice. So it definitely narrows from a player's perspective, your choice of venue to attend."* [Venue staff 025, 026, 027, Gaming floor staff & manager]



*"People are quite sticky when they go to venues, they tend to return to the same venue or the same group or they already have a connection with, from a loyalty perspective. So having an account with that provider, I don't think is any different to what a consumer would normally do, more broadly within a gambling perspective."* [Expert advisor 008, Gaming industry]

At present, it remains uncertain how patron venue choice would be affected, and which venues would observe the greatest reductions in patronage. For example, it could be patrons may prefer larger venues with newer and more gaming machines over smaller venues.

## 5.2.4 Patron subgroups most impacted by change in gaming machine play

All stakeholder groups consulted in this research consistently identified two groups likely to be disadvantaged by the shift to digital wallets and/or account-based gaming: older patrons and casual gamblers.

### 5.2.4.1 Older patrons and/or patrons with low tech literacy

The vast majority of respondents in this study assumed that younger people would be more likely to take-up the digital wallet. Most suggested that, in the short-term, it would only appeal to 'young people' or 'tech-savvy' people. Many also assumed that older patrons would be unable to use the technology.



*"The younger generation will take up the tech and be fine with it."* [Non-user 007, Male, 60-64 years, Frequent Gambler]

*"Give people a choice. Younger generation will go to cashless, that's what they're used to- their phone is their world. For myself and older generation, it's not the go - give us the choice. The older generation are the ones who spend money in the clubs, because we have disposable income."* [Non-user 003, Female, 50-54 years, Frequent Gambler]



*"It's aimed at younger people, everyone else has just gone to the wayside."* [Venue staff 013, Gaming floor manager/supervisor, 11 - 15 years' experience]

*"Young people might actually [be] interested because it's like kind of everyday use already they might find it easy...but not where I work [due to patron age]"* [Venue staff 017, Gaming floor staff, 5-10 years' experience]

*"For the older generation that don't have the technology available to them, it would basically cut them out and they would buy new phones... And the younger generation may pick it up much more quickly because they're very familiar with it. And those in the middle, it's really depends on if they always carry cash... If they're always using card, they probably will. It's just dependent on demographic more than anything."* [Venue staff 022, Gaming floor manager/supervisor, 11-15 years' experience]

*"We have an ageing demographic. A lot of them, although they may have a smartphone, they don't use them like you and I do, right. So they're not necessarily doing their banking. They're very much still a brick and mortar sort of generation. And they're quite good at picking up technology, don't get me wrong. But they might not be quite ready to start transferring from a bank account to a club account." [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]*

One staff member saw the technology as potentially turning the tide in the future because it could bring more younger patrons to gaming machines gambling by offering them a way to gamble that was consistent with their technological expectations.

**“** *"I would say with the implementation in venues where the clientele is of a younger age or a demographic younger, you would see an increase in spending in the club. Saturdays, Sundays, Fridays, Thursday nights, we get a lot of younger clientele, but then you get more of them, but they're not spending as much as the regulars who are a little bit older. But I would say if the more of them had access to spend more money, which they would with the system, then they would spend more than the regulars and slowly overturn how much the regulars bring in maybe over outweigh, maybe even bring in more than them." [Venue staff 039, Gaming floor staff, Under 5 years' experience]*

However, according to non-users consulted in this study (Table 31 below), the relationship between age and sentiment towards the technology was not clear-cut.

**Table 31. Non-user sentiment towards digital gaming wallet by age**

	Under 45 years	50-59 years	60 to 69 years	70+ years
Very positive		1		
Somewhat positive				1
Neutral / uncertain	1		1	3
Somewhat negative			2	
Very negative	1	1	1	3
<b>Total</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>7</b>

*\*Note: frequencies are based on a sample size of 15. This information should be considered indicative only.*

Low adoption rates and concerns are better attributed to technology literacy and existing digital habits, rather than solely to age.

**“** *"The barriers to adoption or failure of adoption... It's too overarching to say [it's a] particular demographic, but it's based on technology accessibility, whether it be an iOS 13 minimum to achieve a certain app or just the uptake in general from different age groups. and the accessibility probably smartphones being the main one." [Expert advisor 008, Gaming industry]*

Experts suggest, and this is supported by feedback from non-users who were part of this research, that older patrons may be more capable of adopting the technology than general attitudes may suggest.

**“** *"[Older patrons] might struggle... but they survived during COVID. They figured out how to do QR codes, they realised they had to do it." [Expert advisor 005, Gambling support advisor]*

*"Older patrons will be less technologically literate and people without English, they will need more support. It's more of a logistics barrier than an attitudes barrier because the end of the day, [it will be] mandatory." [Expert advisor 004, Gambling support advisor]*

Most of the non-user patrons over 65 years consulted in this research<sup>14</sup> were confident that they could learn how the technology works, and were comfortable using digital payment systems in general. However, while "not tech-phobic", the technology did not appeal to them. As outlined above, some of these individuals refused to entertain any positive or constructive views of the technology, as they felt it was entirely misaligned with their values and priorities, particularly when it came to data tracking and imposing limits on gambling spend (expanded on in section 4.3).

However, these non-user patrons over 65 were more likely to share concerns about their parents, aged 90 and above, who they felt would not adapt to any change from using cash to play gaming machines. These concerns were amplified by a lack of clarity about what would be required of patrons and what limits would be put in place if new technology were further rolled out.



*"Being the age he is, 92, [father]'s very sceptical about it. He's set in his ways. His feedback to me was that he wasn't liking what was offered, having to have a pin number, and something about only being allowed to have \$500 on this card or something like that. He felt that it is his money, and he should be able to use it the way he wants to use it, not be restricted. He felt that it was too complicated for him to change over from what he is used to." [Non-user 002, Female, 60-64 years, Infrequent Gambler]*

Another non-user patron also shared her experience of technology being a deterrent for older patrons in venues.



*"I'm old school. Something that's more tangible - I'm only 53 - but something more tangible is better for me. And I think the older generation feels the same way, my mum and dad certainly do. They used to be big club-goers, then all this digital stuff [carded play] came in and it freaked them out and so they slowed down and stop going." [Non-user 003, Female, 50-54 years, Frequent Gambler]*

For these patrons, approximately 65 to 75 years who were technologically-adept, the digital gaming wallet was feasible but not acceptable, i.e. they have the technology literacy to use it, but no desire to, due to a lack of perceived benefit: "leave us oldies alone", one said.

However, it is expected that a proportion of older patrons will not have the knowledge and/or not meet the requirements needed to use a digital gaming wallet, such as having a smartphone. Experts suggested that there needs to be allowances for these individuals, expanded on in section 5.3.3.



*"There'll be a lot of people that won't be able to participate [in playing the pokies]. We're in a retirement area, with people mostly aged late 50s to 80 years old. We won't see a lot of those people, which is really sad. Unless there's a process that's a bit simpler for older people." [Venue staff 013, Gaming floor manager/supervisor, 11 - 15 years' experience]*

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<sup>14</sup> As most interviews with non-user patrons were completed online, the sample of non-users can be considered biased and on average, more technologically- capable than other patrons of a similar age. The age of the sample also skewed older, which coloured the results.



### 5.2.4.2 Casual or infrequent players and tourists

If venue-specific digital gaming wallets became mandatory across NSW, representatives from all stakeholder groups flagged that casual or infrequent gamblers, visitors and travellers would be the group most likely to be 'excluded' from using gaming machines. A common belief was that there would be too many barriers to entry for this type of patron, given that the sign-up process was time-consuming and, in many cases, required physical ID that not everyone would carry on them. Stakeholders found it unlikely that many casual players would go through the effort of sign-up for their short and/or low value 'flutter' on the machines. This was reiterated by some of the low-frequency gambling patrons consulted in this research.



*"Didn't appear to be necessary for me, because I'm an intermittent player." [Non-user 004, Female, 70+ years, Infrequent Gambler]*



*"I suppose it does take away that casual thing where you can't just chuck 50 bucks in. You have to go through a series of things, signing up to an account, linking it to your ID, blah blah. In this day and age, to be honest, I think most people are used to having some sort of palaver around anything." [Expert advisor 006, Gambling support advisor]*

*"It will be a pain for casual, very infrequent players." [Expert advisor 005, Gambling support advisor]*

*"Tourists and casual players are the ones who don't want to wait 15 minutes and sign up." [Expert advisor 002, Gaming industry]*

*"From a purely customer perspective as casual player, I wouldn't be bothered." [Expert advisor 008, Gaming industry]*

*"Those who are desperate for a punt. I got to be honest, no problem [using technology]. They'll do anything for a punt. But those who are just maybe looking for a parma and a beer and maybe put some money through – it's too hard." [Expert advisor 009, Gaming industry]*

Respondents also felt visitors and travellers would be particularly unlikely to go through the sign-up process if they were only going to be visiting the area for a short time.



*"Sometimes we have a lot of customers that have never been here, and they just want to come and visit the club or they they're travelling from far. If they had to sign up for the cashless app, you might put them off gambling entirely." [Venue staff 008, Gaming floor staff, 5-10 years' experience]*

*"Let's say someone's here on holidays, they're staying in the caravan park down the road, go to the club and they get their Schnitzel and maybe they want to put 20 or 50 bucks through the gaming machines. There may be just too much of a barrier for entry, whether or not I have to sign up or link a bank account. They just won't do that." [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]*

International visitors posed a bigger challenge: one staff member mentioned issues with signing up international visitors, as the process and KYC checks are designed for an Australian context.



*"My friends, family coming from overseas and then they won't be able to [play]." [Venue staff 034, 035, 036, Gaming floor staff & manager]*



*"Because it's very, very hard to process transactions from international banks...So you are basically saying that you're not going to allow any tourists to participate in gambling, which is insane for a hospitality business to be turning away anyone." [Expert advisor 003, Gaming industry]*

Technology providers are aware of the sign-up barrier to entry and are optimistic about the opportunity to streamline the sign-up process but recognise that success will depend on greater industry collaboration with financial institutions (see chapter 6).

## 5.2.5 Anticipated change in gambling methods / behaviour outside of gaming machines

Multiple venue staff, patrons and gaming industry experts felt that a potential unintended consequence of mandatory digital gaming wallet or account-based gaming was that rejectors of the technology might turn to other forms of gambling, such as online casinos.



*"[Regarding mandatory limits in casinos which was seen as an analogous reform to account-based gaming] Those people that still want to gamble are now doing it somewhere else in a non legal sense. So underground casinos are popping up everywhere because these people want to gamble, but they're forced into a certain way of doing it, so they do it somewhere else." [Expert advisor 009, Gaming industry]*

*"Depends on the granular detail about and what would be the possibility of it being unhelpful to people with problem gambling... It could push people to like those offshore casinos and types of trading and things that don't have right any of those know your customer or very limited know your customer barriers.... but the benefits [of rolling out mandatory account-based gaming] greatly outweigh the costs." [Expert advisor 006, Gambling support advisor]*

Staff felt that the impact of this would be detrimental, not just to venues, but to people who gamble. Their view was that online gambling would increase harm from gambling, as it is less regulated and comes with fewer protective factors than land-based forms. The lack of human interaction in online gambling, they felt, compared with venues (staff check-ins, socialising with others, meals etc) would increase the risk of harm.



*"If this was the only way to gamble, problem gamblers will do whatever they have to do to be able to play. Limits will deter them a little bit but they'll just go elsewhere and play something else (sporting apps, horses, anything, keno)." [Venue staff 013, Gaming floor manager/supervisor, 11 - 15 years' experience]*

*"They'd turn to sports betting, like rugby, soccer, football. I could imagine they'd go to thoroughbreds and other various forms of betting like especially our older patrons." [Venue staff 039, Gaming floor staff, Under 5 years' experience]*

*"We have a safe space for customers to come, we have dedicated staff and RGOs to look out for problematic gambling behaviours in customers. During COVID, all clubs were shut. Online gambling increased so much. It wasn't monitored, a lot of people lost a lot of money and there was no safe space for people... A lot of people will go and find somewhere else to gamble, in a non-safe space like online, with overseas casinos who don't care about responsible gambling. We [venue] live and breathe responsible gambling... I want them to enjoy themselves in a safe space." [Venue staff 034, 035, 036, Gaming floor staff & manager]*



*"They'll play online... In Sweden [following cashless gaming reform], 6 casinos closed, they're now down to 1. Take up of online slot play in Sweden is through the roof. So I would suggest that any move to mandate the removal of cash would see people take a different option [to gamble], where we don't have the venue staff and all of those safer gaming measures." [Expert advisor 003, Gaming industry]*

*"You've got to put a safety net on other areas. I think the club industry and the pub industry are very valid in their concerns around people going home and gambling online." [Expert advisor 012, Gambling support advisor]*

Gambling support advisors, however, argued that most gamblers, particularly those who have problems with their gambling, have a preferred gambling mode and 'a land-based gambler is one for life'. They pointed out that research supports this view. They highlighted that COVID lockdowns in Australia provided a 'natural experiment' for this issue. During the lockdowns, there was indeed an increase in the number of online gambling accounts and online gambling spending increased (Gainsbury et. al, 2021). However, widespread changes from land-based to online gambling did not occur, thereby disproving the 'substitution hypothesis' (Gainsbury et. al, 2021). The increase in online gambling came from existing online gamblers, who tended to be young men.



*"Regular pokies players don't go to online. It's not it's not providing the same need for them... it's a totally different experience, they may as well just start going retail shopping so it's highly unlikely... We saw during COVID... more people started mucking around online and getting accounts, but they all came back to the venues... people didn't forget about pokies and just decide after a break they weren't interested in that anymore. They came back stronger than ever. People would grumble and they can all grumble with their mates together, but at the end of the day, they're going to gamble and still do it. So I've zero concerns about regular players." [Expert advisor, Not attributed due to potential identification]*

*"[Switching to online gambling]'s often being claimed in the past. I don't know that the evidence stacks up, in the past anyway. And that's all we can do with research, is look backwards... as a clinician, I've experienced that most people have a preferred activity and if they're land based, they're land based for life, effectively. Some people dabble around the rest... [but] I don't know that the evidence actually suggests that people shift." [Expert advisor 007, Lived experience advisors]*

One non-user patron, who volunteered with seniors to provide IT and computer literacy training, suggested that the biggest barrier to converting to a digital wallet or account-based system for seniors was navigating the technology without hands-on support. He felt that, for this cohort, online or app-based gambling products were not an alternative because of the technology barriers that exist – having a smartphone, having to prove identity and create an account, learn the digital interface – and that, at least in venues, staff would be present to assist them.

Another gambling support advisor felt similarly; he believed that older patrons would have more barriers to switching modes of gambling compared to younger patrons, and therefore would be more likely to stay with land-based gaming, even if they did not like having mandatory account-based play or set limits.



*"I think older people would benefit more because they're not necessarily just going to go over and start punting on the horses and they may not feel comfortable going home [to gamble online]. I think that would be good. But the problem is the fastest growing demographic is 18 to 24 year olds. And they'll just find something else to do." [Expert advisor 012, Gambling support]*

Another interesting natural experiment, mentioned by one of the research participants, occurred in Piedmont (Italy), where gaming machines were removed or their operating hours reduced. This resulted in reduced revenue for venues, but very few people switched to gambling online (Rolando et. al, 2021).



*"I think the industry would like you to think that if people do switch to other forms, then it also incumbent on those forms of gambling to impose safety mechanisms. You need to look across the board – online gambling not a state-based issue, whereas pokies are state based."* [Expert advisor 007, Lived experience advisors]

*"My understanding is that there was some displacement, but the Venn diagram of land based gamblers and online gamblers doesn't have much overlap and that most of the displacement ... most of the change in behaviour was young men who already had online accounts."* [Expert advisor 010, Gambling support]

However, one expert interviewee, with lived experience of high-risk gambling, talked about how the introduction of technology had increased his harmful behaviour, and talked about how his gambling took a 'notch up' when online gambling became available.

## 5.3 Impact on industry

Many people in the gaming industry see the movement towards digital payments for gaming machine play as a necessary innovation, to keep up with consumer trends and demand. In the words of one technology provider: *"we would not have invested in building this technology if we didn't think there would be adoption."*



*"From what we've seen from industry and their eagerness to participate in the trial, I think there's an acceptance from industry that they'll wear that cost and be happy to rollout that hybrid model."* [Expert advisor 001, Gaming industry]

However, the manner in which this technology is rolled out – in a voluntary capacity alongside legacy systems or as a mandatory account-based system – and the timeline of this rollout is seen by industry personnel as 'make or break' for the NSW gaming industry.

Respondents were of the view that a new digital framework would have major implications for venue costs and investment, revenue changes and venue sustainability and resilience, which are discussed next.

### 5.3.1 The investment required by venues and industry

The total cost / need for investment by clubs, pubs and hotels in NSW for a digital gaming wallet or mandatory account-based gaming system is unknown. Some experts have attempted to forecast these costs for a mandated account-based system and have found these estimates to be *"eye-watering"* [Expert advisor 002, Gaming industry] and require *"billions"* [Expert advisor 001, Gaming industry] from industry and government.

It is difficult to accurately estimate the costs without knowing the details of the digital solution. Moreover, given the diverse range of technology infrastructure that exists in venues of different sizes and means; some costs may be easy to estimate, while others are more 'hidden'.



*"The cost to industry will depend on what technology they have, regulation of the technology, many variables that make it hard to land on a number." [Expert advisor 003, Gaming industry]*

Industry experts also pointed out that some costs, such as capital costs and staff costs, will be upfront, while other costs like software solutions may be recurrent and over time, and may sum to be many times more expensive than a stated, upfront cost.

Industry experts and venue staff have outlined the following direct costs:

- Employing staff to aid patrons in the rollout of technology
  - *"I could see venues employing more staff to educate and explain, assist in sign ups - that's needed because it is time consuming process. To sign up a lot of patrons, you'd need to increase employment," [Expert advisor 001, Gaming industry]*
- Training staff on how to introduce, explain and troubleshoot technology for patrons
  - *"There's people out there who are more or less digitally savvy and comfortable using digital technology... when we introduced this, what we exposed was a lot of the staff we're asking to educate customers weren't very educated on how to use it." [Expert advisor 009, Gaming industry]*
- Additional hours or administrative costs, including 'balancing the books' from an increasingly diverse range of revenue streams coming through venues
- Capital investment in equipment
  - Industry stakeholders said this would range from beacons or connectivity points to accommodate connection to a digital gaming wallet, to the full cost of replacing gaming machines that may be at 'end of life'
- Software licensing costs<sup>15</sup>
- Digital transactions
  - Industry stakeholders pointed out that costs to transfer money may not have been adequately considered: *"There is a cost to digital transactions that will have to be worn by the consumer which will make them reluctant to participate or will have to be worn by the venue. And we may see that be a substantive part of the cost profile that's not been looked at, [especially] as you get more and more transactions... You get a fee when money goes in and comes out, so effectively compared to other businesses, it's almost doubled." [Expert advisor 002, Gaming industry]*
  - However, it was noted that costs will scale with use: *"Any solution like this is based on volume. The amount of volume that you can put through will generally bring down the cost over time per patron, per usage, per venue... if it's mandated, you'll get the volume." [Expert advisor 011, Gaming industry]*
  - Another venue staff member suggested that the fees associated with digital payment will likely create a 'cash-grab' by a third party payment vendor

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<sup>15</sup> For the trial, software development and running costs were being covered by the technology providers

- Staff also suggested that the transfer costs, while less than ATM fees, were likely to annoy patrons: *"The only other thing that didn't love about it, which I believe was tech[nology] specific... [was the] transfer fee. With our app it was a dollar each way. Communicating that to customers... if you want to transfer \$50, it's going to charge you 51 something like that. I don't think it's a bad thing. However, it would be better to do not per transfer. Maybe for each day that you use it, you pay a \$2.50 fee or something... I guess it's cheaper than the ATM to be fair. That's how we brought it across [to patrons] that it's cheaper than transferring it. It's still saving X amount of doing it that way. But you know, in people's minds, they just: 'oh, you're taking money away from me', even though it's \$1.00."* [Venue staff 011, 012, Gaming floor staff]
- WiFi or network costs

Venues will also need to invest in infrastructure to accommodate the increased 'digital footprint' their patrons generate when using digital systems to play gaming machines. This infrastructure, and privacy and security processes already exist, to varying degrees, in different venues. For example, larger metro clubs tend to be more technologically sophisticated with their membership databases and loyalty programs, while hotels tend to have far less data infrastructure in place. Having said that, cybersecurity is an issue for all types of venues moving forward, particularly as the digital gaming wallet generates more financial data.



*"Investment in IT systems and maintenance, will it be up to scratch if someone turns their eye our way?"* [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]

*"What hope have we got if others have had data breaches?"* [Venue staff 013, Gaming floor manager/supervisor, 11 - 15 years' experience]



*"It's a concern of venues, having their systems hacked. I know a number expressed that concern... I suppose we're putting our faith in the Privacy Office in NSW to ensure that the system's created in a way that it does give privacy protection to individuals and to venues."* [Expert advisor 001, Gaming industry]

Venue managers often mentioned that one of the key benefits of the trial for them was the opportunity to learn and to manage a rollout more effectively in the future. Participating in the trial was seen to put them at the forefront of gaming evolution and give them a chance to iron out glitches and issues with the technology.



*"I think this was good because choosing to do the trial sort of gave us that insight in if they said in next year NSW is going cashless, we're already in front because we've been through this process. We're ready for what's going to happen versus people who may not see the value in being part of the trial and having that experience to go through the process."* [Venue staff 005, Gaming manager/supervisor, 16 -20 years' experience]

*"We were both pretty adamant that we did want to participate in the trial. So, we essentially give our members access to this technology to provide their insight and a bit of insight into what the trial could look like or would look like and what moving forward those kind of impacts might be."* [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]



*"The 'trial and learn' approach has provided us with significant learnings for the venue and we feel this has been advantageous."* [Expert advisor 008, Gaming industry]

One expert also pointed out that, while compliance with the array of gaming, financial and privacy requirements will be challenging for venues to meet, and will come with a personnel cost, they nevertheless believed that

increasing oversight and understanding about the obligations of operating in such a highly regulated environment is a positive step.



*"Naturally there'll be some skill sets that the providers will bring to the table there, but it definitely will increase the amount of compliance oversight that venues have to have. That's not necessarily a bad thing, but there'll definitely be a sunk cost there, probably human labour more so than anything else."*  
[Expert advisor 011, Gaming industry]

### 5.3.1.1 Cost implications for technology providers

The technology providers participating in the trial indicated that they had invested significantly, not only in developing and rolling out the digital wallet technology to venues, but also in working with third party providers. This is expanded on in section 6.13.2.



*"It's an expensive process. All new hardware. Third parties. We rely on some third parties... like doing a KYC. We used a supplier who was very economic and there's a lot of suppliers out there who say they can do it very cheaply, but the reality is when you put it in place, you're kind of let down. So guess what, you got to go use somebody who's 2-3 times more expensive."* [Expert advisor, Not attributed due to potential identification]

### 5.3.1.2 Cost implications for patrons

A couple of non-user patrons raised concerns about how the costs of a digital gaming system might be passed on to them as customers.



*"It seems like it will create a cost for clubs, for having to manage a system like that. How will people benefit from that? Clubs will be forced to impose a system, spend money to implement the software, spend money on staff... then their operating costs go up, so they'll charge us more for food or drinks."*  
[Non-user 006, Male, 70+ years, Infrequent Gambler]

One non-user feared that an increase in costs, and concurrent decrease in revenue, may occur following a mandatory rollout of digital play technology. They suspected that the industry may address this by implementing a "far higher return to venue" from gaming machines and, by implication, a lower return to players. She speculated that there 'seemed to be less wins' when clubs needed more money, such as for renovations, and thought that venues may 'turn down' the machines to return less wins to continuing gamblers<sup>16</sup> in order to cover any deficits. This belief does not align with the legal requirements on the return to player rates of gaming machines in NSW.

These insights implied that there may be lingering negative perceptions amongst a small group of patrons, who might continue to visit venues and/or play gaming machines despite being unhappy with the rolled out digital solution.

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<sup>16</sup> NSW gaming machines are required to have a 'theoretical/estimated statistical expectation that the minimum RTP of the game will be greater than or equal to 85.00%', which very few non-user patrons demonstrated awareness of (Liquor & Gaming NSW, 2022)



## 5.3.2 Expected change in revenue following technology rollout

Under a model where a digital gaming wallet is introduced as one of two (or more) options to play gaming machines (i.e. a 'hybrid model'), industry stakeholders expect revenue from gaming to remain the same. While gaming industry experts say that evolving alongside technology and consumer preferences is crucial to long-term sustainability, they believe that adding a 'second way to play' gaming machines will not impact revenue in the short-term (expanded on in section 5.3.2).



*"There's no one sitting at home chomping at the bit for a digital wallet so they can start playing, so we'll definitely lose some revenue [if mandatory]." [Venue staff 025, 026, 027, Gaming floor staff & manager]*

In contrast, a mandatory digital wallet or account-based system was anticipated to have a significant impact on revenue, although views on the extent of the reduction, and the speed of any potential recovery, were not consistent among industry respondents.

Venue staff and gaming industry experts said that, if the current solution were to become the only way to play gaming machines – i.e. without cash, requiring KYC and bank linkage to power a digital wallet and therefore a long sign-up process – many patrons would choose to stop using gaming machines. Consistent with the view expressed in previous sections, the groups most staff and experts expect to be most negatively affected in future gaming markets would be older patrons (who make up the bulk of club membership and gaming machine patronage) and casual players or tourists. These predictions are based on professional experience, staff relationships with their customer base, and results of international trials of mandatory carded play.



*"Cashless is too big a step due to its impact. People want to be able to play socially and safely with some cash and ruling it out completely will have a massive impact on viability of Clubs as those that don't experience gambling harm will be the people that stop playing as a result due to the hurdles and process to onboard and move funds. The technology is too much for most members and players. Mandatory cashless will significantly impact club revenues and massive downturn resulting in closures. It must not be made mandatory, it should definitely be an [alternative] option, but to remove cash will be destructive to the industry." [Staff survey, Gaming manager/supervisor, 5+ years' experience]*

*"If we were to be entirely cashless, it would be difficult for this industry to change because we've got too many patrons used to the old way, playing with cash...probably won't spend as much, especially people visiting, might put them off entirely and affect our revenue... If cash were to be removed entirely, the club would suffer." [Venue staff 008, Gaming floor staff, 5-10 years' experience]*

*"If rolled out in current format – there almost wouldn't be an industry. It would be devastating impact on the industry" [Venue staff 003, Gaming manager/supervisor, 16 -20 years' experience]*



*"Would devastate the industry - no one would play. You'd see [venues] go broke, and lots of job losses." [Expert advisor 001, Gaming industry]*

*"There's demonstrated examples globally of that having a massive impact on revenue, which means that venues won't be able to afford to have the same staffing levels that they currently have. So yes, I think mandating the removal of cash would have a significant impact on staffing and job security." [Expert advisor 003, Gaming industry]*



At the macro level, most (61%) staff surveyed believed that cashless gaming technology is likely to have a net negative (i.e. somewhat or very negative) impact on statewide gambling industry revenue over the next five years (Table 32). This was particularly notable among gaming venue managers or supervisors, with 79% anticipating a net decline in gambling revenue, as well as staff with tenure of 5+ years in industry (88% predict a negative impact). Clubs and regional venues tended to hold slightly more negative views than their hotel or metro counterparts.

Importantly, these predictions were based on the idea of a cashless gaming system, i.e. the digital gaming wallet, becoming mandatory; not account-based gaming which would accept cash but trace spending back to individual patrons.

**Table 32. Staff - Predicted impact of cashless gaming technology on revenue from NSW gambling industry (next 5 years)**

	n=	% of total
Very positive	1	2%
Somewhat positive	8	18%
Neutral	7	16%
Somewhat negative	12	27%
Very negative	15	34%
Don't know	1	2%
<b>NET: NEGATIVE</b>	-	<b>61%</b>
<b>NET: POSITIVE</b>	-	<b>20%</b>

*Q27. Overall, what impact do you think cashless gaming technology will have on revenue from the NSW gambling industry over the next 5 years? (Single response). Base: All staff respondents (n=44)*

This negative outlook held for the predicted impact of cashless gaming technology on the hospitality industry more widely, albeit with slightly less intensity, as per Table 33.

**Table 33. Staff - Predicted impact of digital gaming wallet technology on the hospitality industry (next 5 years)**

	n=	% of total
Very positive	0	0%
Somewhat positive	9	20%
Neutral	10	23%
Somewhat negative	19	43%
Very negative	6	14%
<b>NET: NEGATIVE</b>	-	<b>57%</b>
<b>NET: POSITIVE</b>	-	<b>20%</b>

*Q26. Overall, what impact do you think cashless gaming technology will have on the hospitality industry in NSW over the next 5 years? (Single response). Base: All staff respondents (n=44)*

This view was supported by non-user patrons who were critical of the technology and did not want it to be rolled out further.



*"[This is] saying a lot because I like going to the pokies - but I would not, will never, ever, ever link to a bank account... If cashless gaming is brought in tomorrow, it'd be a big decrease in revenue in a short time, it'd just go downhill. You'd lose the majority of retired people because we've all discussed it from time to time up there since [the trial started], and they aren't going to do it." [Non-user 010, Female, 70+ years, Frequent Gambler]*

*"[Revenue] will drop. In some respects they've put too much emphasis on poker machines. The pokies have been what's kept venues going... they've gotten to a point where pubs and clubs need the poker machines to survive because the old days of alcohol and food, there's no money in alcohol because of government [restrictions]... so it's going to affect a lot of clubs and pubs. A lot of little places will need some form of assistance, especially for the set up." [Non-user 005, Male, 60-64 years, Infrequent Gambler]*

As with costs (above), gaming industry experts and venue managers found it difficult to quantify the expected impact on revenue. Some felt unable to speculate, whereas others provided estimates ranging from a minimum of 10% to a 60% decline (with most estimating around 30%).



*"If it's a mandated approach, it'll go through the floor. Revenue will at a guess somewhere between 40 and 60% reduction. Just at a guess. If [a digital wallet] is just an option, it probably won't affect it either way. Zero, I would think." [Expert advisor 003, Gaming industry]*

*"If the people above us said 'project our revenue decrease', I would work on the standard of up to 30%... probably more in Sydney. Now I based that on changes that have happened and I'm going to use the smoking example. When that happened, immediately they're the kind of levels we saw. And that's probably less [restrictive] because you could still go outside and have a cigarette, doesn't have [the same] direct impact on their play, per se... So between 20 to 30, I'll be fair, depending on the venue, the habits etc." [Venue staff, Not attributed due to potential identification]*

Most estimates for revenue decline appear to be based on how changes in customers' preferences would affect expenditure, i.e. people who usually play gaming machines in venues refusing to do so. However, gambling support advisors, and those with lived experience, also expect that the technology could effectively cap the spending of people who may gamble harmfully, and thereby reduce gaming revenue. They pointed out that this would depend on the extent to which limits are prescribed and made mandatory. Similarly, as an anti-money laundering measure, the implementation of tracked, account-based gaming would result in less revenue coming through venues from anonymous sources. In these ways, non-industry advisors believed that a mandatory account-based gaming system would see a 'natural correction' of revenue to only legal and non-harmful expenditure.



*"The most revenue is from problem gamblers through pokies, so there is a chance that they will receive less revenue... It also might mean that they need to get creative and have other ways of attracting customers [through] diversification, [which] might help society." [Expert advisor 006, Gambling support advisor]*

*"That's when the anti-money laundering impact comes in. If you think about losing all the money laundering, there will be a drop in revenue for gaming. And there might be some drops in problematic gambling [spend]. But overall, we've seen that time and time again, COVID, the smoking ban... every*

*time there's a major change, things bounce back. So there might be a correction because things have just been increasing, increasing, increasing. So it's possible there's a correction and a plateau. But I don't think we'll see a massive drop. [On recovery], if you take money laundering out, that's going to take a chunk out of the gambling market, but it's not the digital wallet that's taking [revenue]. So I don't think the digital wallet in itself is going to cause any loss. But yes, by pushing criminals out, there will be a loss in revenue that's probably not recovered. [Expert advisor 004, Gambling support advisor]*

Although expected to have a less noticeable effect, easier access (through the app) to tools like Player Activity Statements, which equip people who gamble with more information about their habits and true spend, may result in non-problematic gamblers also reducing their expenditure. However, stakeholders believe that, under a hybrid model, where limits are voluntary, very few people will opt-in, so the overall impact on revenue would likely be minimal. A number of respondents also pointed out that a decrease in gaming revenue would have a significant impact on state tax revenue. The implications of this potential decrease saw a number of respondents questioning the government's role and commitment to this type of gaming reform, expanded on in section 3.2.3.

### 5.3.3 Impact and sustainability of the industry under mandated account-based technology

While it is expected by most that revenue will at least 'dip' under a mandatory digital gaming wallet framework, gaming industry and non-industry stakeholders had differing views regarding the longer-term future.

Venue staff tend to be a somewhat more optimistic than other industry experts. As per the example of the ban on smoking indoors on gaming revenue, staff were confident that they would recover most of the drop in revenue and patronage over time, as patrons adjust to the 'new normal'<sup>17</sup>. However, one gaming industry advisor suggested that the perceived recovery in revenue following the ban on smoking did not in fact occur, which is in line with claims by other gambling providers<sup>18</sup>. Advice from L&GNSW indicated there was a downturn in gaming revenue in the short-term post-introduction of smoking ban, before recovering to surpass pre-smoking ban levels.



*"A lot of people talk about that being a recovery, and it's not. It's just CPI inflation that brought us back to where we were... and when you look at that in real terms, there hasn't been a recovery. Some venues have never reached even in nominal terms, not in real terms, haven't reached the level of expenditure they had pre the smoking ban. I think we should be cautious about that. Yes, there may be some recovery and I know there's a general view that younger generations might find this technology easier to*

<sup>17</sup> In 2008, ClubsNSW reported that the 2007 indoor smoking ban resulted in a \$385 million reduction in income (11%) and high costs for clubs in renovating outdoor smoking areas; \$422 million. Clubs in the Sydney CBD were the most impacted (revenue falling by 21.7%) and a total of 25 clubs closed or amalgamated during this time (Mitchell, 2008).

In a report from 2008, the Independent Pricing and Regulatory Tribunal confirmed the short-term decline in revenue from smoking restrictions in clubs in NSW, but also suggested that the long-term financial impact would be mitigated by renovations to cater for patrons who smoke and that gaming machine revenue would recover (based on Victorian and Queensland case studies) (IPART, 2008).

<sup>18</sup> In 2003, Tabcorp suggested that smoking bans had impacted gaming revenue, with revenue falling between 10.4% and 12.3% compared to the same period pre-ban (The Age, 2003).

*use. You'll always see some level of recovery based on general inflation and population growth and those things. But we're definitely nowhere near where we were pre-smoking in terms of real per capita gaming expenditure in NSW."* [Expert advisor 002, Gaming industry]

Moreover, industry stakeholders expect that in the event of a mandatory rollout, where a digital gaming wallet is the only option to use gaming machines, the resulting revenue decline would be swift and significant enough that some venues might not have time to recover, even if there is a gradual return of patrons to venues.

**“** *"If you lose 90% of your revenue, it's hard to bounce back from that."* [Expert advisor 001, Gaming industry]

Meanwhile, gambling support advisors expected gaming revenue to (mostly) recover in the event that account-based gaming become mandatory. Their view was that patrons who prefer land-based gambling are motivated to ‘jump through hoops’ in order to continue to gamble. Whilst they also acknowledged that a decline in revenue (by limiting gambling spend to legal and non-harmful amounts) would impact venues, they felt that the reality of operating in the gaming industry means being subject to regulation in the interests of public health. While not necessarily opposed to government assistance (particularly for smaller, regional venues) to help implement mandatory account-based gaming, they saw the impact on venue viability as ‘the cost of doing business’ with a product capable of harm.

**“** *"It's very possible they will lose revenue. I'm not wholly convinced of that. I mean, people go into clubs right now and they have to give their driver's license and state where they live. They're used to doing that. I think if this becomes mandatory or at least relatively mandatory, people will figure it out and there'll be a dip [but] it'll come back up just like it always has. When there was COVID, when there was this, when there was that... all these things, they take a dip and they come back."* [Expert advisor 005, Gambling support advisor]

Following a large, anticipated decline in revenue, and in order to remain in operation, venue staff and gaming industry stakeholders indicated that the ‘first to go’ costs would be the variable, non-essential costs. That is, cutting spend on staff (as suggested above), on entertainment like live music, and community contributions like sports sponsorship. The social and community implications of this are expanded in section 5.5.

### 5.3.3.1 The most ‘at-risk’ venues: Border-town, regional and small venues

There was wide agreement among respondents that small venues and regional venues would be less equipped to handle both the high, immediate costs of a mandatory technology rollout, and deal with a decrease in gaming revenue. Adding to this, clubs in NSW are not-for-profit and, according to industry experts, small and regional venues are unlikely to be able to afford the upfront capital investment for digital gaming wallet technology, let alone the ongoing fees for operation which are estimated to be higher than current ongoing operational costs. Ultimately, industry experts felt the greatest financial burden of the rollout is likely to be borne by venues with fewer resources, and without means to weather a significant downturn.

**“** *"The other one around recovery is it won't be proportionate in every location. So when you look at regional and remote communities where in reality they're using more cash, connectivity issues, they're smaller remote clubs, all of those things - any form of recovery is likely to be for bigger, profitable players. The smaller, or the more vulnerable you are from a viability perspective, the recovery is likely to*

*be less. Certainly, there'll be 0 recovery if you're the only venue in town and you close as a result."* [Expert advisor 002, Gaming industry]

*"[Mandatory rollout] would look like venues closing. It would be many venues too. In the area that we want to protect as well, the regional community club. They're the types of venues most likely to be impacted."* [Expert advisor 003, Gaming industry]

*"If it was to be done, you'd really want to start with the larger venues probably, in the metro areas, and give the regional people a bit more time to roll it out... because financially they're probably not in as good a shape as the metro areas, but also a lot of the regional towns, their gaming revenues [are] not huge. So they're just not in a great financial position, so it would be more difficult for them to install it and to probably have it accepted by their locals as well."* [Expert advisor 001, Gaming industry]

*"One of the biggest challenges venues that are going to have alongside the cost of rolling this out (because things do cost more in regional centres) is probably not connectivity. We're providing payment services to those areas, whether it's ATMs, EFTPOS. So there's not a huge difference there unless they're really, really, really regional (very small minority of venues). But...the ability for those venues to potentially absorb costs is the key issue. Secondary to that, the smaller sites as well as the regional sites, the ones that are struggling most with information security and to uplift is that's probably almost as great a task as just implementing the solution itself."* [Expert advisor, Not attributed due to potential identification]

Some experts and patrons also pointed out that regional locations are likely to have more logistical challenges in the reliability of networks and connectivity which underscored the importance of a well-considered and well-tested design in any digital system rolling out state-wide.



*"In some areas, connectivity for digital payments is an issue. And therefore, people are less likely to have adopted [digital payments] already, therefore are less likely to want to utilise it because they just don't feel that it has the reliability to meet their needs... and in certain regional areas, the cash economy is quite strong."* [Expert advisor 002, Gaming industry]

Border towns were also acknowledged to be in a uniquely vulnerable position. A number of patrons from one of the border town venues in the research directly stated that they were ready to 'go across the border' to QLD if there were barriers to using gaming machines in NSW. Industry personnel believed that anything other than a hybrid model is likely to have immediate and significant impact on NSW venues within driving distance of QLD, ACT or VIC venues (short of similar gaming reform occurring in other states).



*"If we were to transition completely to cashless and the technology was hard to use - in our community, we'd see our customer base simply walk or drive across the border."* [Venue staff 003, Gaming manager/supervisor, 16 -20 years' experience]



*"I've already thought that if this becomes too painful, I don't care - I'll go to Queensland and play the machines there, where there are no restrictions."* [Non-user 005, Male, 60-64 years, Infrequent Gambler]

Beyond maintaining a hybrid model in these locations (i.e. a voluntary account-based system with legacy systems still in place), there were no suggestions for how a mandatory account-based gaming system could be more effectively rolled out in these locations without disadvantaging venues.

### 5.3.3.2 Diversification of offerings in venues

As outlined in chapter three, facilitating digital payments is one way that the gaming industry can future-proof itself in line with consumer expectations. However, some venue staff and gambling support advisors also outlined a need for venues to diversify their hospitality and entertainment offerings outside of gaming machines in the future.

**“** *“Pubs and hotels have a real challenge with their long-term demographic shifts. They know that pokies are on the nose. They know that they don't have a lot of societal support. They know that their revenue is not going to be consistent into the future. So if that's why they're diversifying their gaming revenue streams as well - Keno and all this other stuff. They know that the old school, ugly pokies rooms are not going to survive another 10-20 years, both from community sentiment and even just from the average punter. So there's some larger demographic shifts at play here. Doing something different is just a requirement.” [Expert advisor 005, Gambling support advisor]*

*“Poker machines are the engine room of community clubs in New South Wales and that is out of the mouth of managers. They are having to learn to diversify those business models.” [Expert advisor 007, Lived experience advisors]*

**“** *“If it goes down the [account-based gaming] avenue that we think it will, all venues will have the same tech[nology]. Then it will be more about rewards and service.” [Venue staff 020, Gaming floor manager/supervisor, 11-15 years' experience]*

*“But we just have to think about other ways to raise money. It's no longer going to be like the ability to print money that it once was.” [Venue staff 025, 026, 027, Gaming floor staff & manager]*

However, for some staff, this was considered easier said than done. Three managers pointed out that, while they offer food and beverage services, sales of these do not generate much profit, and a decline in patronage following a reduction in visitation would reduce trade in non-gaming offerings, and thereby further erode profits. One staff manager pointed out that their food and beverage options are often picked as a default for people coming to the venue to gamble, and felt that, without easy access to gaming, many patrons (particularly 'high rollers') would stop coming and choose other restaurants for their nights out.

**“** *“There are people who go to shows or events and restaurants at clubs because they gamble there – it's a default option for them. If you take away that default option suddenly you might not have one of your bigger players, bring himself and 10 or 15 of his family members in for a total of \$2000 meal sort of thing... Our bigger players, they love our [restaurant name]. If we went completely cashless, they're not going to come out of their way to come here just to go and eat at [restaurant].” [Venue staff 040, Gaming manager/supervisor, 5-10 years' experience]*

*“Could have a negative effect on the business as a whole... could visit less often (if they don't want to sign up)...could reduce food and beverage trade if people stop playing the pokies...” [Venue staff 014, Gaming floor manager/supervisor, Under 5 years' experience]*

*“Mandatory cashless must be avoided. Hospitality profit margins in food are more often losses, beverage profitability is low.” [Staff survey, Gaming manager/supervisor, 5+ years' experience]*

*“F&B [Food and Beverage] profit margin is too low to compensate.” [Venue staff 033, Gaming manager/supervisor, Over 20 years' experience]*

Two patrons, aged 65+, also complained about the price of food at clubs, complaining that it wasn't 'budget-friendly' for their limited incomes; suggesting that clubs might struggle with creating a competitive offer without the support of gaming.

## 5.4 Impact on venue staff

Venue managers, gaming floor supervisors and floor staff were asked about the extent of the impact of a fully rolled out digital solution on staff, including on employee experience, workload and resourcing, training, and job security.

### 5.4.1 Impact of a further technology rollout on staff experience

Overall, staff reported their experience with the trial so far had been relatively positive. Although some staff experienced minor technical glitches when signing up patrons, and/or showing patrons how to use the technology, they had not experienced any significant changes to their responsibilities or had negative encounters with patrons, despite receiving feedback from patrons that they were not interested in taking part in the trial.

Staff rated their training, information and support experiences in preparation for the trial as mostly positive. Results are shown in Table 43 (Appendix 9.4).

Staff were asked in the survey about how clear and reasonable the expectations had been for their role in the trial, both in their responsibilities in the trial overall, and in assisting patrons with the technology. Most staff who answered the survey (82%) felt they were at least moderately clear about the expectations for their roles and responsibilities in the digital gaming wallet trial, and 48% said they were very or extremely clear on these expectations (Table 34). A further 18% said they were not clear on what was expected of them; these were mostly gaming floor staff.

**Table 34. Staff – Level of clarity in expectations of staff in the digital gaming wallet trial**

	n=	% of total
Extremely clear (i.e. you knew precisely what your role and responsibilities were)	7	16%
Very clear	14	32%
Moderately clear	15	34%
Not very clear	6	14%
Not at all clear (i.e. you had no idea what your role and responsibilities were)	2	5%
NET: CLEAR	21	48%
NET: NOT CLEAR	7	18%

*Q16. How clear were the expectations of the role of staff in the trial? (Single response). Base: All staff respondents (n=44)*

Venue staff were clearer about their responsibilities with regards to assisting patrons (Table 35): 89% were at least moderately clear, including 57% who were very or extremely clear of their responsibilities when it came to helping patrons.

**Table 35. Staff – Level of clarity in expectations of staff in assisting patrons**

	n=	% of total
Extremely clear (i.e. you knew precisely what your role and responsibilities were)	10	23%
Very clear	15	34%
Moderately clear	14	32%
Not very clear	3	7%
Not at all clear (i.e. you had no idea what your role and responsibilities were)	2	5%
NET: CLEAR	21	57%
NET: NOT CLEAR	4	11%

*Q17. How clear were the expectations of the role of staff in assisting patrons? (Single response). Base: All staff respondents (n=44)*

Ratings on the clarity of expectations for staff did not differ significantly between venues, suggesting it was not an isolated communication or training issue.

Nearly all staff (91%) felt that the expectations about their roles and responsibilities during the trial were at least moderately reasonable, and 41% thought they were very or extremely reasonable, meaning they felt their workloads and abilities were taken into account and their responsibilities were achievable (Table 36). Only 9% felt that expectations were unreasonable, and most of these were gaming floor staff (non-managers), most of whom had interacted with patrons about the technology.

**Table 36. Staff – Reasonable expectations of staff in the digital gaming wallet trial**

	n=	% of total
Extremely reasonable (i.e. workload and abilities were taken into account and your responsibilities were very achievable)	4	9%
Very reasonable	14	32%
Moderately reasonable	22	50%
Not very reasonable	3	7%
Not at all reasonable (i.e. workload and abilities were not considered and your responsibilities were not achievable)	1	2%
NET: REASONABLE	18	41%
NET: UNREASONABLE	4	9%

*Q18. How reasonable were the expectations of the role of staff in the trial? (Single response). Base: All staff respondents (n=44)*



In addition, nearly all staff (86%) felt that their responsibilities towards patrons were at least moderately reasonable, and 45% thought they were very or extremely reasonable (Table 37).

**Table 37. Staff – Reasonable expectations of staff in assisting patrons**

	n=	% of total
Extremely reasonable (i.e. workload and abilities were taken into account and your responsibilities were very achievable)	6	14%
Very reasonable	14	32%
Moderately reasonable	18	41%
Not very reasonable	5	11%
Not at all reasonable (i.e. workload and abilities were not considered and your responsibilities were not achievable)	1	2%
NET: REASONABLE	20	45%
NET: UNREASONABLE	6	14%

*Q19. How reasonable were the expectations of the role of staff in assisting patrons? (Single response). Base: All staff respondents (n=44)*

Staff were also asked in the survey about how they felt about a permanent rollout of this 'cashless technology'. Survey results indicated that half (52%) of staff members across venues felt negatively, and few felt positively (14%) (Table 38). Managers and supervisors mostly felt somewhat/very negative about the prospect of a permanent rollout (79%, compared to 40% of gaming floor staff). In the same vein, staff who had worked in the gaming industry for 5 years or more were more negative than those with less experience.

**Table 38. Staff – Feelings about permanent rollout of cashless technology in NSW**

	n=	% of total
Very positive	0	0%
Somewhat positive	6	14%
Neutral	15	34%
Somewhat negative	14	32%
Very negative	9	20%
NET: POSITIVE	6	14%
NET: NEGATIVE	23	52%

*Q28. How do you feel about cashless technology permanently rolling out across all venues in NSW? (Single response). Base: All staff respondents (n=44)*

This negative reaction was primarily driven by fears that the technology would be made mandatory and that legacy systems would be removed in a short period of time. In staff's view, this would lead to patrons no longer visiting the venue and thus 'devastating' revenue.



*"If it was rolled out and completely cashless then it will significantly decrease revenue, staff and profits."*  
[Staff survey, Gaming floor staff, 5+ years' experience]

*"It won't assist problem gambling. Face to face is more effective, AML risk is greatly resolved by \$500 cash input limit on machines, cashless is too big a step due to its impact. People want to be able to play socially and safely with some cash and ruling it out completely will have a massive impact on viability of [venues] as those that don't experience gambling harm will be the people that stop playing as a result, due to the hurdles, process to onboard and move funds. Mandatory cashless will significantly impact revenues and [lead to a] massive downturn resulting in closures. It must not be made mandatory, it should definitely be an [alternative] option, but to remove cash will be destructive to the industry."*  
[Staff survey, Gaming manager/supervisor, 5+ years' experience]

*"From the venue's point of view, less patronage. From a members perspective, they won't bother, and a large portion of the population will not be eligible due to the requirements."* [Staff survey, Gaming manager/supervisor, 5+ years' experience]

*"It's not going to be good. We are a bit worried. I don't think it's good for people who work in this industry because in the future, if this rollout is mandatory, people will do less gambling which is good for them but it will affect jobs for us."* [Venue staff 017, Gaming floor staff, 5-10 years' experience]

Some staff were also concerned about the negative reactions they might encounter from patrons if legacy systems were removed and the technology became mandatory. As mentioned briefly in chapter 3, some venues already received criticism from patrons from the positioning of the trial as 'cashless', including patrons making complaints and threatening to boycott the venue. Another staff member shared concerns about dealing with angry patrons during the rollout.



*"Customers would be \*\*\*\*\* off and aggressive with staff, and we wouldn't have answers for that because it's mandatory."* [Venue staff 034, 035, 036, Gaming floor staff & manager]

Patrons held the same view as staff, with one non-user patron speculating that, if digital gaming wallet became mandatory, her father (in his 90s) would sign up in order to continue to use gaming machines, but *"the staff would cop it"*. Another patron was concerned that staff would unfairly wear the stress and anger of a rollout and urged the NSW government to take this into account in the communications of the rollout – not just in signage, but also by providing a hotline for complaints.



*"[Government need to take ownership of the changes and cop the brunt of people's anger, not staff."*  
[Non-user 005, Male, 60-64 years, Infrequent Gambler]

*"I think it would annoy [staff], to an extent. I'm imagining that a lot of people are like me [in that] they don't buy into why it's happening... if [interactions with staff] turned into a 'hey, what are you doing here? You've been here too long' [interventions], they're probably going to get yelled at. So I think they might find it annoying."* [Non-user 011, Male, 40-44 years, Frequent Gambler]

Some venue staff and experts also acknowledged that, as the need for roles concerned with gaming machines shift, workload may not decrease but will actually be redirected into other hospitality services within the venue.



*"A 100% self-service model will mean less labour but you can always elevate service in other areas."*  
[Venue staff 023, Gaming floor manager/supervisor, Over 20 years' experience]

*"We like to have staff around to interact [to deliver] hospitality. We're here for that connection. People don't come here to be ignored. They come here to be served coffee, tea, drinks, food. That's the connection you've got to maintain." [Venue staff 022, Gaming floor manager/supervisor, 11-15 years' experience]*

## 5.4.2 Impact of a further technology rollout on staff workload

Staff predicted that a rollout of the digital gaming wallet in any format is likely to lead to an increase in staff workload. While most staff in interviews said that the low take up resulted in only minor changes to their workload, in the survey over half (52%) felt that the trial overall resulted in an increase (mostly a 'slight increase', 39%), as per Table 39.

**Table 39. Staff - Impact of digital gaming wallet trial on workload**

	n=	% of total
Big decrease in workload	2	5%
Slight decrease in workload	3	7%
No change	10	23%
Slight increase in workload	17	39%
Big increase in workload	6	14%
Don't know	6	14%
NET: DECREASE	19	<b>11%</b>
NET: INCREASE	4	<b>52%</b>

Q20. For each of the scenarios below, please indicate what impact they did or would have on the workload of staff in clubs and hotels. Base: All staff respondents (n=44)

Staff indicated that the trial required additional training and upskilling (technology, responsible gambling) but also that additional staff were hired to support the trial sign-up process (mostly in larger venues).



*"Created more of an opportunity for them not only to basically have more shifts...but also it's given the opportunity to talk with customers more, understand patrons a bit more, and also for them to learn more about gaming and cashless." [Venue staff 003, Gaming manager/supervisor, 16 -20 years' experience]*

*"My workload was not really impacted as a result of the cashless gaming trial as the majority of patrons were disinterested in participating. However, should cashless gaming become a feature of the industry moving forward I could see a moderate to significant increase in workload depending on the availability and relevance of it upon gaming." [Staff survey, Gaming floor staff (low involvement), Under 5 years' experience]*

*"There's a lot of training that comes with that. It's important that we're quite thorough with the training. So all the staff know and obviously, you know, giving the customer confidence." [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]*

*"Extra staff training, system training. Has crossed over with additional training for RGOs." [Venue staff 033, Gaming manager /supervisor, Over 20 years' experience]*

Looking towards the future, the survey asked staff to predict the potential impact of account-based gaming on staff workloads. Survey results are shown in Table 40.

**Table 40. Staff - Predicted impact of cashless gaming technology on staff workload**

	Big decrease in workload	Slight decrease in workload	No change	Slight increase in workload	Big increase in workload	Don't know	NET: Decrease	NET: Increase
Full and permanent rollout of cashless gaming technology, if legacy systems remained (i.e. patrons could still use cash or tickets to play pokies)	2%	5%	30%	34%	11%	18%	7%	45%
Full and permanent rollout of cashless gaming technology, if it were the only way to play pokies	9%	11%	7%	18%	36%	18%	20%	55%
12 months after a full and permanent rollout of cashless gaming technology	0%	14%	16%	20%	25%	25%	14%	45%

*Q20. For each of the scenarios below, please indicate what impact they did or would have on the workload of staff in clubs and hotels. Base: All staff respondents (n=44)*

In a scenario where **legacy systems remained alongside digital wallet technology**, about half (45%) of staff speculate that it would increase workloads, with over one-third (34%) indicating it would lead to a 'slight increase' in workload. While staff from hotels and clubs both agreed that having legacy systems along with account-based gaming would lead to a net increase in workload, those in hotels were more likely to feel this would have 'no change'. In interviews, some staff speculated that the 'hybrid model' may lead to a downturn in workload due to automation of some roles (e.g. cashiers, clearance or soft count staff) while others believe staff workloads will remain stable with a minimum uptick depending on level of patron uptake/adoption.

**“***"It's scary because I worked [for] years at Woolworths when we didn't have self-serve, and I remember when we rolled out self-serve and a lot of people lost their jobs... looking back at that and it is quite scary because that's what it's technology everywhere. Some people will lose their jobs." [Venue staff 037, 038, Gaming floor staff & manager]*

*"Interactions will be the same, like we're in customer service, you know, we'll always approach them...RGO checks, 3-hour checks on them." [Venue staff 037, 038, Gaming floor staff & manager]*

*"Most of your cordial interactions will remain the same. If anything, for the first 2-3 months, maybe first year for implementation of the system, your interactions with people will go up, given a lot more people will be asking a lot of questions. Maybe a reduction in the amount of work in regard to payment systems,*

*obviously given the cashless will be implemented. I'd say that 10-20% of our day will change."* [Venue staff 039, Gaming floor staff, Under 5 years' experience]

Based on a **full and permanent rollout of account-based gaming technology if it were the only way to play pokies**, most staff (56%) predict a net increase in workloads, and almost one-fifth (19%) predicted a net decrease. This means that staff members felt that a change in workload was more likely under a mandatory system. Three quarters of venue managers and gaming supervisors believed that workloads would increase under these conditions (compared to just under half of gaming floor staff). However, there was also a segment of staff who anticipated a decrease in workload, most likely due to digital wallets further automating the experience of gambling in venue, therefore reducing the cash handling tasks of staff, in line with the advent of automatic cashiers.



*"You could foresee a lot of efficiencies as a business in terms of less cash, there might be less cash handling and, and managing."* [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]

There was some contrast between survey and interview results when it came to anticipated impacts of digital gaming wallets into the future. According to survey responses, just under half of staff believe **that 12 months following the rollout of technology**, staff workloads will continue to be higher than currently. Meanwhile, venue staff expressed during the qualitative interviews that the sign-up and onboarding process of a technology rollout would be by far the most time-intensive stage and, following this, there would be little impact on staff.



*"If this was to be mandatory, the workload on staff would be immense. Considering each sign up is approx. 30 mins on a good day. Then add the volume if work as each venue you visit you will need to do the process all over again."* [Staff survey, Gaming manager/supervisor, 5+ years' experience]

*"Onboarding is the real time-sink, can take up to 45 minutes to onboard a patron, and work tasks may suffer"* [Staff survey, Gaming floor staff (low involvement), 5+ years' experience]

*"Onboarding people and assisting people with their mobile device is extremely time consuming."* [Staff survey, Gaming manager/supervisor, 5+ years' experience]

However, some staff speculated that a successful and permanent rollout of account-based gaming technology may raise longer-term staffing needs in back-of-house functions, including roles in administration, data systems, IT, reconciling accounts and managing third-party payment partners.



*"Once the players are set up, it's no additional [but] after that in terms of back of house for sure. Back of house reconciliation, the talking between all the third parties in terms of gateways to banks and our accounts teams, that's definitely been a whole lot, making sure our advertising is correct and approved."* [Venue staff 028, 029, 030, Gaming floor manager/supervisor]

*"Workload for staff will increase, mostly in balancing the books from having multiple revenue streams, big admin impact."* [Venue staff 033, Gaming manager / supervisor, Over 20 years' experience]

### 5.4.3 Impact of a further technology rollout on staff training and skills

Many venue staff and experts acknowledged that there would be a need to upskill staff in regard to the technology. This need spans from communicating the functionality of the technology and requirements to sign up, through to the ability to troubleshoot issues that may occur. Staff predicted that the digital gaming wallet may present more technically complex issues than current legacy systems, which could require escalation to technology providers and additional time resolving these issues.



*"Staff have concerns of not having enough technical and social knowledge or skills to assist customers with problems arising from the technology." [Staff survey, Gaming manager/supervisor, 5+ years' experience]*

*"Maybe a little bit of a shift towards troubleshooting, a tiny bit of data management, base level knowledge of the smartphone in general. You have your big ones Androids and Apple, but also have completely random ones [other smartphone brands]... Training and understanding of common errors that members face so they would know how to help patrons set up the app and help with problems." [Venue staff 025, 026, 027, Gaming floor staff & manager]*

*"Need more skills and training... especially with the technology and troubleshooting... what's happening with the app or what happening with transferring the cash." [Venue staff 007, Gaming floor manager/supervisor, 16 - 20 years' experience]*

Industry experts also recognised the importance of venue staff in facilitating further rollout. One expert reflected on the role of staff in this trial, and felt that skills in communication and training, as well as clear expectations, would need to be in place to optimise how staff handle the rollout.



*"We [heard] staff and their enthusiasm or lack of it for signing people up... How do we get the right dialogue from staff member to patron? So they're not pushing it, but they can speak intelligently about it. They can put the patrons' mind at ease about some of the risks that may not be real." [Expert advisor, Not attributed due to potential identification]*

Overall, most venues felt that their staff would be equipped to handle the additional requirements in rolling out new technology.



*"We have new things come out all the time and we just train, adapt and implement. So, if staff don't like that or don't want to do that then they just leave and we get staff that want to do that. We've gone from writing everything every single time to then having tickets with printers to then thermal, then no coins, so then card... always keeps changing." [Venue staff 028, 029, 030, Gaming floor manager/supervisor]*

*"That whole tech[nology] based off 'we're replacing humans with machines' potentially could have that impact. Depends on who you talk to... Nature of roles will change, not workload. [Venue staff 011, 012, Gaming floor staff]*

It should be noted that additional training was being conducted with venue staff during the trial period under RGO gaming reform in place from July 1.

## 5.4.4 Impact of a further technology rollout on job security

While short-term impacts on staff workload were anticipated to be relatively minimal and short term, there were concerns about long-term job security as a fall-out from an expected decline in patron gambling revenue if digital gaming wallets become mandatory.



*"If cashless rolls out in current form and people move away from clubs, there will be job losses and downturn in the industry." [Venue staff 003, Gaming manager/supervisor, 16 -20 years' experience]*

*"If they still have the choice of cash, then it doesn't matter... But if you take choice away I think it potentially stops them coming into venues like ours, which not only has an impact on the industry in terms of gaining revenue, jobs, etc." [Venue staff 031, 032, Gaming floor staff & manager]*

Job losses were also predicted by some staff, as technology further automates the gambling experience in venue. Some equated this to self-serve check-outs at grocery stores.



*"Job security would definitely come into question. I liken it to the self-serve kind of thing. We used to have 10 operators that came out on the tills and now you've got two. It's that whole tech based thing... we're replacing humans with machines and it potentially could have an impact." [Venue staff 011, 012, Gaming floor staff]*

*"In the future, they probably don't need me! Everything is digital, they can control the money laundering... harm minimisation technology exists, but I guess they still need staff like me to help them, give them information about self-exclusion etc. But might be less need for staff." [Venue staff 015, Gaming floor staff, 5-10 years' experience]*

*"You're cutting out face time. You've got your phone and can pretty much do what you need to do within it. You don't have to talk to someone if you want to set a limit. You don't have to talk to someone if you want to collect cash. You don't have to talk to someone if you want to deposit money back into your bank account." [Venue staff 005, Gaming manager/supervisor, 16 -20 years' experience]*

Some staff and experts advised that a shift away from staffing gaming roles, outside of RGOs, may be an opportunity for different hospitality offerings (above) and further diversification of venues' offerings to customers, expanded on in section 5.3.3.

Patrons also noted that job security might suffer as the need for staff reduces in the face of technology; however, this did not influence their sentiment towards a rollout of digital gaming wallets or account-based gaming.

The survey asked staff whether they intended to continue to work in venues that have gaming machines in the next 12 months, and whether they intended to work in venues following the permanent rollout of cashless gaming technology (Table 41).

**Table 41. Staff - Intention to work in club/hotel venues in next 12 months**

	Likelihood to continue to work in venues next 12 months		If digital gaming wallet was permanently rolled out	
	n=	% of total	n=	% of total
Extremely likely	27	61%	17	39%
Likely	9	20%	12	27%
Neutral	8	18%	12	27%
Unlikely	0	0%	2	5%
Extremely unlikely	0	0%	1	2%
<b>NET: LIKELY</b>	36	82%	29	66%
<b>NET: UNLIKELY</b>	0	0%	3	7%

Q24. How likely are you to continue to work in venues like clubs or hotels (i.e. where there are poker machines) in the next 12 months (Single response).

Q25. And how likely are you to continue to work in venues like clubs or hotels (i.e. where there are poker machines) in the next 12 months if cashless gaming technology were rolled out permanently?

Base: All staff respondents (n=44)

## 5.5 Social and community impact

Patrons, venue staff and gaming industry experts were almost all of the view that clubs and hotels serve an important role in the community, as social spaces (particularly older people), entertainment spaces (such as for live music), and contribute to community initiatives (such as sports team sponsorships). Overall, these respondents felt that clubs and hotels are an important part of Australian culture and make significant economic and social contributions to their communities.



*"It's a central point to meet, we all know where it is and it's just familiar. We've been going there for years and years since I was a teenager..." [Non-user 007, Male, 60-64 years, Frequent Gambler]*

*"My wife and I like music venues so we can dance... But to me [with pokies] I can take it or leave it" [Non-user 006, Male, 70+ years, Infrequent Gambler]*

*"We are a nation of gamblers; it's inbred into our system which I personally think is fantastic. I love the gambling culture, if you grow up with something, it's norm..." [Non-user 013, Male, 55-59 years, Infrequent Gambler]*



*"Most customers view gaming a leisure and social experience and restricting the way customers wish to spend their recreational money which will reduce the funds the hospitality industry will be able to put back into the community." [Staff survey, Gaming manager/supervisor, 5+ years' experience]*



*"Drop in revenue will mean cutting out live music and entertainment, knock on effect to everyone employed there, music program and sports sponsorships etc - so a club's community contributions would disappear in order for the club to survive. Domino effect." [Venue staff 033, Gaming manager / supervisor, Over 20 years' experience]*

*"Gaming does support the total offer and business viability. And it allows Clubs to be able to support local community groups, junior sports, and allow community to flourish. Gaming turnover will drop considerably with "mandatory" cashless and will result in loss of jobs, community support, and many clubs will close completely." [Staff survey, Gaming manager/supervisor, 5+ years' experience]*

Industry experts and staff warned that, under a mandatory digital gaming wallet or account-based gaming system, the anticipated decline in revenue and patronage would lead to the venue no longer being available to subsidise their community contributions, which would have a direct negative impact on the community.



*"[Revenue] decline or recovery isn't just about the club, it's about the flow on impacts in terms of the services and facilities it provides for the communities they're operating in... They use their gaming revenue, for instance, to upgrade sporting facilities. So if there is a hit to the revenue in clubs, it's not being passed on to some shareholder or a foreign company... there will be a much more direct impact on employment and community facilities and sporting facilities... the only way to survive [a downturn] would be to shed jobs or shed community contributions." [Expert advisor 002, Gaming industry]*

Although not experts on issues relating to social impact, some staff felt that their venue served an important role in providing a safe and accepting place for curbing loneliness or supporting patrons seeking refuge from other life challenges. They speculated that a mandatory account-based gaming system could effectively 'exclude' people from playing gaming machines, especially older patrons, and therefore result in less patronage (if these patrons do not feel there is anything for them to do at the venue) and could lead to more feelings of isolation and loneliness.



*"Clubs [are] a good place for people to come and talk to people... Like this patron lost her partner [who] had dementia, so she'd been coming here while dealing with that... And then there was a bunch of people there giving her attention and talking to her..." [Venue staff 002, Gaming floor staff, Under 5 years' experience]*

*"[Some] people come in every day, they know each other. It's still those daily interactions... where some people that's the only interaction they may have." [Venue staff 005, Gaming manager/supervisor, 16 -20 years' experience]*



*"[They] need to think about the ages of people who go to the club... the local club is a social visit for the older people, you shouldn't take that away from them." [Non-user 009, Female, 70+ years, Frequent Gambler]*

However, others argued that the social connection provided by venues could motivate these patrons to overcome the barriers and sign up, despite their reluctance. This included two non-user patrons who lived alone most of the time; one was staunchly against a mandatory digital gaming wallet and any form of tracked play but conceded that she may end up 'giving in' and signing up to account-based play in order to fulfill her social needs.



*"I'm in a position where I'm alone a lot. I have 'club-friends', so maybe... loneliness. Wanting to socialise. I might go back." [Non-user 015, Female, 65-69 years, Frequent Gambler]*

For others, moving away from gaming machines may mean finding other social outlets. In the view of one gambling support advisor, a reduction in gambling revenue wouldn't be likely to have broader economic impacts, as leisure spending would be undertaken elsewhere.



*"I would be upset... because it's less convenient. I would be like 'well there's non pokies for me, I'd go out and do something different like bowling or movies or a dinner date'" [Non-user 001, Male, 25-29 years, Frequent Gambler]*

*"Would find a different way to socialise - leave the clubs altogether. Would actually motivate different groups/social groups and might actually be better for society. Move away from clubs might actually see a return to social clubs, activities without gaming machines." [Non-user 012, Female, 70+ years, Frequent Gambler]*



*"Money will not disappear but will return to discretionary spending and will return to society." [Expert advisor 005, Gambling support advisor]*

Some respondents also cautioned that the increased transparency of gambling through the digital gaming wallet, including bank transactions, could exacerbate harm to patrons who are in abusive or coercive relationships.



*"It could exacerbate other things like, domestic violence or trying to use other people's ID... it does need to be thought about in how this is actually going to be managed." [Expert advisor 006, Gambling support advisor]*

*"I think there's a problem with relationships too. We find a quite a lot of in the gambling space, there's relationship problems because they haven't told their partner. And this [technology] would be very open to making sure the partner had a card that they could use all those sorts of things to become coercive control. And I think there's a really big danger in the family." [Expert advisor 012, Gambling support advisors]*



*"If your bank statement says you've withdrawn \$200 every afternoon, your partner's going to see it when you get home. Then you've got all the other problems that are going to happen in people's homes. Some patrons have been coming in and their other half doesn't even know that they come here" [Venue staff 013, Gaming floor manager/supervisor, 11 - 15 years' experience]*

Gambling support advisors recognised the potential for unintended social or community consequences from implementing mandatory account-based gaming and believed that a move towards such technology required careful consideration. However, they did not consider these risks to outweigh the ongoing harm people can experience from gaming machines or found them compelling enough to justify the status quo. One said that social problems cannot be solved by relying on gambling losses.



*"If you need people to be harmed in order to be viable, that's not a great business model...Community solution to loneliness is not to let people gamble unhindered. There are things we can do about loneliness, some investments that pubs and clubs can make, that society can make, sporting clubs and whatever else, that they can do... if our solution to loneliness is for people to lose billions of dollars, then I think we're pretty poor policy makers" [Expert advisor 005, Gambling support advisor]*

*"It's worth acknowledging that Australia has the worst...biggest amount of gambling harm, the most amount of dollars spent, often the people who can least afford it. It does beg the question about why we haven't moved on this before if other societies have been ahead of us." [Expert advisor 006, Gambling support advisor]*



*"Australian society and governments, state and federal need to start really looking at why people are losing their homes.<sup>19</sup> Why are people breaking up relationships and losing their families and all that kind of stuff because of problem gambling?... If we can start helping people with gambling addictions a lot better, it's going to be better for society as a whole." [Non-user 013, Male, 55-59 years, Infrequent Gambler]*

Gambling support advisors report the social costs of gambling harm are underestimated, as they extend beyond the person experiencing gambling harm in life altering ways, including absenteeism from family responsibilities, loss of workplace productivity, fraud, theft, misuse of payday loans and suicide.



*"Out of all the addictions, gambling has the highest suicide rate. For every problem gambler they've got, well, six to eight to 10 people are affected as well. So it's a major problem." [Expert advisor 012, Gambling support advisor]*

*"Apart from the family who haven't got the budget for all the things they need, it's other people that are being asked again and again for money for gambling. So, from the workplaces, from family members. Oh, talk about workplace people who are in the throes of the addiction, it does start to affect quite obviously their work. And then you have other things that flow on from there. The impact is not just the money thing. It's like talking about it's the impact on the whole family, not just money, but absence from responsibilities and violence and all those things. So they're usually in denial. And so they tell lots of big stories all around them to draw in the money they need. People are drawn into it and they keep secrets." [Expert advisor 012, Gambling support advisor]*

## 5.6 Anti-Money Laundering (AML)

Evaluating the effectiveness and implications of digital gaming wallets or account-based gaming on money laundering<sup>20</sup> in clubs and hotels was beyond the scope of the research objectives. Nevertheless, a number of respondents, including patrons, recognised the technology as having a role in anti-money laundering (AML) and shared their thoughts.



*"What we've seen from other areas is that a level of mandatory carded play or account play is definitely the best way to track this solution. Every other environment in Australia, from a payments perspective, allows full range of payments channels – for consumer choice more than anything else. It does the job of harm minimisation, the job of tracking for the purposes of AML/CTF [Anti-Money Laundering/Counter-Terrorism Financing] laws can be done by the account keeping platform in any case. In moving to this kind of like mandatory account base where you've got consumer choice for payment method, but it is it is all identified in all tracked." [Expert advisor, Not attributed due to potential identification]*

<sup>19</sup> The significant social costs of problem gambling were estimated to be between \$4.7 to 8.4 billion/year with the Commission conservatively estimating 25% of all gambling costs as a share of expenditure for EGM gambling (Productivity Commission, 2010)

<sup>20</sup> While addressing money laundering is a crucial consideration for the overall assessment of digital gaming wallets and the role they should play in the future of EGM reform, exploring the efficacy of digital gaming wallets for anti-money laundering is not in scope for this report.

Many patrons saw the purpose of the technology, and the government's involvement, as an AML strategy. This received a mixed reaction. While most patrons understood the need to address fraud and laundering through tracking play, they saw this as broadly benefiting society but not as a personal benefit to them.



*"That's ok [asking for ID to sign up], stops all the fraud and everything doesn't it?" [Non-user 002, Female, 60-64 years, Infrequent Gambler]*

*"I am not a money launderer. I don't want a cashless card applied to me. I want to please myself with how much money I put in the poker machine. It's none of your business." [Non-user 015, Female, 65-69 years, Frequent Gambler]*

However, gaming industry experts, and some staff and patrons, felt there were more effective ways to deal with AML outside of digital gaming wallets or mandatory account-based gaming.

One patron saw other, practical ways of identifying money laundering by tracking machines rather than players, while another felt that simple observation by staff should be sufficient. Both struggled to understand why 'limiting their choice' and tracking their gambling could effectively address an AML objective, and therefore suspected that AML was a 'smokescreen' to justify tracking gaming for other purposes.



*"It's not going to achieve what they're pretending they're wanting to achieve. Which is control. And money laundering. The quickest way to solve money laundering is to have attendants cash your ticket." [Non-user 005, Male, 60-64 years, Infrequent Gambler]*

Industry stakeholders indicated that there had been progress in the infrastructure – both in venues (like CCTV and sign-ins) and through regulatory changes (like machines with \$500 deposit limits)<sup>21</sup> – to enable AML strategies and better tracking and reporting for investigative purposes. To this end, they felt that federal bodies and legislation should lead and be responsible for addressing AML, and digital gaming wallets simply need to fall in line with the requirements of experts like AUSTRAC.



*"The technology will increase the amount of known players vs anonymous play, but that could be achieved without a digital wallet... there's other ways to achieve the same objective... There are existing regulations to take care of that, and any limits imposed on new digital gaming wallet or account-based gaming should be consistent with that." [Expert advisor 002, Gaming industry]*

*"Never been a clear vocalisation or communication of requirements [about] what we are actually trying to address here. If it's proceeds of crime and money laundering based on what the Crime Commission came out with, as long as we're identifying the source of funds, it shouldn't matter whether it's cash. So yes, continuing to allow cash use is essential... [in the digital wallet] there is a verified source of funding. Easier to investigate and it makes it hard to launder money without it being flagged." [Expert advisor 003, Gaming industry]*

However, in line with expectations about gambling-related harm, no respondents expected the digital wallet or account-based gaming to have any impact on AML if it were voluntary.

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<sup>21</sup> The \$500 cash input limit for all new EGMs was introduced 1 July 2023, noting this only applied to new machines.

## 6 The future of account-based gaming and technology functionality

### 6.1 Ensuring customer-centric design in a mandatory technology rollout

According to experts and a number of staff and patrons, the creation of a digital gaming wallet as an additional way to fund credits to gaming machines is widely recognised as an industry innovation and, arguably, an inevitable progression in the evolution of gaming technology and associated payment systems. However, the steps and timeline to bringing this, or cash-inclusive account-based gaming, to use in NSW appears to be complex and fraught with contention. The general view of stakeholders consulted in this research is that, in order for this technology to have a meaningful impact on gambling behaviours, harm and AML in NSW in the short to medium term, account-based gaming must be mandatory. This is due to concerns around the low uptake of voluntary systems. However, almost all respondents also agreed that implementation of such a model will only be successful by getting people to adopt the technology and this requires many considerations around the design and promotion of the digital wallets. These features include the use of customer-centric design; effective marketing; effective onboarding processes; and functionality that meets users' needs and provides flexibility (including keeping cash, a tiered KYC system and effective but not 'unacceptably strict' harm minimisation tools), expanded on below.

Feedback from the trial had identified several barriers and operational issues to be addressed to launch a digital gaming wallet. These issues include whether the new system:

- has personal benefit to the user.
- maximises the choice and flexibility afforded to gaming machine users under a mandatory system.
- minimises the 'cost' and barriers to entry/use for the user.
- creates an intuitive and frictionless user experience.
- minimises gambling-related harm among users.
- complies with all gaming, financial (including AML) obligations.
- does not have detrimental effects on the financial viability of the gaming industry.
- does not impose undue burdens on some patron groups rather than others.
- does not create major challenges for smaller venues which may have fewer resources and/or a greater reliance on non-member or casual gambling revenue.

Similar arguments have been put forward when other new technologies have been introduced, so insights can be drawn from other contexts where significant operational, mandatory reforms or technological changes have occurred.



*"Seatbelts weren't acceptable to everyone. Plain packaging for smoking, even the pushback from putting harm warning labels on alcohol bottles for pregnant women was huge and took them five years to*

*implement. That's not how change really works. But that doesn't mean that it doesn't have to happen."*  
[Expert advisor 006, Gambling support advisor]



*"When the Opal cards came out many years ago, I was one that I was still purchasing tickets, paper tickets from the machines because I didn't believe the technology. But these days I'd probably be that person that would like to put a chip in my arm as well to make it easier... I adopted it because I thought it was a much easier process. At first I was buying the tickets with cash, then paying by credit card. And then when I saw everyone using Opal cards and it was so easy to create your own account and transfer money."* [Venue staff 034, 035, 036, Gaming floor staff & manager]

A list of suggestions made by respondents has been collated and is presented in this chapter. These include: how the technology rollout needs to be positioned and marketed to be successfully adopted; keeping cash and streamlining sign up to remove barriers to entry; what functionality needs to be in place to make this rollout feasible and accepted; and what harm minimisation features should be added or refined to be most effective.

## 6.1.1 Positioning and marketing of the account-based gaming system

All respondents who had access to trial marketing material, including non-users who were provided with additional background in the interview, agreed that the original perception of the trial as both 'cashless' and 'government'<sup>22</sup> contributed significantly to negative perceptions and had a detrimental effect on patron uptake. As outlined in chapter three, 'cashless' terminology was removed from ongoing trial collateral, although some believed that residual negative association remained. In particular, the perception that the government was involved led to significant pushback from patrons due to general distrust and concerns over the motivations for data usage, as outlined in section 3.2.3.



*"The hysteria around government and the focus on all the issues that they're trying to solve has made people shy away from it."* [Expert advisor 003, Gaming industry]

*"[Based on previous studies] one of the biggest barriers was government involvement, a top reason for people not wanting to participate. It has harmed adoption. People have overblown [the technology], making it harder for us to encourage uptake.... There should have been no communications, we should have put it into venue to be open for adoption."* [Expert advisor, Not attributed due to potential identification]

*"[Messaging] was all about government and the trial and it was a disaster... It was hyped in media as a trial and the whole political spin just made people wary... It wasn't introduced in terms of any benefits for consumers. All communications for anti-money laundering, problem gambling - people aren't necessarily opposed to these ideas, but there's nothing in it for the individual."* [Expert advisor 004, Gambling support advisor]

*"Had we started more with the tone of 'this is about a digital wallet option that you can use in conjunction with cash', testing would have been a bit different. One of our learnings through the process has been that positioning it as cashless hasn't been enticing for people. [People are] actually thinking*

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<sup>22</sup> While the marketing material explained that the trial was being overseen by the Independent Panel on Gaming Reform, most respondents perceived the trial as being overseen by 'government'

*about ATM fees, convenience, tapping, [not having] to carry a card. All of those things may have had may have led us to a better point potentially in terms of adoption numbers." [Expert advisor 009, Gaming industry]*

### 6.1.1.1 Communicating customer-centric benefits

Experts, staff and patrons have noted that there needs to be a clear value proposition for using the digital wallet in order for patrons to adopt the technology, where the personal benefits are seen to outweigh the costs; and this was considered to be a major limitation of the original marketing. For example, specific personal benefits of using the technology would need to be central to the messaging and borne out in the experience of users once they had signed up and were using the technology. This would include the increased convenience of having more choices to play (cash or digital payment); the simplicity of use; lower transaction fees/no ATM fees; new budgeting tools; and what data security measures in place.



*"It's all about the customer experience and getting people engaged with it so that they can use and take advantage of those tools moving forward into the, into the future. "Great experience will drive uptake/adoption and use of tools..." [Expert advisor 008, Gaming industry]*

*"From a patron acceptability perspective there's natural barriers when you bring innovative technology to market, but that seems exacerbated by the political climate...If we had launched like any other product, which is not brand new, e.g. card-based play, TITO (which was more complicated) but eventually people picked it up." [Expert advisor 003, Gaming industry]*

*"Consumer centric, the customer doesn't need to know and doesn't care about the back end.... as long as it's easy, you can get it done in an appropriate amount of time... easier you can make it on the consumer, the better it will be... If you actually unpack it, the ability to get your statement, to be able to link your digital wallet... if you focus it all on consumers." [Expert advisor 004, Gambling support advisor]*

#### 6.1.1.1.1 Positioning the harm minimisation purpose in marketing

As discussed in chapters three and four, patrons were suspicious of the motives of rolling out digital gaming wallets. Many interpret the harm minimisation objective as disingenuous when promoted by the government or industry, seeing it as unnecessary or even condescending (given the stigma associated with gambling issues) and a measure aligned with a 'nanny state' approach. The sense was that 'being protected' was patronising and not enough of a benefit to offset concerns around privacy. For this reason, there may be a need to adopt a different communication approach that identifies the digital gaming wallets as part of a broader suite of public health measures designed to minimise the harm associated with gambling rather than taking away people's right to gamble. In other words, it is a measure that demonstrates the government's commitment to help people rather than decide if and when people can gamble.



*"I would ask them what the motivation behind it is. I don't see it help[ing] people and I think they'd try to sell it as that. And I don't think people are stupid. I think it's to make things easier, to streamline and reduce costs, get rid of people out of venues. And I do think that AML is probably their biggest reason, get rid of that cash economy that criminals might be taking advantage of. And I think they're selling it under the guise of reducing harm. I would say don't [do it]. People are not asking for this as far as I know. I've got a lot of mates who gamble. People aren't asking for [it]. Figure out what your motivations are. If you still want it to go through, be transparent. Tell people why, but don't treat people like idiots. Don't tell them it's for their own good when I think they're very shallow features. I don't think it's going to help*



*anyone that has a problem and it's going to annoy people that don't."* [Non-user 011, Male, 40-44 years, Frequent Gambler]



*"If you're able to convey that point of the government's not trying to know what exactly you're doing, they're just trying to look after you. If they can convey that point a little bit better than how they're currently doing it, then I'd imagine a lot more older patrons would be a lot happier to join. They're just trying to help you and watch out for your well-being. A lot more patrons would be comfortable joining."* [Venue staff 039, Gaming floor staff, Under 5 years' experience]

Once again, the concern was that mandated account-based gaming and any compulsory limits are likely to be perceived as authoritarian by many users. Accordingly, to mitigate this reaction and encourage acceptance, it is recommended that comprehensive research and consumer testing be conducted to refine the messaging around the rollout.

### 6.1.1.2 Positioning the technology lead

Industry experts recommended that branding the digital gaming wallet as a venue initiative would help to build trust with the end user, positioning the wallet as an 'upgrade' and evolution of existing systems. Staff supported this view and suggested that it would also reassure patrons about the security of their data.



*"You already have a relationship there. There's a level of trust that you're already giving them a level of data. Whereas I think if it's government driven, government run, there's always that scepticism. If you're already buying in with a certain company or branding, like your preferred hotel group or whatever, there's already a relationship there between the customer and the company that's been developed over many years."* [Expert advisor 008, Gaming industry]

*"The impression I get is if [venues] offered it and it had nothing to do with the government and it was just the convenience offered and it was a feature of the club, it would have a much higher uptake."* [Expert advisor 009, Gaming industry]

*"If it went to the existing account player account user base and said, here's another option. You can link a debit card and make payments. You can link your bank account and make payments, our take up rate would have been significantly higher than what we got."* [Expert advisor 003, Gaming industry]



*"If they introduce it as a new technology that might be a better uptake. Like you're not forcing it onto people. It should be a gradually, authentically, organically, it would probably happen anyway. I think this would be a great technology if it was just purely a technology, just an additional technology. If it didn't have an agenda behind it, people would be more open to it.... but once it was in the stigma of AML or problem gambling."* [Venue staff 028, 029, 030, Gaming floor manager/supervisor]

*"Yes, I as a member I signed up, I put my card in to earn points. I understand that the club is monitoring that. However, it only ends within those walls of that club."* [Venue staff 037, 038, Gaming floor staff & manager]

While patrons understand the logic of venues putting technological innovations in place to improve customer experience and revenue, the very mention of 'government' colours the interpretation of the measure. This is because people see the government as being conflicted: on one hand, it professes to provide harm minimisation, but on the other, it collects a significant amount of revenue from gaming machine use, and it was unclear which is their priority. Other respondents pointed out that making gambling with gaming machines more digital may also



serve to increase risk because it provides potentially another way for people to gamble with money in a way that feels more abstract and therefore feels less like spending money.



*"Cashless is so against everything they've ever pushed, Liquor and Gaming. It's credit betting - I know you actually have to have the cash, but it's credit feeling, it's the same feeling as credit betting... you love hardcore gamblers coming in! If you didn't, you wouldn't have the machines and you wouldn't be upgrading them all the time." [Non-user 005, Male, 60-64 years, Infrequent Gambler]*

The impact of these perceptions of the technology under a mandatory model is unclear, but along with the broader privacy concerns about government oversight, it appears that the government's involvement leads to a perceived barrier to people's signing up. For this reason, one expert suggested considering an independent body responsible for operating an account-based gaming system, to facilitate data protections and security, but also provide appropriate oversight (Wesley Mission, 2023).

### 6.1.1.3 What language to use

As previously outlined, 'cashless' was strongly recommended against by most respondents following a negative reaction from patrons at the commencement of the trial. 'Account-based gaming' seems to be well received among staff, likely due to its similarity to existing carded play options.



*"Terminology calling it the digital [wallet] wasn't very consumer friendly terms compared to Victoria called it [YourPlay]. Just sounds like industry or government jargon." [Expert advisor 004, Gambling support advisor]*



*"Account based play personally sounds the least egregious. Someone could have that; they already have their own membership account." [Venue staff 025, 026, 027, Gaming floor staff & manager]*

### 6.1.1.4 Guidance for venues

A couple of respondents mentioned that expectations about how venues should be promoting the technology were unclear, given their obligation to not promote gambling. One individual with lived experience of gambling harm noted in one of the venues he visited that was part of the trial, promotions around how to use cashless systems seemed purposefully vague and minimal.



*"There's promotion material about the cashless card system at the club. It's very hidden. It's not like at the front door next to the sign in or anything like that. It's in the corner of the lobby area and away from the poker machines. So I don't know if that's a deliberate thing or what. And they are certainly not promoting that the fact that they're using the cashless system other than for the removal of credits from the machine. So there are no other features of being promoted like timeouts like money limits, etcetera... I don't know how seriously the other clubs or other venues are taking the cashless card system, but it appears that the ones that I've seen, that have the promotion material from Responsible Gambling NSW, are not." [Expert advisor 007, Lived experience advisors]*

Industry experts also called for more clear guidance from regulators to support venues in understanding what is appropriate.



*"The venues also kind of played it down a lot because there's lot of fear [because] we can't market gambling. So there's this... mixed message of how much we can push it on people. There hasn't been the fanfare. It's kind of quiet like there's some posters up in venues and you can talk to people, but no one's coming up to you and engaging you. I think there needs to be clearer communication to venues of how they can encourage this amongst regular patrons. While not crossing the line of encouraging gambling."*  
[Expert advisor 004, Gambling support advisor]

## 6.1.2 Keep cash in an account-based gaming solution

As outlined in chapters three and five, the negative connotation of 'cashless' greatly impacted the attitude of patrons towards the trial. While a number of reasons were given for these concerns, it mostly boiled down to 'choice' and 'convenience'.



*"There are always going to be haters, you're never going to make everyone happy but having that choice is very important."* [Venue staff 005, Gaming manager/supervisor, 16 -20 years' experience]



*"I don't think there's a drawback if it's implemented correctly. If you want to introduce a technology, don't take something away. Trial conditions were great because it was optional. Don't take the option away from patrons. If it was a mandate, there's a lot of drawbacks. A lot would have to change."* [Expert advisor 003, Gaming industry]

No participants in the study expressed concerns that use of cash would contribute to an increase in harmful gambling as compared with digital payments, although some argued that cash allows for more secretive gambling, as it avoids the digital trail left by transactions through a digital wallet. Most participants viewed the removal of cash primarily as an anti-money laundering (AML) measure. Of key importance for this technology solution is the ability to trace the player and/or source of funds for investigative purposes, which account-based gaming does.



*"I don't think cash is the issue. It's more about accessibility and tracking. That's more of a money laundering argument. It's off piece for me. As long as it is genuinely traceable to somebody's identity and it is that person who is playing."* [Expert advisor 006, Gambling support advisor]

Account-based play with cash is currently in place in many venues, except it is voluntary. In this sense, a system of identifiable cash or digital gaming wallet is a lot more familiar to customers and, in the eyes of staff, would therefore result in a lot less fear and pushback.



*"Have it optional. So you can play with cash, with membership card or with our cashless app - have it as an offering. That would see far less resistance than 'you have to do this now' and take up would be a lot better if it was their decision, on their own terms."* [Venue staff 011, 012, Gaming floor staff]

There are also fewer regulatory obligations in a venue account linked to one's identity versus an account linked to a digital payment method and bank account, thus there are fewer steps for a user to go through in order to set up an account that is not linked to a bank account. This would likely make widespread onboarding significantly more straightforward, while retaining the option for users to set limits and all spend be traceable.

The findings suggest that, in the transition towards digital gaming wallets across NSW, it would be important to give users some flexibility in how to play. For example, patrons could continue to have the convenience of using cash, and those who value the sensory experience of using tangible cash, would still have that experience and be

able to budget themselves as they have always done<sup>23</sup>. Thus, while the ability to gamble completely anonymously using cash would no longer be possible (which would alienate some players), users would still retain choices in how they played.

“Cash is important and has a role to play... cash is legal tender, there's no reason why cash shouldn't be accepted. For many, it's an important mechanism to monitor or restrict expenditure. And it's acceptable in other forms of gambling in other venues, so there's no logical reason for it not to be part of any future solution... like a hybrid solution.” [Expert advisor 002, Gaming industry]

All use of gaming machines would thereby be identifiable and monitored in line with the harm minimisation features put in place, including limits, breaks and activity statements (see section 6.2 below).

### 6.1.3 Streamline sign up

One of the greatest barriers to entry is the sign-up requirements for a digital gaming wallet. As a consequence, it is crucial to adoption that this be streamlined. Experts have flagged that customers have expectations for how signing up to a new app or technology should be: as simple and as few steps as possible, and sometimes with incentives. Patrons will carry these expectations into signing-up to the digital wallet and are unlikely to tolerate it being ‘clunky’. Patrons expect it to take five to ten minutes.

“In terms of convenience, there are clearly retailers and others who are incentivising their customers to download apps and use those apps. And there's been quite significant improvements in technology in terms of the speed by which people can quickly sign up for something. And I suspect that's informing customer expectations as to what that journey should look like.” [Expert advisor 002, Gaming industry]

“Sign up process is a bit long. It's about 15 to 20 minutes. Even though it may be a one time process...I can do a membership in like 4 to 5 minutes not even...With membership you have to verify someone's driver's licence or passport.” [Venue staff 037, 038, Gaming floor staff & manager]

*“In a dreamworld, if you really wanted to maximise the amount of users that would join and then sort of make the process of joining a little bit quicker... makes verification of a bank a bit faster or your driver's license a bit faster. ideally maybe a 10 minute, 5 minute job, because then you have the customer that's in the spur of the moment to convert them over the line. I would say that's probably your biggest, second biggest thing to look at.” [Venue staff 039, Gaming floor staff, Under 5 years' experience]*

The confirmation of identify or ‘Know Your Customer’ (KYC) process was universally viewed as the largest roadblock and pain point within the sign-up process. While this process varied slightly by technology provider, it was the most time and resource intensive according to staff, who supported patrons in this process. For many, it had *“too many steps”*. Some sign-up experiences required users to pass a KYC check twice (for venue and bank

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<sup>23</sup> There is research that suggests that people tend to spend more money when using card-based payments than when paying in cash (2CV, 2021; Huebner, Fleisch, & Ilic, 2020; Raghubir & Srivastava, 2008; Soman, 2003). It argued that electronic payments involve a ‘decoupling effect’ such that the true cost of consumption (the actual cash involved) is more distant from the immediate benefits or reinforcement arising from the consumption (Schottler, 2020).

purposes), and one staff member mentioned that there were six 'one-time password' codes generated during the process: *"imagine explaining that to an older patron"*.

Two industry experts and a gambling support advisor were in agreement that the sign-up approach should be tailored according to the needs of patrons: from a 'self-serve' process for patrons to do at home at their convenience, through to a full-service assisted sign up in venue for those who may struggle with the technology or steps. Staff were also providing feedback to technology providers throughout the trial on ways to make the sign-up process easier, such as changing the order of steps to start in the app.

“Ease of onboarding is really key and having a multitude of what we call omni channel solutions: everything from a full self-service mode, fully digital on boarding process all the way through to an onsite kiosk, which is semi attended to a fully concierge environment whereby you can walk somebody through from go to whoa... that'll be available for a range of different demographics depending on their technical skills.” [Expert advisor 011, Gaming industry]

“At the moment the hosts onboard through a URL and then the customer would receive the text messages to KYC and then it goes back to the app to then facilitate the link through to the PayTo agreement. If we are going to use an app in this scenario of a digital wallet, then I think that almost the reverse process download the app, you do your KYC and of course it's download the app, entering your details, SMS link KYC back to the app, link your bank account. So it just feels like it's all within the one sort of ecosystem. [Venue staff 003, Gaming manager/supervisor, 16-20 years' experience]

Venue staff hope that there may be opportunities to pre-populate sign-up forms with patron identification data that the venue already holds, rather than creating new user profiles from scratch. This would provide options for patrons to set up digital gaming wallets – at least partially – without needing assistance from staff.

“Having the ability to automate it is something that's on our road map and it's something that we do overseas. Nothing is more frustrating than watching someone else enter data. But there needs to be an alternative and ability to proceed with a manual process if automated one fails.” [Expert advisor, Not attributed due to potential identification]

“About 10% of our member base [would] need to have their information updated and once you do it once that's it.” [Venue staff 025, 026, 027, Gaming floor staff & manager]

According to staff and some experts, another major roadblock in signing up was the linking of a bank account. As previously mentioned in chapter three, patrons did not want to provide their account details on shared devices or to staff, but overall, seemed to understand it was needed to transfer funds into the digital wallet. However, a number of experts and staff suggested 'decoupling' the bank account linkage at sign up<sup>24</sup>, to focus instead on onboarding patrons into account-based gaming so they would verify their identity and have access to all the harm minimisation tools. In this scenario, the digital gaming wallet would be optional for anyone who wanted to use it,

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<sup>24</sup> NB: one of the technology providers in the trial did this and received positive feedback about the sign-up process. Another adjusted their process during the trial to move bank account linkage to be the last step, which also received positive feedback from staff.

but the ‘hoops to jump through’ to verify the financial payment linkage would no longer be a part of the initial onboarding process.

“One of the biggest barriers is the linking [and logistics] of the bank account linkage. If it was decoupled, made easier, [with] a frictionless sign on process and a lot more support for customers, I think they would [sign up]. It would have to be mandatory.” [Expert advisor 004, Gambling support advisor]

“These systems or technology don’t have to exist in a cashless trial...they can exist in the normal ecosystem...People have talked about mandatory carded play. Every dollar that goes through the gaming machines is attached to someone, an entity, whether that be a customer or visitor.” [Venue staff 009, 010, Gaming manager/supervisor, 15+ years’ experience]

“They’re more open to trialling the process because you don’t even need to connect your bank account. Then you can use the technology before you start linking your bank and everything to it.” [Venue staff 028, 029, 030, Gaming floor manager/supervisor]

“When you explain [that] it’s like a TAB account, there seems to be more understanding...it does not need to be pulled towards your bank account” [Venue staff 031, 032, Gaming floor staff & manager]

Currently, digital identification like drivers’ licences are not acceptable identification documents for the KYC process for one provider. This was a pain point for patrons who do not carry their physical licence on them, and who are likely to be digitally adept and therefore may be more likely to consider adopting the digital gaming wallet. Use of a physical licence also introduced opportunities for error in photographing the ID (poor lighting, poor connectivity etc). This needs to be addressed with KYC providers and AUSTRAC.

“At the moment the KYC front ends don’t accept digital driver’s licence. It’s interesting because while you can use digital driver’s licences for when the police pull you over, you can show them your driver’s licence on your phone, you actually can’t use a digital driver’s licence for creating a bank account.” [Expert advisor 009, Gaming industry]

KYC will continue to be a pain point for patrons in the future, especially if they need to sign up for gaming accounts at multiple venues. Experts and staff agree that it is worthwhile advocating for and investing further resources into a universal KYC verification that could be more easily transferred between venues and steps.

“What would be helpful is, and I think government’s working [on it], but they’ve got to work faster, is a universal way of identifying somebody, a universal way for some of these things linking in the finance industry. They’re all the things that would assist.” [Expert advisor 009, Gaming industry]

“About the implementation of card based cashless from way back in the day... We should note that upon its first implementation, there were a lot of rules that players had to follow to try and sign up, which was a blocker for some patrons. But as those rules lessened, and the need for signing up and proving XYZ to facilitate that, we had a lot more uptake. And the fact that they didn’t have to sign up, I think the use of the anonymous card or casual card for people who weren’t members was really critical in seeing that uptake. And I think there are learnings that we should look at for these types of initiatives.” [Expert advisor 009, Gaming industry]

“I think in terms of the sign-up process, not necessarily having one centralised app for all the systems and all the clubs that are involved and everything, but maybe even just standardising the ID verification... having maybe one verification overseeing all the different systems, apps and things would extensively improve the experience.” [Venue staff 011, 012, Gaming floor staff]

### 6.1.3.1 The role of staff

It was widely agreed that for the highest levels of adoption, staff need to be ambassadors for the technology. This includes being both knowledgeable and championing the benefits to patrons. There were some reports from industry stakeholders that staff were reluctant to sign-up users or even asking “are you sure you want to?”.

The most effective strategy for recruitment was approaching regular patrons, as was the case for both users who provided feedback for this research. Staff are known and trusted by patrons, and the best source of assistance for patrons who may not be tech-savvy.



*“We were looking at the staff to adopt and educate the players, [but] we’ll [now] definitely look at doing a more direct connection to the player for ease. Perhaps our intent was that it was new technology for the players, and they would need [staff] assistance...[but] the easier we make it for a player to adopt, complete the KYC on their own and not need that interaction, [the better].” [Expert advisor, Not attributed due to potential identification]*

*“There needs to be more spin...Some posters up in venues and you can talk to people, but no one’s coming up to you [to] engage you...needs to be clearer communication to venues of how they can encourage this amongst regular patrons without crossing the line of...encouraging gambling.” [Expert advisor 004, Gambling support advisor]*

Staff knowledge could also improve, and likely will over time. Staff noted that they grew very familiar with the sign-up process through practice, by working with industry personnel who were curious enough to sign-up. While staff do not need to memorise the details of the ‘backend’ of the technology, suggestions by staff on how to improve the technology sometimes revealed a lack of understanding of the regulatory and compliance requirements. For instance, a couple of staff felt it would be better to enable patrons to use their debit or credit cards directly on gaming machines, ‘skipping’ the ‘hoops’ of the digital wallet sign up.

One staff member did note that their team members’ training included a ‘wall’ of information that he thought they found difficult to engage with. Listening to staff and venue manager feedback on how briefings and training are done with venues as the technology rolls out will be important.

### 6.1.3.2 The role of the banking industry

As the digital gaming wallet is a financial product, adherence to financial regulation and cooperation with banks is needed, from setting up venues on the ‘backend’ to facilitate digital payments, through to onboarding customers on the ‘frontend’ during the signup process.

Two providers who were involved in setting up the digital gaming wallet technology explained that the digital wallet “*was like the gaming industry and the banking industry have had a baby*”. A lot of time and resources had to be put into working with banks under ‘Know Your Business’<sup>25</sup>.

“*[Financial regulatory compliance] that's probably one of the biggest challenges we've had across a raft of different solutions that we've put into this space. And then there's the risk appetite from the financial services industry around supporting or servicing gaming. That's definitely been a big challenge. We think [it] probably could have been helped along with some better conversations around the trial between regulators, state and federal government almost vouching for this product... a very clear explanation of the initiative that needed to be clearly communicated. That would have given us a reference that we could have used more frequently with the financial institutions sitting in the back end, a famously risk-averse group to have to explain this to. It's something that realistically could have been quite easily driven from a regulatory perspective as opposed to us pushing up.*” [Expert advisor, Not attributed due to potential identification]

*“One of the areas where the cost and risk we are going to see is actually in the banking industry at the back end of it, because that's where the transaction costs will come in and some of the barriers to use will come in. We've had speed humps in our implementation, that banking backend, that integration has been the new bit.”* [Expert advisor, Not attributed due to potential identification]

*“The overlap of the regulatory environment between the financial services provision and the gaming provision. There are almost three sets of regulations, where there is only one today when you're talking about a cash environment in the standard pub or a club today. When you start to add financial services into the mix, there's a lot of regulatory oversight around those areas and you start to move into a much more technical compliance requirement, particularly around AUSTRAC and APRA and their requirements for licensed deposit taking institutions.”* [Expert advisor, Not attributed due to potential identification]

These providers said that for an ongoing rollout, more coordination needs to take place between gaming regulators and the banking industry to establish the legitimacy of digital gaming wallets and remove barriers to technical providers and venues who are adopting the new technology.

“*We'd need some drive from a ministerial level, the state ministerial level into a federal banking level, to say we need to smooth the way because this is important for us, as a state, from an AML and responsible gaming perspective.*” [Expert advisor, Not attributed due to potential identification]

Industry experts and staff feedback also indicated that different banking ‘Pay-To’ agreements made it challenging for staff to provide directions that were applicable to all patrons. Such agreements are usually between banks and customers, and therefore outside of the technology provider’s control. It is hoped that this issue will become less of a problem over time as exposure to different specific examples creates familiarity and the information needed to navigate these agreements. Some consultation with the banking industry may also provide useful guidance in this area.

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<sup>25</sup> Know Your Business (KYB) refers to the process by which businesses verify the identity and legitimacy of other businesses they interact with. This is particularly important in financial services, where AML and counter-terrorism financing (CTF) need to be considered.





*"Some banks are better at that than others, so some banks are better at using notifications, and there's a couple of banks where you can't do that through your mobile app, you have to log on at a desktop to do it... as banks get better at pay to pay ID, it'll get less clunky. It is a contract between the bank and that person."* [Expert advisor 009, Gaming industry]

### 6.1.3.3 Incentivising sign up (without promoting gambling)

In addition to the benefits of using digital payment technology, a couple of respondents suggested additional incentives for users. Most of these suggestions were related to free drinks in the venue, entry into member draws, or in one case, a suggestion to increase the transfer limit for digital payments to be higher than the limit for cash payments, thereby incentivising people to use the digital wallet if they wanted to gamble with more money.

Although most suggestions were likely not feasible under gambling regulations, one expert did provide general advice for the nature of incentives that would be beneficial to both the user and the venue.



*"I would use more non-financial incentives. I would probably use something that drives more loyalty to the product. Vouchers or [for] venues that are participating, whether it's loyalty points or something along those lines that can be redeemed afterwards, because what you're trying to do is engage repetitive use. What we find with financial incentives is that you give them away once and then the person can disappear and we never see them again. So what you're really looking for is that build-up of loyalty over a period of time until the usage becomes learned and then the custom becomes changed in the habit."* [Expert advisor 011, Gaming industry]

Industry stakeholders were very cognisant of their obligation to not promote gaming machine use. Some experts feel that the trial was negatively affected by lack of promotion which implied that any future rollouts would require some form of campaign that went beyond posters in venues.



*"There's been zero promotion, no money spent on it, nothing from government, just a couple of posters in the venue."* [Expert advisor 001, Gaming industry]

*"There are some regulations that are in play today that will become hurdles for this product down the stream. And they are not being able to promote this particular product, based on the fact that it may be in a very grey area [to] be seen as promoting gaming. But realistically, given that we are providing a solution to that very problem, this would be a very good thing to promote. It's [a] good exception to that grey area."* [Expert advisor 011, Gaming industry]

## 6.1.4 Functionality recommendations from stakeholders

### 6.1.4.1 Flexibility in a tiered KYC for low-value players or guests

One of the goals of mandatory account-based gaming is to enable tracked play, which supports harm minimisation efforts, but importantly, aids in enforcing AML obligations. AML regulation dictates the ways in which individuals are identified in financial transactions and provides the basis for the sign-up process for the digital gaming wallet through a KYC process. One industry expert put forward an example from the UK, to encourage NSW regulators to comply in full with AML requirements, but also consider the threshold for which exceptions can be made that still allows this gaming technology to deliver to its obligations and objectives: a tiered KYC process.





*"What we see in places like the UK is they have a tiered KYC requirement. So if you're only spending £50 a week, there's basically a very low level of KYC whereas if you're spending like two £3000 a week, you have to do full source of funds checks. And there's a continuum between the two... is there a pragmatic KYC level where you can say 'actually, if the mandate level's at a hundred 100 bucks, that's fine'. Nobody's money laundering 100 bucks. That's a very long way to money laundering, very painful way to do it."*  
[Expert advisor 009, Gaming industry]

As outlined in chapter five, casual users, visitors and tourists are more likely to be excluded from using gaming machines under a mandatory account-based model, due to the barriers to entry (i.e. KYC and sign up, outlined in more detail below). According to staff and industry experts, these are also the patrons who are likely to 'put in just \$20 or \$50' into machines for an evening. A tiered KYC system could significantly reduce barriers for these types of patrons and may resemble the current identification requirements for guests or temporary members visiting clubs. That is, a basic level of KYC could be applied (such as providing a single photo ID) before the guest is issued with a 'guest card' with a low spend threshold, enabling them to gamble with cash without a venue account or digital gaming wallet.

This kind of arrangement could only be realised with cooperation between gaming and financial regulators; the need for banking industry cooperation is further outlined in section 6.1.3.2.

#### 6.1.4.2 Building on existing technological infrastructure

Gaming industry stakeholders suggested that, in order to encourage adoption of the technology, the technology should be implemented gradually and build upon existing systems to incorporate a digital wallet and additional harm minimisation features. This view was also expressed by venue staff who were worried about the scope and suddenness of changes. They felt that challenges would arise if they had to onboard all of their patrons to the digital gaming wallet in a short space of time, especially if most patrons did not wish to use the technology and where a number of barriers to entry (including KYC, smartphone use, bank account linkage etc.) would likely arise.

Many venues outlined that they already have account-based gaming or 'carded play' available on a voluntary basis. Accounts are typically linked to membership and loyalty programs, where spend accrues points redeemable for food, drink, entry into members draws etc. (NB. This works slightly differently for hotels using loyalty systems like the centralised Pub Plus platform). These views, supported by a number of venue staff, particularly venue managers, emphasise that a digital gaming wallet may have been more readily accepted if it had been seen as a way to grow existing venue accounts, rather than being framed as a new technology being trialled. They suggested that allowing patrons to 'upgrade' their existing venue account to link their bank account, rather than introducing a new card or app, would have made the transition feel like a gradual improvement rather than a significant overhaul. Additionally, they proposed that harm minimisation features, such as limit setting, could be incorporated directly into the account-based gaming system, whether using cash or digital payments, rather than being tied exclusively to the digital wallet.



*"I would like a smaller step into that cashless space. I understand they're trying to manage all the risks and everything around it. And I think you'll find most venues want cashless technology in the venue. The biggest concern is that we do it in a way that there's too many barriers for entries and that people aren't ready for... I [also] think these controls and setting limits is really beneficial, but that's not necessarily only applied to cashless technology. We've always had the ability to set limits, it's more being built into the back of house functionality. It's a really progressive step to put it in front of the customer more, but*

*that doesn't have to be tied to cashless technology. I'd advocate for those things to come into the industry, but that doesn't mean that I have to start by transferring from my bank account into a gaming account that can apply to your everyday use." [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]*

*"Have the technology there, but also the ability to use the card system people are comfortable with... then implement the technology in a staged approach. Available for those who want to use it, but mapping it out so it's a comfortable and seamless transition over time" [Venue staff 003, Gaming manager/supervisor, 16 -20 years' experience]*

This was supported by gaming industry stakeholders.



*"For venues and their customers, sticking with what they've already got and adding a digital payment element over the top of it and some of the controls, would work a whole lot better... Utilising the existing infrastructure in place will get you to where you want to go a whole lot quicker" i.e. pro for Govt in having multiple systems." [Expert advisor 002, Gaming industry]*

*"Cashless gaming, account-based gaming is not new, they've been around since the 90s. The innovative feature is utilising those existing accounts to accept non-cash payments. It's not revolutionary. It's just an extension of our technology." [Expert advisor 003, Gaming industry]*

As outlined in the barriers to adoption in chapter 3 and in Marketing above, patrons would likely feel more comfortable with new features within an existing, localised system that was seen to be free of government control and monitoring. However, while using the existing infrastructure might be the easiest solution for industry and potentially lead to faster patron adoption, using localised loyalty systems or other industry-driven technology may not be the best solution for harm minimisation, expanded on below.

Localised systems also do not sit well with some gambling support bodies or patrons who view this gaming reform as a way to reduce gambling and/or minimise gambling-related harm from gaming machines.



*"Clubs are using carded play for their benefit, they have the infrastructure - but are being used to provide inducements for people to play through those cards... although the features have the cashless gaming requirements, they are also providing inducements for people to play through those cards, promotions etc." [Expert advisor 007, Lived experience advisors]*

*"That's the concern, the fact that it's going to be part of the loyalty card arrangements and that in the past has been incentivising gambling as opposed to incentivising care, concern, [and] I guess duty of care, a double edged sword almost." [Expert advisor 010, Gambling support]*



*"You can't just say the club will look after it, no - if it's going to be done right, it has to be done centrally." [Non-user 005, Male, 60-64 years, Infrequent Gambler]*

Standards and oversight would certainly have to be in place, and this was acknowledged by industry stakeholders.



*"...If you leave it up to the market, that means the market has to have standards to work to so you can't do anything..." [Expert advisor 009, Gaming industry]*

Systems would also need to be scrutinised for their data security and integrity before a financial transaction product could be installed, which may require an uplift in venue cybersecurity and/or some back-end consistencies be put in place in venues throughout the state, which some have pointed out would be a good exercise in compliance, regardless of the digital gaming wallet.



*"You need to basically conduct an audit of their technology on site, the location of their servers, links in the chain between anything that talks to the digital wallet solution and to the payment solution. And there would need to be a level of a level of information security to be brought up to the ISO standard... there's a lot of personally identifiable information being transferred between the platforms... So in terms of a further rollout of digital gaming wallets, it would be very time intensive to do that level of auditing across the board. It does increase how much data is in transit." [Expert advisor, Not attributed due to potential identification]*

#### 6.1.4.3 Other 'wish-list' functionality

- Language other than English options.
- Improved speed in withdrawing funds from the wallet to their bank account and minimising transfer fees were raised by some patrons and venue staff
- One of the main concerns of patrons was data security and privacy: there is little that can be done to reassure patrons of the integrity of data protections in place, short of being proven secure over time. Patrons wish to know what external parties will have access to their data, including government agencies and departments. However, unless a venue can expressly guarantee 'no identifiable information will be shared with government departments, general mistrust and an assumption that their gambling will be tracked by the government will likely remain for at least some patrons. (NB: Marketing materials provided for the trial did address privacy, as per Appendix 9.1).
- Reactions were mixed on the perceived security of linking a bank account versus a bank debit card, therefore preference between using a bank account or debit card with the digital gaming wallet were mixed.
- Most non-user patrons preferred a physical 'gambling card' rather than using their smartphone to tap-and-play, and some experts suggested that a physical gambling card is the best accommodation to make for patrons who do not have a smartphone



*"There is a larger group who don't have a smart phone. We think there should be accommodation for these people. Use the same work around as for tourist / interstate visitors and duplicate it with a card-based system." [Expert advisor 010, Gambling support]*

*"There is a role here for the physical gaming card or other ways to interact with the technology that's not having to own a smartphone and [some] people do like a physical gaming card. A lot of people like apps, but other people actually prefer a card. You could have a kiosk where you can scan your ID and then it spits you out a card... you have to be careful that people can't get a card and then pass it around to all their mates." [Expert advisor 004, Gambling support advisor]*

## 6.1.5 Multi-venue vs single venue accounts

There were a range of opinions as to whether the technology solution rolled out in the future should be (1) a centralised system, where there is a single app or gambling card that patrons can use for all gaming machine play across all venues in NSW, or (2) a per-venue solution, similar to the way separate venues currently have loyalty programs, where accounts are unique to each venue (or venue group). The former centralised system approach ensures that harm minimisation features are universally applied to all players and cannot be circumvented by moving between venues.

Gaming industry stakeholders preferred the second option, while patrons and gambling support advisors generally favoured the first. However, a mix comprised of centralised limit and exclusions settings, but localised gaming wallets is possible according to gaming industry and gambling support experts consulted in this research, and would be the most acceptable option for all stakeholders, as outlined below.

It should also be noted that a number of patrons saw more convenience in having a single card/multi-venue solution, which would enable them to sign up only once and transfer their credit and account settings to all venues. However, some patrons in favour of the convenience of a centralised solution were simultaneously against the oversight and tracking that would come along with it (as per chapter three). At least one patron seemed to be under the impression that a mandatory digital wallet system would be centralised at the 'backend' for the government's tracking purposes, and therefore felt there should be 'frontend' benefits to customers. But overall, few patrons could provide an informed preference, and most did not fully understand the broader implications of a centralised gaming account framework, aside from its ability to apply harm minimisation settings across all venues.

### 6.1.5.1 Benefits or rationale of an account-per-venue system

A number of gaming industry stakeholders pointed out that there is a clear precedent in other commercial contexts, including wagering accounts, to have a unique account per operator. This is how venues currently operate their voluntary carded play and loyalty programs too. In the industry's opinion, there is no expectation for a single gaming account for EGMs, so there would be minimal value for patrons if the industry pursued this more 'complicated' solution.



*"If you consider gambling more broadly and what's already customer accepted, if you sign up to SportsBet or Ladbrokes or Tab, you'll have a digital wallet assigned to each of those accounts. That's already consumer behaviour, consumer receptive. So I don't think that within the poker machines industry, it needs to be any different. We can try and reinvent the wheel, but there's something already in play that people are comfortable with. It's also the same as lotteries, as Keno. It just makes sense to keep it consistent."* [Expert advisor 008, Gaming industry]

*"Most people have one or more sports betting applications already installed on their phone. There is no expectation from any of those patrons that funds that are deposited into their TAB account would be available in their SportsBet account or their Ladbrokes account because they understand that they're three separate organisations that they have opened betting accounts. There's no difference right now with their membership cards. Most have separate venue cards and understand when they walk up the*

*road, it's a different venue. Most people probably visit 5 venues but 2 regularly." [Expert advisor 003, Gaming industry]*

Some gaming industry stakeholders and staff also said that an account-per-venue system also protects the commercial interests of venues.

**“** *"We can have a single account, but you've got to remember for venues, that's their customer. I think that's also a discussion commercially for venues: 'they're spending money here with my account. Do I necessarily want them to be going down the road?' Because they fight hard for that member, it's their member. So there are also those considerations." [Expert advisor 009, Gaming industry]*

Some industry respondents also felt that digital, account-per-venue system would be the only feasible way to deal with financial transactions and bookkeeping.

**“** *"The centralised platform... if limits based would be OK. If its payments enabled, that's where things start to get a lot more complex. That will be a considerable program that will take many years to rollout. The settlement process between all the different venues, the fact that you will now need to issue it as a financial services licensed product because there's multiple merchants involved in the transaction sets. So that starts to become an incredibly complex beast." [Expert advisor 011, Gaming industry]*

*"There are views around [whether] it should be one gambling account, which creates a whole different set of problems because suddenly from a reconciliation point of view and liability point of view..." [Expert advisor 008, Gaming industry]*

*"There is regulatory, legislative and technical complexity to set up a single wallet statewide, so there is limited benefit and more risk - the central wallet owner becomes the owner of the AML risk the AUSTRAC reporting requirements and everything." [Expert advisor 003, Gaming industry]*

**“** *"I'm not against each different gaming system having their own app because we all work really differently. Personally, from a staff point of view, I like the fact that they can't transfer money between our venues 'cause when you get to cash flow, it's just nightmare." [Venue staff 011, 012, Gaming floor staff]*

Finally, some industry stakeholders also cautioned against a centralised system being future-proofed. In their view, taking away competition (by having one contracted supplier of a centralised system) means taking away innovation. In an environment where technological advancement is rapid and compliance requirements are ever-changing, a single, centralised system did not seem feasible or beneficial to the industry or patrons.

**“** *"The things that should be centralised are exclusions and limits, which I think can be held centrally and can be communicated. The problem with that is that [with a centralised system] it does not evolve because as soon as you've got a single contract, there's no motivation for [innovation], because you're locked into something and that's life now..." [Expert advisor 009, Gaming industry]*

### 6.1.5.2 Centralising harm minimisation settings

Gambling support advisors and patrons felt there was no efficacy in the harm minimisation tools without a centralised account to ensure money and time limits, and breaks from play and self-exclusions, were able to be applied to a patron no matter where they went.

“I don't see it working unless it is across the board. If you put it in into the same context as somebody who is addicted to medication and they go doctor hopping. Unless there's a central system where they can be checked for their access to those drugs, they can be legally obtaining the medication to continue their habit. If this cashless gaming is not taken across the board for all gaming venues, then they'll go venue hopping.” [Expert advisor 007, Lived experience advisors]

“I'm assuming when cashless comes in, it will be one card that will work in every venue? Otherwise all you're going to get is: 'I'll do my 8 hours at one club then move somewhere else'. It has to be one playing card, otherwise you'll just go [from] club to club to club... They have to be linked, otherwise don't bother - stop pretending you care.” [Non-user 005, Male, 60-64 years, Infrequent Gambler]

“For those that have a problem with gambling, I think having limits in place will help with harm minimisation. My only concern is its venue specific. So all we would be really doing is limiting how much a player can spend at a certain venue.” [Staff survey, Gaming manager/supervisor, 5+ years' experience]

Industry stakeholders also acknowledged this point and indicated that it made most sense to centralise harm minimisation settings. Insights can be drawn from similar infrastructure on how best to do this, but several feasible options were identified.

“But the things that should be recorded universally are things like limits and exclusion, which can all be done essentially through a database with APIs.” [Expert advisor 009, Gaming industry]

“Having limits that apply across multiple venues can be achieved. Blockchain are dealing with these kinds of things, and don't require these centralised systems.” [Expert advisor 002, Gaming industry]

“The integrations will come slightly more complex, but there are probably sufficient systems in place today that would be able to handle that solution. The license monitoring operators already have centralised systems, but we would be suggesting if that was to sit somewhere that would be a good place to start.” [Expert advisor 011, Gaming industry]

One gambling support expert and industry expert group referred to BetStop, the National Self-Exclusion Register as evidence that effective technological solutions for gambling harm minimisation are feasible and able to be shared between operators.

“With BetStop. They're constantly monitoring that they have a system exclusion that's set up in real time. As soon as a person's name goes on that database, it becomes immediately the responsibility of the sports betting companies to remove that person, close all their accounts and allow to contact them. And then they have a process where they're instantly checking that against the SportsBet company's database. This is BetStop. And so it is instantaneous, it's effective and there are significant penalties [for companies] in place and it works. So there's like absolutely no reason why this can't be set up to eliminate those potential risks to people and to make it effective.” [Expert advisor 006, Gambling support advisor]

“Look at what happened with the National Self-Exclusion register for wagering, what happened was there was an API that was put between the exclusion register and the wagering operators so that they could check. So there again, they could still use their own systems. There was just an interface that was put between to enable that to be done or so there needs to be that flexibility.” [Expert advisor 002, Gaming industry]

Some gambling support advisors suggested there was a potential conflict of interest in having an industry-led solution for account-based gaming, but their primary concerns were in the provision of support and harm management, which would be mostly satisfied by this centralised system for limit and exclusion settings.

“I think it's got to be universal. I can't think that the industry is going to go for venue-specific [limits] either... Most venues are owned by multiple parties and so it's in their interest to say 'yeah, sure, you've reached your \$500 limit, but let's take you on a bus down the road [to another venue owned by the group] because then you can start again'. It has to be universal, has to be mandatory. Statewide as well, you don't want to be singling out certain socio-economic areas, you don't want to be running into things that are pubs versus clubs or casinos versus pubs or whatever – it has to be across the board.” [Expert advisor 006, Gambling support advisor]

## 6.2 Harm minimisation features

In line with account-based gaming overall, industry stakeholders and patrons want harm minimisation features like limit setting to be voluntary, whereas gambling support experts and those with lived experience of gambling harm endorse prescribed and 'binding' money limits be placed on all players. However, most respondents agree that there are two important factors that need to be delivered for this technology to minimise harm: normalise using limits (i.e. removing the stigma) as much as possible and empower users with data-driven information and communications to assist people in self-managing their gambling.

### 6.2.1 Normalising the use of harm minimisation tools

Reducing the stigma associated with problem or uncontrolled gambling is a broader, public health issue that will not be solved solely by the launch of mandatory account-based gaming with gaming machines. However, experts, staff and even patrons suggested that putting tools like limit setting at the forefront of gaming technology, making them an integrated part of the process of using gaming machines and positioning them as a customer-centric, useful feature may increase their acceptability and usage.

“All of this has to be really normalised such that these are just part of player tracking tools. They're not called gambling help tools. They're called 'tracking tools', not even 'stay in control', just that these are just 'player tools'. They're just part of what everyone needs. Normalise use because when you introduce it for the first time, this is the chance to get it. So normalise the use and then the things like self-exclusion and take a break and checks could be layered on there as well.” [Expert advisor 004, Gambling support advisor]

“People need to have the sovereignty to set their own limits and have them honoured - both time and money... But it really needs to be normalised that it's just part of if you're going to use this product, there's significant safety issues in it that we need to all be using it ” [Expert advisor 007, Lived experience advisors]

“Makes it more customer-controlled whereas all the technology now is all staff controlled in a way. All things that we have to deal with helps us identify them. So, it'll probably take the workload off the staff a little bit.” [Venue staff 028, 029, 030, Gaming floor manager/supervisor]



As mentioned in chapter 3 some patrons thought limit setting features might be useful to them or others as ‘budgeting tools’, especially when they are on a limited income like a pension. Moreover, as also mentioned above, a number of venue staff and industry experts suggested that harm minimisation tools can be ‘decoupled’ from the digital gaming wallet and implemented with accounts or existing infrastructure; that is, the ability to access harm minimisation tools should not rely on bank account linkage.

## 6.2.2 Data-driven communication and information for self-management

While some venues currently have technology solutions in place to identify potentially harmful behaviour, such as being at a machine for over three hours (i.e. cherrycheck/cherryhub), a number of experts and staff see a great deal of potential in how data generated by account-based gaming can be used to minimise harm. The data generated by these systems could help both players and venues more effectively identify signs of gambling harm, allow staff to intervene when necessary, and provide both easily-accessible information and personalised support messages in a discreet manner at appropriate moments for users.

### 6.2.2.1 Use of technology in identifying gambling harm

Both industry experts and gambling support advisors, as well as staff, believe that advanced data analytics can feasibly identify harmful gambling behaviour as it is happening, for both high-risk gamblers and people who might be developing issues. This could go beyond comparing spend to limits, and use AI analysis to identify pattern changes, escalation of spending and risk, and comparison of player patterns against gambling norms to identify people at risk.



*"I know there's lots of legacy ways of tracking, with loyalty cards, CCTV, player bio feedback and things that are coming in now, but it'll be much easier to get some of that data and actually to predict when someone's going to be experiencing gambling harm.... data points that they're collecting and I've heard that they're collecting 18 points of feedback that they can actually predict the formation of a gambling problem prior to it happening." [Expert advisor 006, Gambling support advisor]*

*"You've got the spending information, that might be an assistance in being able to identify somebody who's harmfully using a product or harmfully putting a significant amount of money. You'll see patterns of behaviour as well from different people, like one person that comes in once a week. And if they're coming in more than once a week, we know by research that they're more likely to become addicted to the product as well. So there's those sorts of things that we already know from research that we could apply to the data in order to be able to assist us in locating people who need help." [Expert advisor 007, Lived experience advisors]*

*"Things like AI and predictive behaviour and things like that in the future are going to certainly have impacts into the ability to possibly prevent harm before it occurs. So there's a lot that over the next probably 5 years, 10 years, that will continue to evolve in the way that we interact with technology. But it's all about the customer experience and getting people engaged with it so that they can use and take advantage of those tools moving forward into the future." [Expert advisor 008, Gaming industry]*



There are likely to be some challenges in data access and ownership, in line with broader, global issues about AI permissions. However, in the meantime, at least rudimentary thresholds can be put in place to identify gambling data that deviates from 'normal levels' for the individual, and dollar and time amounts that can be considered harmful and therefore worthy of some kind of intervention (whether through the app or through staff).

### 6.2.2.2 Easy access to personalised information

One of the greatest benefits of the technology, according to all respondent groups, was putting more information about their own gambling habits in the hands of people who gamble. However, to augment the existing information available through the digital gaming wallet app, some patrons suggested live updates for real-time tracking of losses be available, either on their phone or on the gaming machine screen (and carried across all machines used in a session).

Further recommendations arising from gambling support experts also recommended using push notifications or email to send users their Player Activity Statements. Most supported the idea of having PAS available through app to review at the user's discretion, but also felt that many users, especially high-risk gamblers, would try to avoid seeing this information. Accordingly, they saw benefit applying the same legislative obligations as wagering operators to send a PAS to account holders regularly.

**“** *“Player activity statements aren't chased up. They can't just sit there. They can't just wait for people to come and look at them and expect that to work. So if you've got the technology that you have access to their phone and you must do because that's how you transfer [money], an e-mail saying that you have spent this in the last week... I think may wake up some people. Or a push notification pops up to say you've spent that in the last month, week. I think it could help some people to stop and think about it before they go next time or to seek help.” [Expert advisor 012, Gambling support advisors]*

*“I think if it had a pushed activity statement, that will help a lot of people to be able to track their spend. That will help in attitudes and awareness.” [Expert advisor 004, Gambling support advisor]*

### 6.2.2.3 Using the app as a communication channel

Using push notifications, alerts or triggering emails are all possible on apps, and experts saw great potential in how this kind of messaging can reach gamblers directly, both in the moment of gambling and also afterwards (i.e. away from the machine). This could include personalised messages about their habits and spend.

**“** *“I think exploiting the channel, I think it'd be it's a very useful channel to communicate with customers about their wellbeing and have features there where they can even seek assistance or even tools to manage their own budgets. I don't see a downside in that.” [Expert advisor 009, Gaming industry]*

Experts recommended a number of opportunities for push notifications or other messaging:

- Reminders to take a break after two to three hours of gambling.
- Alert for approaching a limit (noting there could be functionality to set this threshold e.g. 'alert when at 75% of limit').

- Alert for hitting the limit:<sup>26</sup>
- Alert for hitting a limit multiple times over a week or month.
- Warning message for large deposits and/or bets.
- Warning message for bets or other habits that are out of character based on previous behaviour.
- Alerts to provide guidance and/or support around common 'trigger' events for people who gamble harmfully, such as payday or winning.



*"You've got the spending habits, so you can see risky behaviour. You might be able to ping a message like 'are you ok'? Look at visit patterns to identify people who need help" [Expert advisor 007, Lived experience advisors]*

*"Push notifications to encourage breaks, step away from the room or that would tell them how long they've been actively playing. It can be quite shocking." [Venue staff 014, Gaming floor manager/supervisor, Under 5 years' experience]*

*"Notifications on large transfers for example, 'do you want to speak to someone and 'call now' - 'you've got to get them while they're in the mood to speak to someone...it's a really progressive step to put it in front of the customer." [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]*

*"There are some banners, stickers and signage about gambling harm on the machine itself. But by having it on their phones it gives them those messages...more opportunity to get that message across" [Venue staff 020, Gaming floor manager/supervisor, 11-15 years' experience]*



*"Even messaging about their usage without the need to set a limit because a lot of the time the limit is, oh, you've done this and here's a notification. Well, how about just nice regular reporting around the usage so they're aware of it... it could be confronting for them if they don't realise things. Something like that might just be a nice way to open their eyes. Similar to the way that iPhones show your percentage of screen time." [Expert advisor 009, Gaming industry]*

At the same time, some gambling support experts questioned the efficacy of phone notifications, especially if these can be turned off or easily ignored, especially by people who experience gambling harm or are in the middle of a gambling binge. This may call for design considerations like a forced interaction delay, where users cannot dismiss messages straight away, or a threshold for the number of warnings before an account is automatically put on a break.



*"I've had people tell me that when they're winning a jackpot, the screen freezes on pokie machines and they're just all waiting for that to start up again. So I don't think they've found session alerts have any efficacy for people who have problems [with gambling]. That being said, there's no harm in the app having something that's flashing up to warn you, but I don't know if there's much benefit." [Expert advisor 006, Gambling support advisor]*

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<sup>26</sup> As noted in chapter four, two experts recommended that more research be done to understand the impact of limits cutting off people who are experiencing gambling harm, both for how it might impact their gambling habits (such as switching gambling modes or minimising harm) and for their personal relationships

#### 6.2.2.4 Enable staff or third parties to intervene

Experts and staff saw potential for immediate help-seeking through the app, in discreet and private ways. This could include requesting staff assistance or reaching out to gambling support services.

Some staff felt that having access to information from the app would enable them to more effectively intervene when someone is experiencing gambling harm, although this does present challenges in data privacy.

**“***The ability to have everyone's data that we normally wouldn't. We have a lot of uncarded players that may struggle time wise, financially wise, and we just don't have any information to go on at all. There's no trigger event outside of a staff member witnessing what they're doing. Normally if you aren't even aware. Those kinds of things are potentially available when you have 100% carded play” [Venue staff 025, 026, 027, Gaming floor staff & manager]*

While contact details for gambling support are already available in the apps, gambling support experts and staff felt that this should be as interactive as possible, including: opening a portal to a support site to find local services, being able to call a gambling support service in one-touch (i.e. a ‘call now’ hyperlink that auto-dials a support service) and push notifications when help-seeking is appropriate to boost understanding that free, 24/7 counselling is available.

**“***In an app, there could be some portal to the [support] website... a lot of people, even though that's advertised constantly on gambling ads, they're still not sure what the help looks like. See a psychologist, see a financial counsellor, see a relationships person, Aboriginal [person]... I don't think the general public know that help is free and confidential and out there, even though that's literally in the ads every time.” [Expert advisor 006, Gambling support advisor]*

**“***Perhaps if they found that they were hitting their limits or had access to their statements where they were spending more money than they thought they were... And there's probably something on the app that asks, ‘do you want to speak to somebody?’ which would put them in direct contact with a counsellor, maybe something like where to go or ‘would you like to speak to a counsellor?’. Then it rings somebody because you've got to get them when they're in the mood to speak to somebody.” [Venue staff 009, 010, Gaming manager/supervisor, 15+ years' experience]*

*“Features you could add e.g. if they just want someone to chat to take a break, but not quite self-exclusion... That it might actually increase the right request for help. The right person to talk to you rather than asking someone who doesn't really know what they're doing. You don't want to ask the 18 year old at the bar.” [Venue staff 028, 029, 030, Gaming floor manager/supervisor]*

### 6.2.3 Money limits

As previously outlined in chapter four, almost all respondents felt that money limits were both the most effective at minimising gambling harm, and the most difficult to universally set. A number of recommendations were made, primarily by gambling support experts, about how to set nuanced and effective limits in the technology.

Note that the recommendations from respondents below are in addition to the existing money limits users can set in-app.

### 6.2.3.1 Limit period

Experts believed that, particularly for people who gamble harmfully, weekly or monthly money limits should be in place, in addition to daily or session limits. One patron with lived experience of gambling harm also suggested that budget setting could be done at the start of each session – not to override a pre-set weekly or monthly limit, but to encourage players to make more conscious choices with their money before a gambling session can commence.



*“[Setting a limit] every time would be better... It would be sensible if every time you went to log into a machine, you've got to put your card in or your phone... And at that point, you should have a screen come up that says something along the lines of right, 'you're back to start another gambling session. What would you like as your limit for gambling today?' And you might say I don't want a gambling limit or yeah, all right, I don't want to spend more than \$200 or \$100 or whatever. And that would be a very good feature to have.” [Non-user 013, Male, 55-59 years, Infrequent Gambler]*

### 6.2.3.2 Default or pre-set limits

Gambling support experts are somewhat divided on which pathway is best for pre-set money limits: default limits applied to all users (but able to be changed) or requiring users to set their own limits but having a ‘reasonable’ maximum dollar amount (effectively, a prescribed upper limit but letting users set a limit up to that maximum). Both models are currently in use in venues in other states (including Tasmania and Victoria).

For default limits, some experts felt that this ‘slowed down’ gamblers, established gambling spend norms and would likely remain in place for most people who do not experience gambling harm, due to the effort involved in changing one’s settings. This would still allow users a choice.



*“You can have a default deposit limit. So say that's set to \$150 a day, you can increase it, but you have to manually go and do that. So that again sends a really clear message to people. This is an appropriate amount'. So most people probably won't [change it]. Defaults are really good at changing behaviour because people are just like, 'Oh well, I've hit my limit, let's go find in the settings'... It would be very easy to go and change it, but it sends a really clear message.” [Expert advisor 004, Gambling support advisor]*

*“We think daily, and then either weekly or monthly (either), then annual. And we feel that should come out-of-the-box with a default limit. The Tasmania ones are not bad – that's \$100 a day, \$500 a week, and \$5,000 a year. And those would be default limits and you can drop them instantly, but not the annual limit. [Shifting] that annual limit would require verification that from someone independent, like a financial counsellor.” [Expert advisor 010, Gambling support]*

*“They've already introduced cashless in Tasmania, with default limits and that was very fiercely fought against by venues and poker machine manufacturers... there were some fairly healthy limits set, but there were accusations of discrimination because some of the limits were set for people who were unemployed, for example, and that was seen as discrimination... there should be good results coming out of that by now. It's been 6 months or 12 months.” [Expert advisor 012, Gambling support]*

When it came to setting a maximum limit, it was unclear what an appropriate amount would be, and concerns remained that most users would set the maximum limit rather than a realistic one. However, a binding upper limit, it was argued, would definitively cap spend for people who gamble harmfully.



*"Mandatory money limit is the most useful thing.... [in another trial of limits], but the money limit was ridiculous, far outweighing what a normal person would be spending, everyone was just picking limits [of] \$1,000,000 a week. It's good to have the person set a monetary limit, but it does need to be some kind of reasonable option... individuals should be able to pick their own limit because they know their means best, but maybe there should be a maximum. BetStop set \$1000 / month as a guide. "[Expert advisor 006, Gambling support advisor]*

*"[In a casino] they're automatically bringing in a default of \$1,000 in terms of their card system which seems incredibly high really. But I think when they took them right off, they basically brought back a pretty low default limit that they started with. And I think the issue is what will the community accept in terms of that? What are the parameters about whether or not, or how much you get to change that?" [Expert advisor, Not attributed due to potential identification]*

Gaming industry stakeholders felt it was important to customers that limits remained voluntary. Most patrons also disliked the idea of mandatory limits, although they acknowledged they might help people who experience gambling harm.

Under both models, concerns remain that prescribed limits would see users reject the technology and potentially pick up different modes of gambling (see section 5.2.5. as to how likely this was seen to be).

### 6.2.3.3 Delays on deposits

All of the technology solutions have deposit delays built into the design, as per the trial minimum requirements, but gambling support experts would like to see these delays be longer than five or so minutes. Recommendations vary from 15 minutes to 24 hours per deposit on a single day; although this is much longer than the 'trip to the ATM' this break is designed to replicate. Support personnel felt that this deposit delay would only be worthwhile if it forced some players to shift their focus or do something else while waiting.



*"To put on brakes in gambling. At the moment, if you run out of cash, you have to stand up and go to the ATM. You don't have to go as far as I think you should have to go to get to an ATM, but you have to interrupt that process to go and get cash. We think that when you've run out of money, if you haven't hit your limit, but you've run out of available money in your account and you have to do a top up somehow there should be a significant break, at least 15 minutes, even though that is longer than it takes to go to the ATM, but we think that should exist." [Expert advisor 010, Gambling support]*

Some staff members suggest that even a short time delay is likely to frustrate patrons, without encouraging them to leave the gaming floor. For this reason, and to better emulate the experience of moving away from the gaming floor to an ATM, some staff suggested all technology solutions use 'geo-fencing', so patrons have to leave the gaming floor to deposit money, which may depend on the venue layout and size.



*"Might be a bit different in sitting there for three minutes looking at your phone, a countdown clock compared to making that walk to the ATM. But when you are waiting and looking at the countdown, it feels like an eternity. People may get more frustrated." [Venue staff 037, 038, Gaming floor staff & manager]*



*"Could you almost geofence that transfer to bank, where you have to be outside of a certain limit or a radius to be able to facilitate that transaction? That might be an improvement." [Venue staff 003, Gaming manager/supervisor, 16-20 years' experience]*

One provider pointed out that they were trialling this design.



*"I think technology plays an important role in strategies and initiatives, but they need to be well designed and developed. There's an example in that the product that we've got out of the moment, which has a design feature that requires patrons to leave the gaming room for a period of time if transferring individual funds. That was part of the design." [Expert advisor, Not attributed due to potential identification]*

Importantly, experts from industry and gambling support backgrounds agree that any delays should apply to second deposits on, not to the day's first deposit of funds into the digital wallet.



*"First deposit of the day should be just immediately available because that's a barrier to adoption and adoption is what we're saying is providing access to the tools and controls to help people manage spend." [Expert advisor 003, Gaming industry]*

*"To create friction I think there should be a delay on any deposits, any of the second deposit. So first deposit should be immediate, but any subsequent deposit within the same day should have a delay. Now I understand the delay currently is something like three or five minute break in play [which it is] probably is going to be. I would prefer it be 10 or 15 [minutes]. But how it goes at the moment it's three or five [minutes] because it's supposed to simulate the break you would have to go to an ATM. But I mean, obviously the longer the better." [Expert advisor 004, Gambling support advisor]*

#### 6.2.3.4 Quarantining winnings

A couple of respondents, including patrons, proactively raised the idea of a 'quarantine' on winnings, where a certain percentage of any winning would be 'locked' and unable to be accessed for 24 hours<sup>27</sup>. There was also some confusion about how winning would factor in to spend limits, which may need to be communicated to users through the app, but this was not considered an important factor in adoption and use.



*"[If they won] it would go back on the digital card, and then could only be used in 24 hours. Maybe like 10%, hard to know, or over \$2000 - a percentage they can't use for 24 hours." [Non-user 004, Female, 70+ years, Infrequent Gambler]*

Some staff noted that a form of this is already in place, and guessed users would be surprised when their winnings were auto-transferred to their bank account.

#### 6.2.3.5 More nuanced money limits, like maximum bet per spin

A couple of patrons indicated that more nuanced money limits, such as bet-per-spin limits, could be beneficial to slow down people who gamble harmfully, or people who may lose track of their gambling for other reasons, such as age or distraction.

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<sup>27</sup> There is existing legislation that governs the amount about to be paid out in cash to a player vs needing to be paid out via cheque or electronic funds transfer (\$5,000) (Liquor & Gaming NSW, 2024a)



*"You should have maximum allowable bets per press, so you can restrict yourself to maximum dollar spins or \$2.00 spins. You can't suddenly decide you're going to hit it for \$6 spins type thing unless you've told it that's what you want." [Non-user 005, Male, 60-64 years, Infrequent Gambler]*

### 6.2.3.6 Further restrictions on limit changes

Experts in gambling support and research were especially interested in the rules around changing money limits. Currently limits can be increased, and only take effect after 24 hours; some patrons proactively suggested this too. In fact, a number of respondents assumed these protections were not in place and were pleasantly surprised to find that providers had considered these protections in their design (NB this was in line with trial minimum requirements).



*"Well, if they really were serious, they'd make it harder to increase, but easier to decrease your limit. So increasing could be, two or three days after you've requested it. Decrease can be just about immediate... limit the amount of increases you're allowed in a calendar month, But after three changes in a month, stop. You're not allowed to change that anymore..." [Non-user 005, Male, 60-64 years, Infrequent Gambler]*

But some of these experts suggested further restrictions, as changing a limit can be a major indicator of potentially harmful behaviour. Some suggested that for high-risk gamblers, being able to return in a 24-hour period is not enough time for them to 'recover' from that episode of harmful gambling.



*"It's [24-hours] not long enough to start to get over that desire to chase your losses. You need to have a week or a month, at least two weeks. It's very difficult when if someone considers that machine was about to pay and then they come in the next day and it's still there sitting. The way their mindset will be: I know this is the one that's going to go off, the lady who played an earlier time it was going to go off and blah, blah." [Expert advisor 012, Gambling support advisors]*

*"I'd say two or three days is probably a better idea. Just gives the person a bit more pause if it is on a weekend, they can't thrash their whole pay packet on the weekend. And trash themselves into next week." [Expert advisor 007, Lived experience advisors]*

Harmful gambling is also often triggered by certain events, like getting paid or winning money. Some experts recommended the ability to toggle one's limits and 'reset' periods around these triggers; having it as a mandatory arrangement around pay periods (weekly, fortnightly or monthly), if possible. For instance, setting a \$500 fortnightly limit, and if that limit is reached, being locked out until the end of that original fortnight period.



*"Often there are triggers around payday. So if you're paid weekly, you need [a limit period] to be more than a week. If you're paid fortnightly, you need it to be more than a fortnight so you can get through at least one of those next trigger periods successfully to give you hope for getting further." [Expert advisor 012, Gambling support advisors]*

Experts also questioned the number of times a user could adjust their limits, and by what margins they could adjust those limits. They endorsed both a maximum number of times a user could change their limit (i.e. increase their limit) in a period of time, and a cap on how large the difference could be. As above, these experts liked the 'friction point' built into the Tasmanian model of needing to consult with an independent party in order to make significant adjustments.





*"I reckon if you could say how many times you can reset a limit... You can change something, but you can't keep changing it. You've got one decision in a month or something like that. So then then you can see what's reasonable." [Expert advisor 012, Gambling support]*

*"We think that people should be able to reset that delay time. So if you can raise your daily limit, there's still a 24 hour delay. Some people who know that they're struggling a little bit, could change that setting so that the new limit comes in after a week, rather than after just a day. [It will help] binge gambling, where they gamble three or four days in a row and they're not again for six months." [Expert advisor 010, Gambling support]*

*"If we want to have a product that we're saying is recreational, it has to be limits that are recreational. And I'm sorry, changing your limit up from \$50 bucks to \$3,000 or whatever, it's not recreational." [Expert advisor 007, Lived experience advisors]*

*"If you're changing your self-imposed limits or whatever the setup is there, there needs to be some time delay and some financial limits that are reasonable, not \$1 million a week or whatever - it needs to be mandatory in order to play those machines and it needs to be universal. Otherwise people are just going to make the alternative choice. In that moment, part of them really wants help, but in that moment it's too hard and they're lapsing. You want some safeguards against that while maintaining people's freedom." [Expert advisor 006, Gambling support advisor]*

## 6.2.4 Other harm minimisation tools

### 6.2.4.1 Third party exclusion and limit-setting

One gambling support expert highlighted that third-party exclusion programs are not currently available in NSW pubs and clubs<sup>28</sup> but can be arranged in casinos (NSW Office of Responsible Gambling, 2024). These programs offer an additional safeguard, allowing family members or friends to help control a loved one's high-risk gambling issues.



*"There is also discussion around third party exclusions, which in NSW we've been very slow to adopt compared to some other jurisdictions. it's another safety guard for families to know that if self-exclusion is or third party exclusion is imposed, then presumably people don't even have access to the digital wallet." [Expert advisor 007, Lived experience advisors]*

Similarly, patrons suggested allowing third parties, such as a spouse or family member to set unbreachable limits to help address a loved one's high-risk gambling behaviours.

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<sup>28</sup> NSW government has committed to redirecting the \$100 million fine imposed on Star Casino by the NSW Independent Casino Commission (NICC) over 5 years to fund harm minimisation initiatives, one of which includes \$6.4 million to enhance self-exclusion and introduce third-party exclusions in pubs and clubs (Minister for Gaming and Racing, 2023 Oct 16).





*"The big one to me is problem gambling should be allowed to be addressed by close family members. They should be able to force limits. If a family member knows someone's got a problem, they should be allowed to step in."* [Non-user 005, Male, 60-64 years, Infrequent Gambler]

#### 6.2.4.2 Enforced breaks

A number of gambling support experts and a small number of patrons believed that enforced breaks in play should be built into the account-based gaming design.



*"A forced break, I think is what it should be. You can play, knock yourself out for another hour and break for a forced break. But forced, not voluntary."* [Non-user 005, Male, 60-64 years, Infrequent Gambler]

One person with lived experience suggested incentivising this break in play, which also occurs in some casino settings. However, staff also point out that people will often find loopholes to enforced breaks.



*"Instead of incentivising people to stay on the machines [through loyalty programs], flip that and say 'we'll give you an incentive to stay away from the machine'. Like if you go away, go to the Bistro for 10 minutes, we'll give you a free soft drink or something like that. That also enables the staff to make a contact point as well."* [Expert advisor 007, Lived experience advisors]



*"In the current system where it's a breakaway, they get recommended to take 5 minutes to go grab some water or something then just hop on another machine...We do fairly often see people just pop 50 bucks on that machine and then just bring a card and then just pop that one in that machine and they'll like both at the same time."* [Venue staff 039, Gaming floor staff, Under 5 years' experience]

However, gambling support experts have warned that this should not be done hastily. As previously outlined, patron reactions to being cut off can be unpredictable and at worst, dangerous to staff and others.



*"We also think [an enforced break] after 3 hours continuous gambling needs quite a bit of work and probably input from venue staff and the union, because people get angry. The problem with that hard 3 hour shutdown, if there isn't a lot of warning, is that people who are chasing losses or who have had too much to drink or both can throw a chair at a staff member, right? Which does happen. People become physically and verbally abusive on the venue staff. And I think that needs to be acknowledged. But it's also important that people's game gambling is interrupted in some way. That might require warnings coming up, like 'you've been gambling for two hours without a break'. Then maybe it just stops for two minutes or something, just starting interrupters before that."* [Expert advisor 010, Gambling support]

*"So we understand that a person may feel like they're right on the edge of that big win. They're just about ready to win and you cut the machine off from them. I think there would be some hostility. I think staff would have to be prepared for some hostility."* [Expert advisor 012, Gambling support advisor]

Experts agree that the best way to handle limit cut-offs should be evidence based, and more research needs to be done and published before hard measures can be put in place.



*"I do know that people have been doing some work on the most effective ways to have breaks in gambling. And some of that's not yet published. And I think that how those breaks are structured and staggered and designed should be based on evidence. And we don't have a lot of good evidence at the moment. We've got evidence that you need to break into people's zone. Otherwise they'll sit there."* [Expert advisor 010, Gambling support]

### 6.2.4.3 Other more restrictive or advanced limits

Some gambling harm support advisors endorsed having more complex and ‘nested’ limits, where patrons could set an amount of money to be spent in a custom amount of time, or a time of day to cut off, a limit on the amount of daily top-ups (as this could indicate loss-chasing) or other combinations that would allow patrons to custom-build limits to their personal needs.

“Probably rather than [just] time, it could be the two together. So, gambling so much money in a certain amount of time, and also how frequently they're attending gambling venues... So that's also a plan, isn't it, to say I want to go every Sunday after bingo, you know, but if I end up going every single day, that's problematic... or cut off at a certain time. Most gambling harm happens after midnight or 1am.”  
[Expert advisor 006, Gambling support advisor]

In relation to technology more broadly, many respondents noted that facial recognition is an important technological advancement that is crucial in dealing with self-exclusions and other legal obligations in venue, and some have suggested adding this as a layer of security to using cards or apps, to close off any loopholes of multiple, borrowed or stolen cards.

“There's also an opportunity for a black market if someone has a limit and they reach it and you don't have to have any recognition to who's actually using that card, you could just go get your mate's card and play.” [Expert advisor 012, Gambling support]

Some gambling harm support experts and people with lived experience of gambling harm also suggested exploring personalised algorithms or checks, based on real user data like income, to custom-build a limit profile per user. Some equated this to what happens with ‘high rollers’ according to AML laws, where personal financial information must be supplied to prove source of income.


“Putting a burden on the provider to have a look at people's accounts and have some proof of income, which does happen in some venues, in particular with high rollers.... pretty few and far between the venues [are] actually doing that step and [even if it's] a reasonable analysis of what that person's earning.” [Expert advisor 006, Gambling support advisor]

One patron suggested a step further, using personal data to set mandated limits. Despite the privacy implications, as a person with lived experience, he felt that it was the government’s role to protect people and ensure they are only gambling with what they can afford.


“What I'd prefer is some governing body comes up with a formula. Right, this is how much you earn every year [from tax records] ... you need x amount of money to survive with your family [bills, rent etc]. Here's a ballpark figure of what your get-out is every year. And that leaves you with x a year to spend recreationally. Then limiting how much they can spend a day to gamble with, that's the money you'll have spare... people will say 'you're taking away my civil rights blah blah, but at the end of the day, governments are in place to stop people from harming themselves. That should be their primary concern - helping and stopping people from harming themselves’ [Non-user 013, Male, 55-59 years, Infrequent Gambler]


## 6.2.5 Responsibility for harm minimisation

The most prevalent view, across all stakeholder groups, was that there should be shared responsibility to gamble safely, with the individual taking some agency whilst the industry implements mechanisms to reduce risk.


 *"We feel like the benefits of helping people help themselves is huge compared with the current system where someone has to admit they have a problem and then go and talk to some strangers about it."*  
[Expert advisor 010, Gambling support]

A number of respondents pointed out that individuals with gambling problems, by definition, find it very hard to control their gambling, and for these high-risk individuals, the agency should sit more strongly with the industry, venue staff, and the design of the games and their harm reduction features.


 *"So that we're not focusing just on the individual taking all those initiatives, but that the product itself. There were clear recommendations from the 2010 productivity inquiry about changing the volatility of the machine and changing the harm standards."* [Expert advisor 007, Lived experience advisors]

 *"To me, 80% of the problem is the way the machines are made. They're made to be attractive so that people can gamble more and more heavily. ... It's the machines that you should be controlling, not so much the people."* [Non-user 008, Male, 70+ years, Infrequent Gambler]


Many voiced criticism that gambling control mechanisms are reliant on the gambler to initiate and that their impact is undermined by the features of machines which are designed to encourage gambling.

 *"They're going around in circles - you're trying to control people gambling, but then you're offering them... the sweets are there. All the machines are there, lit up, they get more and more flashy... you're trying to attract them and on the other hand, 'you should stop gambling'. You're approaching this from the wrong end, tighten control on machines."* [Non-user 008, Male, 70+ years, Infrequent Gambler]

Some respondents acknowledged the role of the digital wallet in highlighting the role of the industry in providing tools for gamblers to support gamblers to self-regulate.

 *"And it also importantly for me from a policy perspective, puts the onus back on the clubs and hotels and pubs to see their responsibility for their patrons. Because a lot of the discourse has been these are just adults going to have fun and we're hands off. Whereas this is actually saying no, the onus is on you as responsible venues to take care of your patrons. If you care about your community, then this is one of the ways to do it."* [Expert advisor 010, Gambling support]

Overall patrons do not have sight of the other gaming reform taking place, and some felt resentful that the government appeared to be putting the responsibility to control gambling habits and minimise harm onto the users through this technology. Some also pointed out that venues should be doing more to manage gambling-related harm.

 *"The clubs could do a lot more. They can see how much money people are putting through when they put their member card in... the club could say 'hang on, this guy is putting through a truckload of money. He's probably just a working-class guy... and yet he's putting in proportionally a large amount of money. That could be monitored on an hourly basis. They could flag it and talk to him, but they're not. They're doing the opposite, they're incentivising people to spend more in the clubs... though most clubs don't"*

*want to see harm coming to their local community, but that's what they're allowing to happen". [Non-user 013, Male, 55-59 years, Infrequent Gambler]*



*"It places the onus back on venues to be responsible for patrons and care for the community, a powerful message...Some people will say this is a fig leaf over the problem but you need to walk through the door that gets opened." [Expert advisor 005, Gambling support advisor]*

Ultimately many stakeholders were of the view that the locus of responsibility is not with one party, and that the digital wallet should form 'part of a suite of tools' that are available to minimise gambling harm.



*"This is a tool which needs to be embedded in the context of a whole range of other harm reduction tools, which actually include the technology, the machine themselves." [Expert advisor 010, Gambling support]*

## 6.2.6 Phases to mandatory use

Based largely on stakeholder feedback, the trial clearly suggests that a hybrid model with voluntary limits will have limited impact on gambling habits and gambling-related harm due to lack of use, at least in the short to medium term. Accordingly, if the government aims to achieve meaningful and effective harm minimisation and AML through this technology, then a discussion around mandatory implementation would be likely central to these deliberations.

The suggested timeline and phases for the technology to transition from being voluntary to mandatory, or voluntary to having mandatory limits, was disputed between industry stakeholders and gambling support advisors. In terms of phases of rollout, the compiled feedback suggests that phase one should be getting patrons onboarded to mandatory account-based gaming (where cash can be used in addition to an optional digital wallet). In the meantime, some kind of non-voluntary limit scheme should be in place, but maintaining as much choice and control for users as possible. Ongoing phases should include further harm minimisation tools and more complex strategies (like algorithms and AI, mentioned above), and may also include further customer experience enhancements. However as outlined at the start of this chapter, a number of design changes need to occur, cross-industry supports put in place, and decisions about the goals and the risks need to be made, before mandatory account-based gaming can be launched.



*"A soft, gradual approach... it's not making a huge change, but starting the groundwork to then layer on, then we can start encouraging people to use it. It's stepping in the right direction. So in five years' time, 10 years' time, you can push the tools more. Once you've got people signed up, we won't push anything, but then you have them in there and you can start doing more proactive approaches. [The technology] is not going to make a huge change, but it will send a very important step towards enabling change. So it's more of a slower, longer term change." [Expert advisor 004, Gambling support advisor]*

*"Evolution not revolution... be more customer centric, giving choice to customers is key to adoption. That's about giving them information that is relevant to them... Adoption is key and how do we, how do you get adoption? By giving choice and giving them the right information that's relevant to them." [Expert advisor 008, Gaming industry]*

Experts acknowledge there is something of a trade-off. While it might be tempting to roll the technology out quickly if it is seen to be beneficial, this cannot be done without first setting expectations for users in the first rollout of the technology. As one respondent observed: 'you don't get a second chance at a first impression' -

meaning that any failed attempt could have a detrimental effect on subsequent roll-outs. However, it was also widely acknowledged that research, support advisors and industry are still learning what ‘best practice’ for harm minimisation looks like. There is no ‘silver bullet’ and the launch of this technology should not wait for that; more harm minimisation tools and strategies can be integrated later.

“*[Limit setting features] are just part of what everyone needs really normalised use because when you introduce it for the first time, this is the chance to get it. So normalise the use and then the things like self-exclusion and take a break and checks would be layered on there as well.*” [Expert advisor 004, Gambling support advisor]

*“The trial is kind of shown there’s an eagerness from the industry to actually test and learn and try some certain things, which has been great, and find ways to adopt the solutions over a period of time and play a role in the development of that... I’d be thinking about what’s ‘best in class’ out there and in adjacent or other industries. And how is that applicable?”* [Expert advisor 008, Gaming industry]

While gambling support advisors were unable to fix practical timelines on these systems, they want action as soon as possible, whereas gaming industry personnel suggested between 3 and 10 years for full rollout to be feasible.

“*For gaming, people will adopt and get there. We need to allow the venues without infrastructure to slowly adopt, 5-10 yrs, through a normal capital expenditure plan but with a hard date, a mandate, it will cost a fortune.*” [Expert advisor 003, Gaming industry]

*“Where there’s equipment change and capital expenditure costs required, there needs to be time... adding additional expenditure to small venues would be very challenging and they need long lead times to manage that investment - regardless of whatever this solution is.”* [Expert advisor 002, Gaming industry]

*“Look, I would hazard a guess somewhere between three to five years, for a state-wide rollout... Anything to that scale [statewide rollout] has considerable bandwidth hurdles. So you’ve got a lot of providers that need to coordinate, you’ve got limited resources, you’ve got limited that knowledgeable people within the industry. You’re talking about a considerable amount of infrastructure that needs to be deployed to cover that off. So it will definitely take some time to get it out there. And in terms of that, that there’s the expertise and personnel and the training side of things.”* [Expert advisor 011, Gaming industry]

Suggestions were also made for further testing and research. Although patrons and staff indicated that consultation should have been undertaken with them before launching the trial, such co-design would not necessarily have yielded any differences in the design. Such feedback would most likely have emphasised the importance of maintaining choice in gaming, with only limited focus on harm minimisation (especially from patrons). Further consultations could also be undertaken with those who had user experience to gain insights into the communication strategies and feasible timelines. Meanwhile, it is acknowledged that the discussions around the fundamental purpose of the technology and whether or not it should be made mandatory is a decision that ultimately will have to be made by the regulator.

“*Really it is about political will and an industry that has big pockets... But whether we’ve reached the tipping point entirely, I think we do need leadership on it. We keep kicking it into the long grass because the political will hasn’t been there to take on a massive industry.*” [Expert advisor 007, Lived experience advisors]

Industry personnel also emphasised the importance of testing the capacity of the technology gradually through rollout, which was unable to occur during the trial due to low take-up.



*"We just haven't seen all of the different cases, all the different demographics, all the different skill sets in terms of digitally savvy human beings versus non digitally [savvy] human beings... All the different user journeys that may occur and all the edge cases that you might face. Not nearly enough exposure to patronage as we would like." [Expert advisor 011, Gaming industry]*

Industry personnel also pointed out that there are significant compliance requirements in the gaming industry, and by adding digital payments, this will become more complex. This has been flagged by some staff, especially at smaller venues, as a major challenge and feedback showed that patrons have a poor understanding of state-based regulation in this industry. The ever-changing regulatory environment does pose challenges to managing and upgrading this technology, and this needs to be considered both in the initial design, and how gaming reform is rolled out in the future, so that it can be as practical as possible.



*"There's a lot of layers to the technology that resides in these environments. The constant reform will potentially stifle the rollout of the innovation that exists today. It's probably one of those things that needs the reform and it needs to sit for a while and to be left to its own devices, and I would suggest a hybrid fashion." [Expert advisor 011, Gaming industry]*

*"[For tech providers] we have a market ready product, as long as the requirements don't continuously change. [Expert advisor 003, Gaming industry]*

## 7 Conclusions

The two over-arching objectives of the trial were to assess: (a) the feasibility or functionality and (b) the acceptability of the digital wallet to users. This section addresses each of these elements in turn and then discusses the findings in terms of three specific trial objectives: the impact on gambling harm; the impact on the industry and its staff; and the infrastructure and costs of the technology rollout.

### 7.1.1 Feasibility

Feasibility was defined as the extent to which the cashless gaming technology can be effectively implemented into clubs and hotels across NSW. This includes factors that may affect implementation including demand, ease of delivery, practicality (in terms of costs, required resources, etc.), flexibility, fit to population, and some aspects of acceptance (see next section). The feasibility for digital gaming wallets to address money laundering through EGMs is out of scope in this report, though relevant comments from stakeholders have been included in the main body of the report.

The trial demonstrated that the technology can be implemented at a venue and machine level, but that there are important barriers for patrons that result in low demand and take up. The bank account linkage process (including KYC) was the biggest practical deterrent. It was perceived as onerous and time-consuming, and the anticipated benefits were not sufficient for patrons to become users. Given that legacy systems (cash) remained in place, very few people opted to trial the new technology.

It is clear that any digital solution needs to be consumer-centric and enable seamless and quick sign-up if it is to be accepted widely. The solution might be to consider incorporating the KYC process into the sign-ups/updates to venue membership, rather than requiring a separate exercise. In other words, both processes could reference the same ID information so as to avoid this having to be done twice.

Further roll out of a digital gaming wallet or mandatory account-based gaming also requires more time, particularly for venues to absorb the costs, additional changes and testing of the sign up process, technology and any new harm minimisation features, and backend processes to be put in place (such as new infrastructure on top of membership or loyalty programs, data security checks and KYB) to be done in order to be feasible. As with other new technologies, insights can be drawn from other contexts where significant technological changes have occurred, with the transition from unfamiliar to everyday technology (including TAB online betting, PayPal, public transport payments, self-service checkouts).

### 7.1.2 Acceptance

Acceptance was defined as the willingness of key stakeholders, especially end users, to adopt and use cashless gaming technology upon implementation and in a real-world setting. Acceptance is made up of multiple factors, including (among others), usability, perceived usefulness, level of security, and social norms.

The low take-up by end users points to the fact that willingness to adopt and use the technology is low in a voluntary setting. The trial provided important insights into the reason for this low uptake. Whilst the legacy



payment system was still in place at the venues, people were unwilling to try new methods and preferred to stick with the 'status quo'. This suggests that the technology would need to be rolled out fully, and, ultimately, be the sole method of play. However, venue staff and many patrons were of the view that this would not be acceptable to patrons and that a hybrid model would be preferred. A hybrid model is one that would involve at least partial retention of the legacy system, and a staged or incremental roll-out of the new technology to avoid over-burdening venue staff and/or leading to a significant downturn in venue patronage. However it was widely acknowledged that a hybrid model would limit harm minimisation and money laundering applications of the technology.

The findings also mirror the recent qualitative findings from a study by Swanton et al. (2024) that summarises the results of interviews with gamblers about the optimal design of cashless gaming systems.

Overall, staff and users reported a few 'glitches' with the technology, but felt that beyond the 'clunky' sign-up process, the technology worked well. Industry personnel, particularly technology providers, widely accept that digital wallets will be a part of the future of gaming machines in NSW. The main concerns from industry stakeholders were related to the implementation of the technology, i.e. whether it would be feasible and acceptable to users to roll out a mandatory digital wallet or account-based scheme in the short to medium term, without significant impact on the industry and patrons.

### 7.1.3 Impact on industry and gambling behaviours

The low uptake in the current trial did not provide precise insights into the extent to which revenue might be affected. Although this trial was not able to generate any evidence to support the efficacy of different limit types and is based on the subjective appraisal of respondents as to the relative merits of voluntary vs. mandatory limits, there is general academic support for the view that voluntary limits only have a limited impact on expenditure (Delfabbro & King, 2020). The only systems that appear to show reliable and sustained impacts on gambling expenditure appear to be mandatory systems of the nature that operate in Norway that have State-sanctioned limits. However, there is less evidence on the effectiveness of 'mandatory' systems that allow players to choose their limits. Evaluations of such systems (e.g., Playscan in Sweden) suggests that people will set very high limits, so that mandatory use without a mandatory limit will be unlikely to have a significant impact on expenditure and harm minimisation.

Interviews with staff and with patrons suggested that some people would stop gambling at venues, including patrons who are not tech-savvy, some casual visitors or tourists as well as some frequent gamblers. There were conflicting views about whether gamblers would turn to other activities, such as online gambling, with some stakeholders firmly of the view that preferences for land-based gambling are persistent, while others cited studies that suggest that, when limits are imposed on EGMs, gamblers substitute and develop problems with online gambling. The extent to which this might occur is not well-established in the literature. For example, in Norway when limits were set on gambling expenditure (on EGMs), there is evidence that this led to a reduction in expenditure and fewer problems associated with the regulated products. However, helpline data in Norway showed that most problems were now occurring with offshore, and less regulated gambling sites (Hoffman, 2014, 2016). This suggests that people who experience gambling harm are likely to shift to online gambling when restrictions are placed on land-based gambling, but it appears less likely that this would occur in Australia given



that online gaming is not legalised. In Europe, online gaming is legal making it relatively easier to transition from offline to online gambling. In addition, it is unclear whether the demographic groups projected to be most affected by the new EGM technology (i.e., older people) would necessarily be the ones who would start gambling on unregulated offshore sites using a VPN or via cryptocurrency<sup>29</sup>. As many respondents pointed out, it is much more likely that younger gamblers would shift to online gambling, which they are more prone to do compared to older gamblers, regardless of gaming machine reform (Catalano et al., 2024). More broadly, evidence from studies conducted on the COVID pandemic period suggest that the transition to online gambling was generally only modest in Australia, even when people had little access to land-based activities (Gainsbury et al., 2021). Even where some migration has occurred, this tends to be more strongly observed for skill-based activities such as casino games and sports which aligns with the higher participation rates observed for these activities among younger people (Catalano et al., 2024). Despite speculation, there was no evidence presented that past EGM reform in Australia, though different to mandatory account-based gaming discussed in this report, resulted in a significant downturn in expenditure that was predicted by industry personnel (such as in Markham & Suomi, 2024).

There was wide agreement among respondents that small venues and regional venues would be less equipped to handle both the high, immediate costs of a mandatory technology rollout and deal with a decrease in gaming revenue. Adding to this, clubs in NSW are not-for-profit and, according to industry experts, small and regional venues tend to have the oldest gaming infrastructure (which would likely need to be replaced) and are unlikely to be able to afford the upfront capital investment for digital gaming wallet technology, let alone the ongoing fees for operation which are estimated to be higher than current ongoing operational costs. Data available to the regulator on the distribution of EGMs in NSW shows that the age distribution of EGMs is similar in both metropolitan and regional areas. Specifically, metropolitan areas have a greater number of EGMs overall, which means there are also more older machines in these areas compared to regional locations.

Presented with a scenario where the digital gaming wallet was the only way to play gaming machines, about half of patrons interviewed indicated that they were likely to continue visiting their club/hotel for drinks, meals and socialising, regardless of whether they played the pokies which underscored the value of accessible and affordable venues for social gatherings to the community. This finding aligns with online panel research in NSW indicating that the vast majority (98%) of EGM venue attendees visit for non-gambling activities including the restaurant or bar, for social reasons, accessibility (affordable meals), and for entertainment activities (Bestman et al., 2018).

The majority of stakeholders acknowledged that the use of digital gaming wallet technology was inevitable, and that it would 'future proof' the industry for younger gamblers. Consequently, venue staff and patrons reported their preference for a phased, 'hybrid' approach, where the digital technology is rolled out incrementally, with legacy systems remaining in place at first, alongside the new payment mechanism.

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<sup>29</sup> Online casinos and online slot machines are illegal in Australia (ACMA, 2024)

## 7.1.4 Reducing gambling harm in NSW venues

The potential for the technology to enable greater transparency of expenditure, through the use of wallet transfers and player activity statements, was well received by all stakeholders. This feedback was felt by many to be equally important to casual players as well as those experiencing gambling harm. Some industry experts felt that the players who would benefit most from these features are those experiencing some degree of harm, but not (yet) classifying as a ‘problem gambler’. Industry experts and some venue staff believed that the inclusion of harm minimisation tools, at the very least, equipped users with more information about their own gambling to *“make informed decisions”*. This includes patrons who may not identify as a ‘problem gambler’ but may be spending money on gaming machines in a way that is harmful to them: there is potential for these tools to be ‘eye-opening’.

Breaks in play were also well received as an effective feature, although some stakeholders felt that they were not long enough to interrupt the focus on the machine and would not necessarily encourage the player to move away from the machine (which is necessary for players to withdraw more money at the ATM). There was near consensus that the limit setting features are useful, with limits on spend more effective than time limits. The majority of stakeholders reported that limit setting features are only useful if they are mandatory and cannot be over-ridden. There was also discussion about whether the limits themselves should be enforced ‘centrally’ or by the player. The research identified a paradoxical situation here, for patrons. The majority insist on agency in the option to both use, and set, their gambling limits; whilst at the same time acknowledge that they would not use these features if they were voluntary.

Moreover, players believe that these limit setting features are designed ‘for problem gamblers’ and therefore not relevant to them. However, a number of industry experts pointed out that the ‘normalisation’ of limit setting, across the board is an important harm prevention strategy, providing ‘guardrails’ for all gamblers (not just those who are at risk). Findings regarding patron reluctance to use limits and the stigma attach to limit settings appears consistent with the broader literature related to limit-setting and responsible gambling, which emphasises the importance of normalising and reducing the stigma associated with using limit-setting features (e.g., Hing et al., 2021). Use of such terms as budget rather than loss limits makes the language less associated with control and positions the responsibility and choice with the patron and also avoids the connotation that this is merely about problem gambling. A budget is a way to reduce harm, a method of planning expenditure applicable to gamblers at different levels of risk, rather than being about limitations on behaviour.

It is clear that under the ‘hybrid model’ scenario, which is the preference of most staff and patrons, the potential impact on safer gambling is diluted. This is generally in line with other published literature relating to voluntary precommitment systems which show very low rates of uptake and limited use of limit-setting by gamblers, including the Newcastle Trial that also noted the ‘third party effect’ in respect of limit setting features (Delfabbro, 2023), where it is perceived that limits may be useful for others but do not equate to self-use. A detailed summary of these studies is provided in Delfabbro and King (2020). This review includes all of the Schottler trials in Queensland; Maxetag in SA; Yourplay in Victoria (SACES, 2019); the Nova Scotia trials; and online systems. The review shows that the only systems that appear to lead to consistent and measurable reductions in problem gambling involve those using mandatory limits (pre-commitment loss and time limits set by users) such as in Norway (Hoffman, 2016).

Some industry experts highlighted that the digital technology is not the only mechanism for limit setting, and that responsible gambling features could be incorporated into existing infrastructure (e.g. carded play from venue membership programs).

Regarding the centralisation of limits and harm minimisation feature setting, self-exclusion in particular would also be more practical if it could be applied to multiple venues simultaneously and not require a user to manually carry over to different apps for different venues. These challenges with self-exclusion are well recognised within the gambling literature (e.g., Pickering et al., 2022) and have motivated the development of centralised systems such as BetStop.

## 7.1.5 The club and hotels industry and the people they employ gambling harm in NSW venues

The majority of staff, particularly venue managers, were negative about the prospect of a permanent rollout of the technology. This was based on the concern that the technology would become mandatory and would result in frustration among patrons and therefore a stressful environment, reduce revenue, and therefore put their jobs at risk.

Although the majority of staff felt that the implementation of the trial in their venues had not increased their workload, they nevertheless indicated that a future widespread rollout would, in the short-term, increase their workload and were concerned that it would require additional training and upskilling (technology, responsible gambling) as well as work in recruiting players to the digital wallet. Moreover, as previously mentioned, concerns were expressed that the long-term impact of a full, mandatory rollout would be to put their jobs at risk, due to a predicted downturn in revenue or reduction in the need for labour due to the reduced use of cash in the venue<sup>30</sup>.

Industry experts also felt that the option to take a break or self-exclude privately through the app reduced barriers to using these kinds of strategies, and therefore enhances the accessibility and range of harm minimisation strategies available to users.

## 7.1.6 Final take-home messages

- Some of the issues impacting acceptance of the technology were based on misconceptions by patrons or reflect normal barriers or reluctance to transition to new technology. However at a functional level, the digital technologies generally worked well as it was intuitive, simple, easy to use, with straight-forward menu navigation, and industry personnel and gambling support stakeholders see a lot of potential

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<sup>30</sup> The claimed impact of gambling reform on gambling-related jobs had been called into question in past inquiries (Productivity Commission, 2010)

benefits for users, particularly in harm minimisation features, once the technology is normalised and users have more time to adopt.

- The principal technological improvement required is a faster onboarding and registration process.
- Having to link to a bank account makes this technology solution time-consuming and onerous for some people.
- Patron recruitment is difficult and patrons would prefer to use legacy systems for their own convenience.
- The incorporation of responsible gambling features, particularly limit-setting and player activity statements, was well received.
- However, the consensus was that limit setting features would only be used if they are mandatory, and therefore the impact on harm minimisation is contingent on this.
- Venues and patrons would prefer an incremental shift to the new technology, with legacy systems remaining in place for some time, rather than an immediate shift.

Overall, based on the technology solutions and patron response in this trial, it can be concluded that the cashless gaming technology (hybrid model: voluntary uptake with legacy system) trialled is not currently acceptable to most patrons, and not imminently feasible; despite being functional, major adoption barriers make it currently unfeasible.

## 7.1.7 Strengths and limitations

These conclusions have been drawn from a design which aimed to triangulate qualitative and quantitative self-report data from patrons, venue staff and industry experts and objective behavioural data on gambling revenue and use of the digital technology. However, given the very low take-up of the technology to date, the number of patron users is insufficient to provide meaningful data from this stakeholder group.

Moreover, the sample of non-user patrons, though larger, was somewhat skewed towards older individuals (8 of 15 were aged over 65 years). Older cohorts tend to be less likely to be familiar with technology and more resistant to innovation than younger patrons; and this is likely to have increased the level of negativity towards the technology.

It is also important to note that stakeholder views will be influenced by potential conflicts of interest or personal experiences. For example, it would be expected that industry staff views of the technology will be influenced by concerns about the future viability of operations under conditions where revenue and the demand for in-venue work may be reduced over the long-term by the new technology. In contrast, individuals representing the support and counselling professions, and respondents with experience of gambling problems, are likely to advocate stronger reform due to their negative experiences.

Due to low take-up, the trial methodology was revised and expanded, during fieldwork, to include qualitative interviews with non-users of the technology, to gain insights from them on the barriers to use, their views on the technology, and how it might impact their gambling behaviour.

The large number of qualitative interviews across a range of non-user patrons, venue staff, gambling support advisors and industry experts, along with the survey data from staff, provide a range and depth of insights into the

acceptability and feasibility of the trial, and these have been drawn on throughout the report, and in these conclusions. Whilst these data shed light on the impact of the trial in venues, on staff and patrons, the long-term impact of the technology will depend on the exact form it takes, and how it is rolled out.

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[https://www.greo.ca/Modules/EvidenceCentre/files/Ferris%20et%20al\(2001\)The\\_Canadian\\_Problem\\_Gambling\\_Index.pdf](https://www.greo.ca/Modules/EvidenceCentre/files/Ferris%20et%20al(2001)The_Canadian_Problem_Gambling_Index.pdf)
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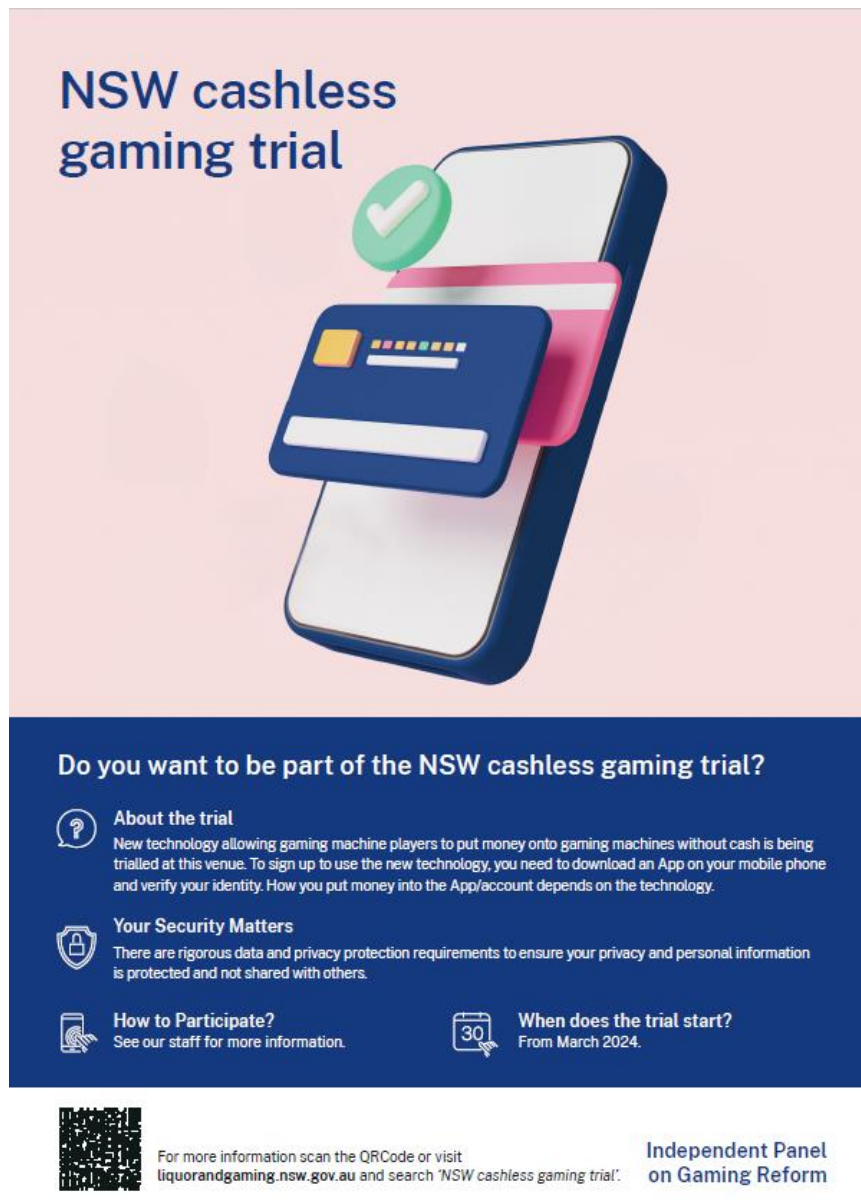


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## 9 Appendix

### 9.1 Appendix: Promotional material in-venue (June)

#### 9.1.1 Poster



**Alternative text:** There is a poster of a cartoon illustration of a smartphone, bankcard and green tick. Title: NSW cashless gaming trial.

Subtitle: Do you want to be part of the NSW cashless gaming trial?

About the trial: New technology allowing gaming machine players to put money onto gaming machines without cash is being trialled at this venue. To sign up to use the new technology, you need to download an App on your mobile phone and verify your identity. How you put money into the App/account depends on the technology.

Your Security matters: there are rigorous data and privacy protection requirement to ensure your privacy and personal information is protected and not shared with others.

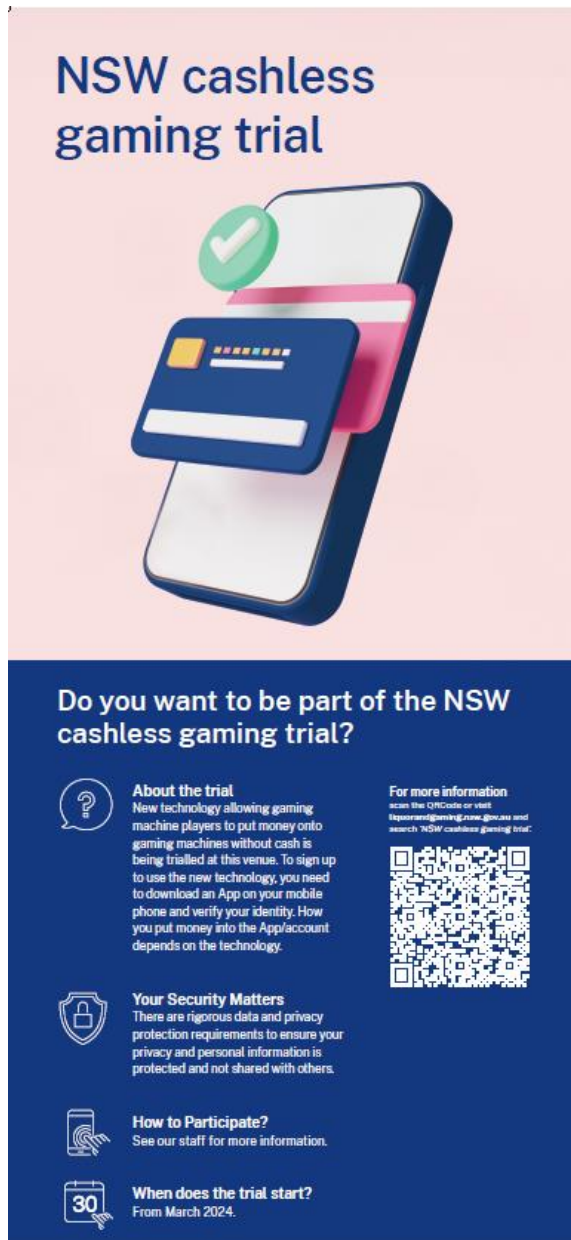
How to participate? See our staff for more information

When does the trial start? From March 2024

For more information scan the QRCode or visit [liquorandgaming.nsw.gov.au](https://liquorandgaming.nsw.gov.au) and search 'NSW cashless gaming trial'

Authored by the Independent Panel on Gaming reform.

## 9.1.2 Pull up banner (June)



Independent Panel  
on Gaming Reform

### Alternative text:

There is a tall, narrow banner of a cartoon illustration of a phone, bankcard and green tick. Title: NSW cashless gaming trial.

Subtitle: Do you want to be part of the NSW cashless gaming trial?

About the trial: New technology allowing gaming machine players to put money onto gaming machines without cash is being trialled at this venue. To sign up to use the new technology, you need to download an App on your mobile phone and verify your identity. How you put money into the App/account depends on the technology.

Your Security matters: There are rigorous data and privacy protection requirement to ensure your privacy and personal information is protected and not shared with others.

How to participate: See our staff for more information.

When does the trial start? From March 2024

For more information scan the QRCode or visit [liquorandgaming.nsw.gov.au](https://liquorandgaming.nsw.gov.au) and search 'NSW cashless gaming trial'.

Authored by the Independent Panel on Gaming reform.

## 9.1.3 Flyer (June)

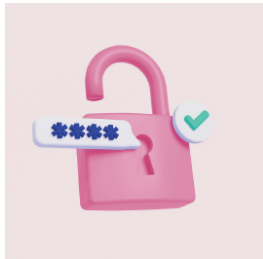
### Do you want to be part of the NSW cashless gaming trial?

#### What is the trial about?

New technology allowing gaming machine players to put credits/money onto gaming machines with a digital player card or digital phone app (e.g. 'digital wallet'), rather than cash, is being trialled at this venue.

This is the first trial of this scale about cashless gaming technology in Australia. If you join, you will be helping the Independent Panel on Gaming Reform and the NSW Government get insights into how the technology can help reduce gambling harm and money laundering, as well as other information about the technology in the venues.

If you are interested in joining the trial, please speak to the venue staff.



#### Will my privacy and data be protected?

The venues and technology providers approved for trial must comply with rigorous data and privacy protection requirements, including Australian privacy laws. By participating in the trial, you are consenting to have some of your data collected as part of the trial evaluation. Your privacy will be protected, as the data collected will be used only for the purposes of research, and will be de-identified and made entirely anonymous to third parties, including the Independent Panel and the NSW Government.

Your participation in the trial is entirely voluntarily, and you can withdraw at any time.

#### How do I get more information?

You can speak to the venue staff for more information or if you have questions.

### Frequently Asked Questions

#### Q1 What is the cashless gaming trial?

New technology allowing gaming machine players to put credits/money onto gaming machines electronically with a digital player card or digital phone app, rather than cash, is being trialled at many hotels and clubs across NSW.

#### Q2 What is cashless gaming technology?

Currently, all methods to pay for credits to be loaded onto gaming machines require the use of cash. This includes inserting cash directly into the gaming machine, using a physical card or ticket that is topped-up with cash, or using paper tickets to store unused credits from gaming machine play.

Cashless gaming technology will allow a gaming machine player to use a physical or digital player card or digital phone app to put credits (i.e. money) onto gaming machines, rather than cash.

#### Q3 Why is the trial being conducted?

The trial will help the Independent Panel on Gaming Reform and the NSW Government get insights into the use of cashless gaming technology in hotels and clubs, particularly on reducing gambling harm and money laundering, and impacts on club and hotel employees as well as infrastructure requirements and costs.

#### Q4 When does the trial start?

The cashless gaming trial will run from March 2024.

Venues will start the trial at different dates in a staged approach.

#### Q5 How will the data from the trial be collected and used?

3arc Social, an independent research company, is carrying out the evaluation of the trial.

By participating in the trial, you are consenting to have your de-identified gaming data collected as part of the trial evaluation.

You can also opt-in to be contacted by 3arc Social to provide feedback on the trial (through surveys and interviews). If you provide feedback, you would be compensated for your time with a voucher. Providing feedback is completely optional.

All data collected from the trial will be kept confidential and secure, and remain anonymous to third parties, including the Independent Panel and the NSW Government, i.e. it cannot be linked back to any individual.

The data collected will only be used for trial research and evaluation purposes.

#### Q6 How is my information protected?

The trial venues and technology providers have to follow strict privacy and data security protocols to safeguard your information. All systems have been extensively tested for cyber security in order to provide as much protection as possible.

#### Q7 Is participating in the trial voluntary?

Your participation in the trial is entirely voluntarily, and you can withdraw at any time.

#### Q8 Where can I find more information about the trial?

Information about the trial and its objectives can be found on the Independent Panel on Gaming Reform's webpage [www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform](http://www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform).

For more information contact venue staff.

### Further information and enquiries

Information about the trial and its objectives can be found on the Independent Panel on Gaming Reform's website.



Scan the QRCode or visit [liquorandgaming.nsw.gov.au](http://liquorandgaming.nsw.gov.au) and search 'NSW cashless gaming trial'

For any enquiries email the Panel at [ipforgaming@liquorandgaming.nsw.gov.au](mailto:ipforgaming@liquorandgaming.nsw.gov.au)

#### NSW cashless gaming trial



### Gambling Support

Help is close at hand. Contact GambleAware on 1800 858 858 or visit [gambleaware.nsw.gov.au](http://gambleaware.nsw.gov.au) for free and confidential support.

### NSW cashless gaming trial

Do you want to be part of the NSW cashless gaming trial?

#### Independent Panel on Gaming Reform

#### Independent Panel on Gaming Reform

**Alternative text:** A 2-page flyer shows three panels of information on each page. Title: Do you want to be part of the NSW cashless gaming trial?

#### On page 1:

**[Panel 1]** What is the trial about? New technology allowing gaming machine players to put credit/money onto gaming machines with a digital player card or digital phone app (e.g. 'digital wallet'), rather than cash, is being trialled at this venue.

This is the first trial of this scale about cashless gaming technology in Australia. If you join, you will be helping the Independent Panel on Gaming Reform and the NSW Government get insights into how the technology can help reduce gaming harm and money laundering, as well as other information about the technology in venues. If you are interested in the trial, please speak to venue staff/

At the bottom of panel 1, a cartoon illustration of a clipboard, pencil and green tick is shown.

**[Panel 2]** Will my privacy and data be protected?

The venues and technology providers approved for trial must comply with rigorous data and privacy protection requirement, including Australian privacy laws. By participating in the trial, you are consenting to have some of your data collected will be used only for the purposes of research, and will be de-identified and made entirely anonymous to third parties, including the Independent Panel and the NSW Government. Your participation in the trial is entirely voluntarily, and you can withdraw at any time. [title] How do I get more information? You can speak to the venue staff for more information or if you have questions.

**[Panel 3]** Frequently asked questions.

Q1. what is the cashless gaming trial? New technology allowing gaming machine players to put credits/money onto gaming machines electronically with a digital player card or digital phone app, rather than cash, is being trialled at money hotels and clubs across NSW.

Q2. what is cashless gaming technology? Currently, all methods to pay for credits to be loaded onto gaming machines require the use of cash. This includes inserting cash directly into the gaming machine, using a physical card or ticket that is topped up with cash, or using paper tickets to store unused credits from gaming machine play. Cashless gaming technology will allow a gaming machine player to use a physical or digital player card or digital phone app to put credits (i.e. money) onto gaming machines, rather than cash.

Q3. Why is the trial being conducted? The trial will help the Independent Panel on Gaming Reform and the NSW Government get insights into the use of cashless gaming technology in hotels and clubs, particularly on reducing gambling harm and money laundering, and impacts on club and hotel employees as well as infrastructure requirements and costs.

Q4. When does the trial start? The cashless gaming trial will run from March 2024. Venues will start the trial at different dates in a staged approach.

**On page 2:**

**[Panel 4]** is a continuation of the frequently asked questions.

Q5. How will the data from the trial be collected and used? 3arc Social, an independent research company, is carrying out the evaluation of the trial. By participating in this trial, you are consenting to have your de-identified gaming data collected as part of the trial. You can also opt-in to be contacted by 3arc Social to provide feedback on the trial (through surveys and interviews). If you provide feedback, you would be compensated for your time with a voucher. Providing feedback is completely optional. All data collected from the trial will be kept confidential and secure, and remain anonymous to third parties, including the Independent Panel and the NSW Government, i.e. it cannot be linked back to any individual. The data collected will only be used for the trial research and evaluation purposes.

Q6. How is my information protected? The trial venues and technology providers have to follow strict privacy and data security protocols to safeguard your information. All systems have been extensively tested for cyber security in order to provide as much protection as possible.

Q7. Is participating in the trial voluntary? Your participation in the trial is entirely voluntary, and you can withdraw at any time.

Q8. Where can I find more information about the trial? Information about the trial and its objectives can be found on the independent Panel on Gaming Reform's webpage [www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform](http://www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform). For more information, contact venue staff.

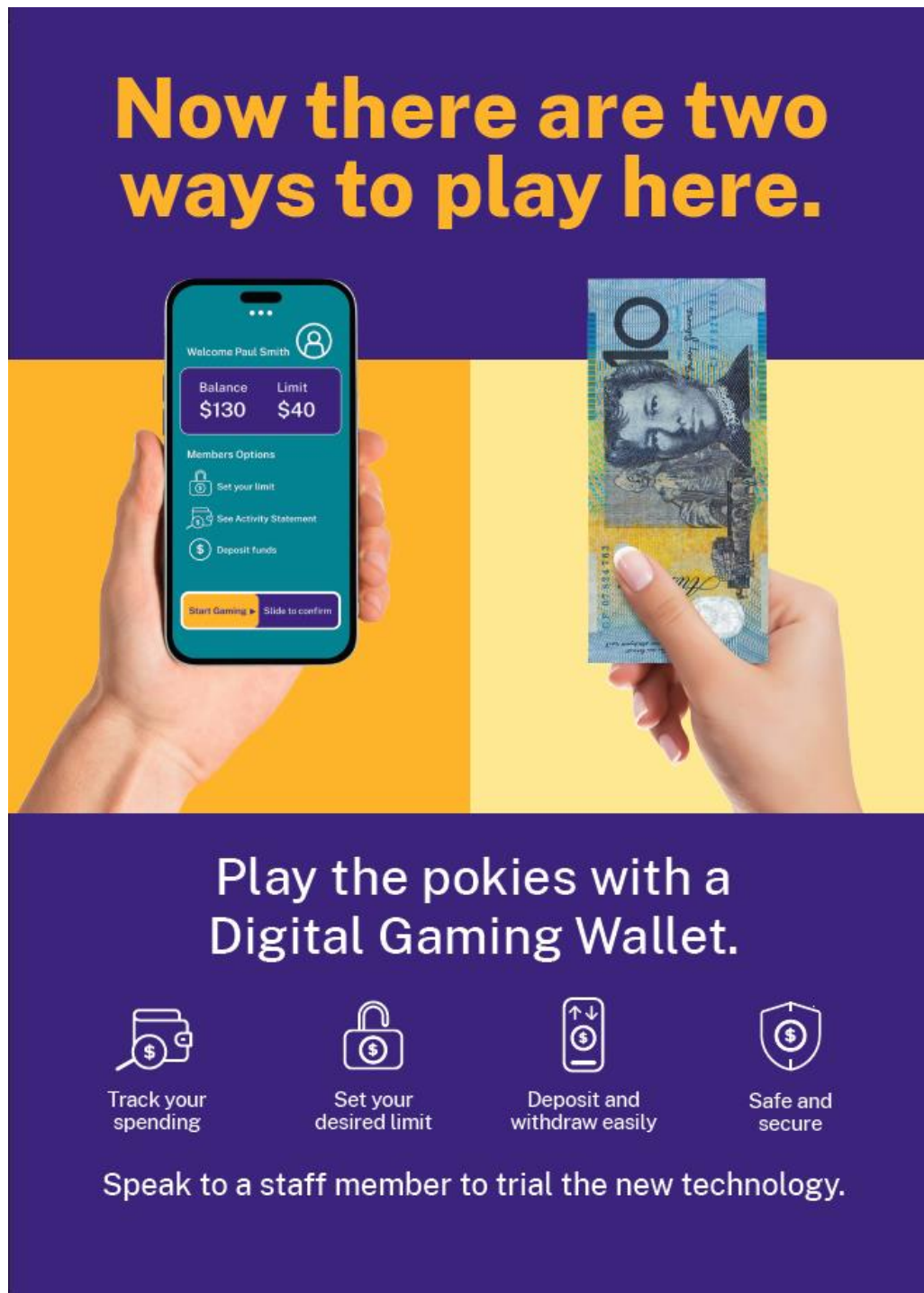
**[Panel 5]** Further information and enquiries. Information about the trial and objectives can be found on the Independent Panel on Gaming Reform's website. Scan the QRCode or visit [liquorandgaming.nsw.gov.au](http://liquorandgaming.nsw.gov.au) and search 'NSW cashless gaming trial'. For any enquiries, email the Panel at [ipforgaming@liquorandgaming.nsw.gov.au](mailto:ipforgaming@liquorandgaming.nsw.gov.au). Gambling Support : 'Help is close at hand. Contact GambleAware on 1800 858 858 or visit [gambleaware.nsw.gov.au](http://gambleaware.nsw.gov.au) for free and confidential support.

**[Panel 6]** is the front page of the flyer and shows a cartoon illustration of a phone, bankcard and green tick with the title: NSW cashless gaming trial and subheading: Do you want to be part of the NSW cashless gaming trial?

Authored by the Independent Panel on Gaming Reform

## 9.2 Appendix: Promotional material in-venue (August)

### 9.2.1 Poster (August)



**Alternative text:** A poster shows an image of a left-hand holding a smartphone with the digital gaming app and a right-hand holding a \$10 cash note. Written text: Now there are two ways to play here. Play the pokies with a Digital Gaming Wallet. Track your spending. Set your desired limit. Deposit and withdraw easily. Safe and secure. Speak to a staff member to trial the new technology.



## 9.2.2 Digital screen (August)

**Now there are two ways to play here.**

Play the pokies with a Digital Gaming Wallet.

- Track your spending
- Set your desired limit
- Deposit and withdraw easily
- Safe and secure


Speak to a staff member to trial the new technology.

**Alternative text:** A poster shows an image of a left-hand holding a smartphone with the digital gaming app and a right-hand holding a \$10 cash note. Title: Now there are two ways to play here.


Play the pokies with a Digital Gaming Wallet. Track your spending. Set your desired limit. Deposit and withdraw easily. Safe and secure. Speak to a staff member to trial the new technology.

## 9.2.3 Flyer: ebet (August)


### What are the benefits of a Digital Gaming Wallet?




Track your spending



Set your desired limit



Deposit and withdraw easily



Safe and secure

**Want to trial a Digital Gaming Wallet?**

Designed to give you full transparency on how much you are spending, this new technology is being trialled at your current venue now. Speak to venue staff – they have all the information you need.

**Is my privacy and data protected?**

Yes, rigorous data and privacy protection requirements including Australian privacy laws are in place for all venues and technology providers involved. When you download the app, you are consenting to have some of your data collected as part of this technology trial.

Data collected is only for research purposes, is de-identified and made entirely anonymous to third parties, including the Independent Panel and the NSW Government. Your privacy is protected. You can withdraw from using the app at any time.

### Want to find out more?

Visit the Independent Panel on Gaming Reform's webpage : [www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform](http://www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform)



Scan this QR code or visit [liquorandgaming.nsw.gov.au](http://liquorandgaming.nsw.gov.au) and search 'NSW cashless gaming trial'.

For further enquiries please email the Panel directly at [ipforgaming@liquorandgaming.nsw.gov.au](mailto:ipforgaming@liquorandgaming.nsw.gov.au)

### It's easy to track your play with a Digital Gaming Wallet.



### Help is close at hand.

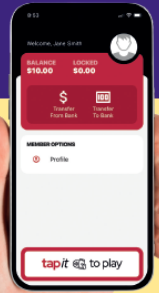
Contact GambleAware on **1800 858 858** or visit [gambleaware.nsw.gov.au](http://gambleaware.nsw.gov.au) for free and confidential support.

### A new way of playing gaming machines without needing cash in hand.

**What is a Digital Gaming Wallet?**

A Digital Gaming Wallet is a digital app you can download easily on to your phone. Acting like a 'digital wallet', you can transfer money in and out of the app using a linked bank account.

Connect the app directly to the gaming machine you're playing on. Funds go straight into your Digital Gaming Wallet and from there you can transfer them back into your personal bank account, so you never have to carry cash on you.



### Frequently Asked Questions

- 1. How does a Digital Gaming Wallet work?**  
The technology allows you to upload money (credit) onto a gaming machine electronically using the app on your phone. It eliminates the need for physical cash, cards and keeping track of tickets topped up with cash/credits.
- 2. How do I add money to my Digital Gaming Wallet?**  
When you download the app to your phone and create a private account, you can then connect your personal bank account to it. From there it's easy to deposit and withdraw funds. You'll be able to track your spend on the app as well as set spend limits so you always know where you stand with your money.
- 3. Where can I use my Digital Gaming Wallet?**  
You can use it at any participating hotel and club across NSW.
- 4. How will data be collected and used?**  
3arc Social, an independent research company, is carrying out the evaluation of the trial. By using the app, you are consenting to have your de-identified gaming data collected as part of this technology trial.  
  
You can also opt-in to be contacted by 3arc Social to provide feedback on this new technology (through surveys and interviews). If you provide feedback, you will be compensated for your time with a voucher. Providing feedback is completely optional.  
  
All data collected from the trial will be kept confidential and secure, and remain anonymous to third parties, including the Independent Panel and the NSW Government (meaning it cannot be linked back to any individual).

The data collected will only be used for technology trial research and evaluation purposes.

**5. How is my information protected?**  
Participating venues and technology providers must follow strict privacy and data security protocols to safeguard your information. All systems have been extensively tested for cyber security to provide as much protection as possible.

**6. Do bank lenders consider gambling expenses?**  
Banks must assess customers' income and expenses as part of their responsible lending obligations, this includes regular entertainment expenses such as gambling. However, the presence of gambling expenditure does not disqualify customers from receiving loan approvals. It is just taken into consideration as part of all outgoing expenditures.  
  
\*This advice has been provided by the Australian Banking Association.

**6. What if I want to stop using my Digital Gaming Wallet?**  
Simply transfer your money out of your Digital Gaming Wallet back to your personal bank account and delete the app from your phone.

**7. Where can I find more information about this new technology?**  
Information about the objectives of this new technology trial can be found on the Independent Panel on Gaming Reform's webpage: [www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform](http://www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform)  
  
For more information, you can also speak to venue staff.



**Alternative text:** A 2-page flyer shows 3 panels of information on each page. There is an image of a smartphone with the digital gaming wallet app opened. Title: What are the benefits of a Digital Gaming Wallet?

## Page 1

**[Panel 1]** Title: What are the benefits of a Digital Gaming Wallet? Track your spending Deposit and withdraw easily Set your desired limit Safe and secure.

**Want to trial a Digital Gaming Wallet?** Designed to give you full transparency on how much you are spending, this new technology is being trialled at your current venue now. Speak to venue staff – they have all the information you need.

### Is my privacy and data protected?

Yes, rigorous data and privacy protection requirements including Australian privacy laws are in place for all venues and technology providers involved. When you download the app, you are consenting to have some of your data collected as part of this technology trial. Data collected is only for research purposes, is de-identified and made entirely anonymous to third parties, including the Independent Panel and the NSW Government. Your privacy is protected. You can withdraw from using the app at any time.

### [Panel 2] Want to find out more?

Visit the Independent Panel on Gaming Reform's webpage : [www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform](http://www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform) Scan this QR code or visit [liquorandgaming.nsw.gov.au](http://liquorandgaming.nsw.gov.au) and search 'NSW cashless gaming trial'. For further enquiries please email the Panel directly at [ipforgaming@liquorandgaming.nsw.gov.au](mailto:ipforgaming@liquorandgaming.nsw.gov.au) Help is close at hand. Contact GambleAware on 1800 858 858 or visit [gambleaware.nsw.gov.au](http://gambleaware.nsw.gov.au) for free and confidential support.

**[Panel 3]** is the front page of the flyer. Title: It's easy to track your play with a Digital Gaming Wallet. An image of a smartphone is shown with the **ebet** digital gaming wallet app opened.

**On page 2:** Title: A new way of playing gaming machines without needing cash in hand.

### [Panel 1] What is a Digital Gaming Wallet?

A Digital Gaming Wallet is a digital app you can download easily on to your phone. Acting like a 'digital wallet', you can transfer money in and out of the app using a linked bank account. Connect the app directly to the gaming machine you're playing on. Funds go straight into your Digital Gaming Wallet and from there you can transfer them back into your personal bank account, so you never have to carry cash on you.

An image of the ebet digital gaming wallet app, opened on a smartphone screen, is shown.


### [Panel 2] Frequently Asked Questions

1. **How does a Digital Gaming Wallet work?** The technology allows you to upload money (credit) onto a gaming machine electronically using the app on your phone. It eliminates the need for physical cash, cards and keeping track of tickets topped up with cash/credits.
2. **How do I add money to my Digital Gaming Wallet?** When you download the app to your phone and create a private account, you can then connect your personal bank account to it. From there it's easy to deposit and withdraw funds. You'll be able to track your spend on the app as well as set spend limits so you always know where you stand with your money.
3. **Where can I use my Digital Gaming Wallet?** You can use it at any participating hotel and club across NSW.
4. **How will data be collected and used?** 3arc Social, an independent research company, is carrying out the evaluation of the trial. By using the app, you are consenting to have your de-identified gaming data collected as part of this technology trial. You can also opt-in to be contacted by 3arc Social to provide feedback on this new technology (through surveys and interviews). If you provide feedback, you will be compensated for your time with a voucher. Providing feedback is completely optional. All data collected from the trial will be kept confidential and secure, and remain anonymous to third parties, including the Independent Panel and the NSW Government (meaning it cannot be linked back to any individual). The data collected will only be used for technology trial research and evaluation purposes.


5. **How is my information protected?** Participating venues and technology providers must follow strict privacy and data security protocols to safeguard your information. All systems have been extensively tested for cyber security to provide as much protection as possible.
6. **Do bank lenders consider gambling expenses?** Banks must assess customers' income and expenses as part of their responsible lending obligations, this includes regular entertainment expenses such as gambling. However, the presence of gambling expenditure does not disqualify customers from receiving loan approvals. It is just taken into consideration as part of all outgoing expenditures.  
\*This advice has been provided by the Australian Banking Association.
7. **What if I want to stop using my Digital Gaming Wallet?** Simply transfer your money out of your Digital Gaming Wallet back to your personal bank account and delete the app from your phone.
8. **Where can I find more information about this new technology?** Information about the objectives of this new technology trial can be found on the Independent Panel on Gaming Reform's webpage: [www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform](http://www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform). For more information, you can also speak to venue staff.

## 9.2.4 Flyer: Light and Wonder (August)


### What are the benefits of a Digital Gaming Wallet?




Track your spending



Set your desired limit



Deposit and withdraw easily



Safe and secure

**Want to trial a Digital Gaming Wallet?**

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### Want to find out more?

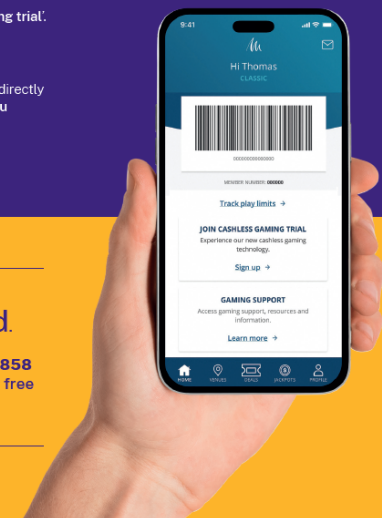
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### It's easy to track your play with a Digital Gaming Wallet.



### Help is close at hand.

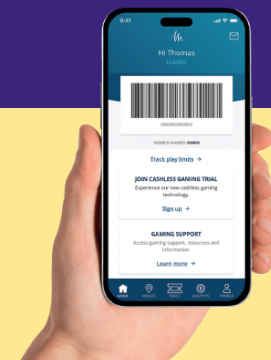
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### A new way of playing gaming machines without needing cash in hand.

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### Frequently Asked Questions

- How does a Digital Gaming Wallet work?**  
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- How will data be collected and used?**  
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*\*This advice has been provided by the Australian Banking Association.*
- What if I want to stop using my Digital Gaming Wallet?**  
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For more information, you can also speak to venue staff.

**Alternative text:** A 2 page flyer shows 3 panels of information on each page. There is an image of a smartphone with the digital gaming wallet app opened. Title: What are the benefits of a Digital Gaming Wallet?

## Page 1

**[Panel 1]** Title: What are the benefits of a Digital Gaming Wallet? Track your spending Deposit and withdraw easily Set your desired limit Safe and secure.

**Want to trial a Digital Gaming Wallet?** Designed to give you full transparency on how much you are spending, this new technology is being trialled at your current venue now. Speak to venue staff – they have all the information you need.

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### [Panel 2] Want to find out more?

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**[Panel 3]** is the front page of the flyer. Title: It's easy to track your play with a Digital Gaming Wallet. An image of a smartphone is shown with the **Light and Wonder** digital gaming wallet app opened.

**On page 2:** Title: A new way of playing gaming machines without needing cash in hand.

### [Panel 1] What is a Digital Gaming Wallet?

A Digital Gaming Wallet is a digital app you can download easily on to your phone. Acting like a 'digital wallet', you can transfer money in and out of the app using a linked bank account. Connect the app directly to the gaming machine you're playing on. Funds go straight into your Digital Gaming Wallet and from there you can transfer them back into your personal bank account, so you never have to carry cash on you.

An image of the **Light and Wonder** digital gaming wallet app, opened on a smartphone screen, is shown.


### [Panel 2] Frequently Asked Questions

1. **How does a Digital Gaming Wallet work?** The technology allows you to upload money (credit) onto a gaming machine electronically using the app on your phone. It eliminates the need for physical cash, cards and keeping track of tickets topped up with cash/credits.
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3. **Where can I use my Digital Gaming Wallet?** You can use it at any participating hotel and club across NSW.
4. **How will data be collected and used?** 3arc Social, an independent research company, is carrying out the evaluation of the trial. By using the app, you are consenting to have your de-identified gaming data collected as part of this technology trial. You can also opt-in to be contacted by 3arc Social to provide feedback on this new technology (through surveys and interviews). If you provide feedback, you will be compensated for your time with a voucher. Providing feedback is completely optional. All data collected from the trial will be kept confidential and secure, and remain anonymous to third parties, including the Independent Panel and the NSW Government (meaning it cannot be linked back to any individual). The data collected will only be used for technology trial research and evaluation purposes.


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## 9.2.5 Flyer: IGT (August)


### What are the benefits of a Digital Gaming Wallet?




Track your spending



Set your desired limit



Deposit and withdraw easily



Safe and secure

**Want to trial a Digital Gaming Wallet?**

Designed to give you full transparency on how much you are spending, this new technology is being trialled at your current venue now. Speak to venue staff – they have all the information you need.


**Is my privacy and data protected?**

Yes, rigorous data and privacy protection requirements including Australian privacy laws are in place for all venues and technology providers involved. When you download the app, you are consenting to have some of your data collected as part of this technology trial.

Data collected is only for research purposes, is de-identified and made entirely anonymous to third parties, including the Independent Panel and the NSW Government. Your privacy is protected. You can withdraw from using the app at any time.

### Want to find out more?

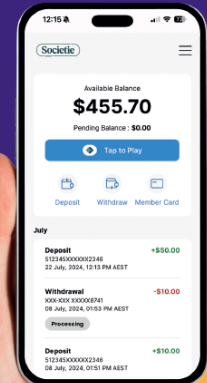
Visit the Independent Panel on Gaming Reform's webpage : [www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform](http://www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform)



Scan this QR code or visit [liquorandgaming.nsw.gov.au](http://liquorandgaming.nsw.gov.au) and search 'NSW cashless gaming trial'.

For further enquiries please email the Panel directly at [ipforgaming@liquorandgaming.nsw.gov.au](mailto:ipforgaming@liquorandgaming.nsw.gov.au)

### It's easy to track your play with a Digital Gaming Wallet.



### Help is close at hand.

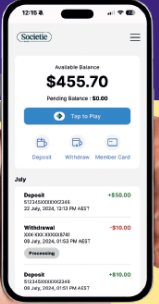
Contact GambleAware on 1800 858 858 or visit [gambleaware.nsw.gov.au](http://gambleaware.nsw.gov.au) for free and confidential support.

## A new way of playing gaming machines without needing cash in hand.

**What is a Digital Gaming Wallet?**

A Digital Gaming Wallet is a digital app you can download easily on to your phone. Acting like a 'digital wallet', you can transfer money in and out of the app using a linked bank account.

Connect the app directly to the gaming machine you're playing on. Funds go straight into your Digital Gaming Wallet and from there you can transfer them back into your personal bank account, so you never have to carry cash on you.



## Frequently Asked Questions

- 1. How does a Digital Gaming Wallet work?**

The technology allows you to upload money (credit) onto a gaming machine electronically using the app on your phone. It eliminates the need for physical cash, cards and keeping track of tickets topped up with cash/credits.
- 2. How do I add money to my Digital Gaming Wallet?**

When you download the app to your phone and create a private account, you can then connect your personal bank account to it. From there it's easy to deposit and withdraw funds. You'll be able to track your spend on the app as well as set spend limits so you always know where you stand with your money.
- 3. Where can I use my Digital Gaming Wallet?**

You can use it at any participating hotel and club across NSW.
- 4. How will data be collected and used?**

3arc Social, an independent research company, is carrying out the evaluation of the trial. By using the app, you are consenting to have your de-identified gaming data collected as part of this technology trial.

You can also opt-in to be contacted by 3arc Social to provide feedback on this new technology (through surveys and interviews). If you provide feedback, you will be compensated for your time with a voucher. Providing feedback is completely optional.

All data collected from the trial will be kept confidential and secure, and remain anonymous to third parties, including the Independent Panel and the NSW Government (meaning it cannot be linked back to any individual).

The data collected will only be used for technology trial research and evaluation purposes.

**5. How is my information protected?**

Participating venues and technology providers must follow strict privacy and data security protocols to safeguard your information. All systems have been extensively tested for cyber security to provide as much protection as possible.

**6. Do bank lenders consider gambling expenses?**

Banks must assess customers' income and expenses as part of their responsible lending obligations, this includes regular entertainment expenses such as gambling. However, the presence of gambling expenditure does not disqualify customers from receiving loan approvals. It is just taken into consideration as part of all outgoing expenditures.

\*This advice has been provided by the Australian Banking Association.

**6. What if I want to stop using my Digital Gaming Wallet?**

Simply transfer your money out of your Digital Gaming Wallet back to your personal bank account and delete the app from your phone.

**7. Where can I find more information about this new technology?**

Information about the objectives of this new technology trial can be found on the Independent Panel on Gaming Reform's webpage: [www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform](http://www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform)

For more information, you can also speak to venue staff.

**Alternative text:** A 2 page flyer shows 3 panels of information on each page. There is an image of a smartphone with the digital gaming wallet app opened. Title: What are the benefits of a Digital Gaming Wallet?

## Page 1

**[Panel 1]** Title: What are the benefits of a Digital Gaming Wallet? Track your spending Deposit and withdraw easily Set your desired limit Safe and secure.

**Want to trial a Digital Gaming Wallet?** Designed to give you full transparency on how much you are spending, this new technology is being trialled at your current venue now. Speak to venue staff – they have all the information you need.

## Is my privacy and data protected?

Yes, rigorous data and privacy protection requirements including Australian privacy laws are in place for all venues and technology providers involved. When you download the app, you are consenting to have some of your data collected as part of this technology trial. Data collected is only for research purposes, is de-identified and made entirely anonymous to third parties, including the Independent Panel and the NSW Government. Your privacy is protected. You can withdraw from using the app at any time.

## [Panel 2] Want to find out more?

Visit the Independent Panel on Gaming Reform's webpage : [www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform](http://www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform) Scan this QR code or visit [liquorandgaming.nsw.gov.au](http://liquorandgaming.nsw.gov.au) and search 'NSW cashless gaming trial'. For further enquiries please email the Panel directly at [ipforgaming@liquorandgaming.nsw.gov.au](mailto:ipforgaming@liquorandgaming.nsw.gov.au) Help is close at hand. Contact GambleAware on 1800 858 858 or visit [gambleaware.nsw.gov.au](http://gambleaware.nsw.gov.au) for free and confidential support.

**[Panel 3]** is the front page of the flyer. Title: It's easy to track your play with a Digital Gaming Wallet. An image of a smartphone is shown with the IGT digital gaming wallet app opened.

**On page 2:** Title: A new way of playing gaming machines without needing cash in hand.

## [Panel 1] What is a Digital Gaming Wallet?

A Digital Gaming Wallet is a digital app you can download easily on to your phone. Acting like a 'digital wallet', you can transfer money in and out of the app using a linked bank account. Connect the app directly to the gaming machine you're playing on. Funds go straight into your Digital Gaming Wallet and from there you can transfer them back into your personal bank account, so you never have to carry cash on you.

An image of the **IGT** digital gaming wallet app, opened on a smartphone screen, is shown.

#### **[Panel 2] Frequently Asked Questions**

1. **How does a Digital Gaming Wallet work?** The technology allows you to upload money (credit) onto a gaming machine electronically using the app on your phone. It eliminates the need for physical cash, cards and keeping track of tickets topped up with cash/credits.
2. **How do I add money to my Digital Gaming Wallet?** When you download the app to your phone and create a private account, you can then connect your personal bank account to it. From there it's easy to deposit and withdraw funds. You'll be able to track your spend on the app as well as set spend limits so you always know where you stand with your money.
3. **Where can I use my Digital Gaming Wallet?** You can use it at any participating hotel and club across NSW.
4. **How will data be collected and used?** 3arc Social, an independent research company, is carrying out the evaluation of the trial. By using the app, you are consenting to have your de-identified gaming data collected as part of this technology trial. You can also opt-in to be contacted by 3arc Social to provide feedback on this new technology (through surveys and interviews). If you provide feedback, you will be compensated for your time with a voucher. Providing feedback is completely optional. All data collected from the trial will be kept confidential and secure, and remain anonymous to third parties, including the Independent Panel and the NSW Government (meaning it cannot be linked back to any individual). The data collected will only be used for technology trial research and evaluation purposes.
5. **How is my information protected?** Participating venues and technology providers must follow strict privacy and data security protocols to safeguard your information. All systems have been extensively tested for cyber security to provide as much protection as possible.
6. **Do bank lenders consider gambling expenses?** Banks must assess customers' income and expenses as part of their responsible lending obligations, this includes regular entertainment expenses such as gambling. However, the presence of gambling expenditure does not disqualify customers from receiving loan approvals. It is just taken into consideration as part of all outgoing expenditures.  
\*This advice has been provided by the Australian Banking Association.
7. **What if I want to stop using my Digital Gaming Wallet?** Simply transfer your money out of your Digital Gaming Wallet back to your personal bank account and delete the app from your phone.
8. **Where can I find more information about this new technology?** Information about the objectives of this new technology trial can be found on the Independent Panel on Gaming Reform's webpage: [www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform](http://www.liquorandgaming.nsw.gov.au/community-and-stakeholders/independent-panel-on-gaming-reform). For more information, you can also speak to venue staff.



## 9.2.6 Factsheet: ebet (August)

### Safeguarding your data

Thank you for considering participating in the NSW cashless gaming trial. We take your privacy very seriously and comply with all legal obligations in how we handle, store and dispose of your personal information and data – to ensure individuals and businesses remain protected.

#### How your data will be managed

When participating in the NSW cashless gaming trial, personal and transactional data will be collected to enhance the user experience, improve operational efficiency and to understand the impacts of the trial.

Your personal data will be managed by three parties:

- Your gaming venue will oversee the operational aspects of data collection and ensure compliance with relevant regulations.
- The technology provider (eBet) will manage the infrastructure and systems necessary for secure data storage and processing.
- Researchers involved in the trial will handle gathered deidentified data for analysis and insights generation.

#### Type of data collected and for how long

- Personal data provided when you join your venue such as name, age and contact information etc. will be retained by the venue in the secure Metropolis system for as long as you remain a member. When a membership is cancelled or not renewed, this data will be moved to an archive after either seven years or at the discretion of your venue.
- Your banking information, such as PayIDs, BSB, and account number will not be retained by any party other than your chosen bank performing the transfer. Neither the venue, nor eBet, has access to this information at any point.
- Gaming data such as amounts spent, games played, time and date of transactions at your venue will be managed by the venue and eBet. It will be moved to an archive after either seven years or at the discretion of the venue. NSW Government will not have access to this data.
- Gaming data related to cashless payments connected to your app/Digital Gaming Wallet at the venue will be managed by eBet and retained for seven years. NSW Government will not have access to this data.

- Grouped, de-identified transactional data will be provided by your participating venue and eBet to research partner 3arc Social, for research purposes. This data will be stripped of personally identifiable information to protect your privacy. Data will not be transmitted from the in-venue metropolis system to NSW Government until it has been de-identified.
- If you wish to share your thoughts on this new technology and app experience, voluntary surveys and feedback forms will be made available to you, to gather qualitative insights about your experience. This will be de-identified survey data, held by 3arc Social and retained for 5 years.

#### Data usage

All data collected will be used solely for the purpose of facilitating and evaluating your experience during this cashless gaming trial. This may include analysing playing and spending patterns, transaction frequency, and other relevant metrics.

#### Data security and privacy protection

The security and privacy of your personal data is our priority. Robust measures have been implemented to safeguard against unauthorised access, disclosure, alteration, and destruction of your information. This includes encryption protocols, access controls, regular audits, and compliance with industry standards and regulations.

**Your privacy is of paramount importance to us. If you have any concerns or enquiries regarding the handling of your personal data, please do not hesitate to contact us on [ipforgaming@liquorandgaming.nsw.gov.au](mailto:ipforgaming@liquorandgaming.nsw.gov.au)**



**Alternative text:** A factsheet shows 2 panels of information with no images. Title: Safeguarding your data

Thank you for considering participating in the NSW cashless gaming trial. We take your privacy very seriously and comply with all legal obligations in how we handle, store and dispose of your personal information and data – to ensure individuals and businesses remain protected. How your data will be managed

When participating in the NSW cashless gaming trial, personal and transactional data will be collected to enhance the user experience, improve operational efficiency and to understand the impacts of the trial. Your personal data will be managed by three parties:

- Your gaming venue will oversee the operational aspects of data collection and ensure compliance with relevant regulations.
- The technology provider (ebet) will manage the infrastructure and systems necessary for secure data storage and processing.
- Researchers involved in the trial will handle gathered deidentified data for analysis and insights generation.

#### **Type of data collected and for how long**

- Personal data provided when you join your venue such as name, age and contact information etc. will be retained by the venue in the secure Metropolis system for as long as you remain a member. When a membership is cancelled or not renewed, this data will be moved to an archive after either seven years or at the discretion of your venue.
- Your banking information, such as PayIDs, BSB, and account number will not be retained by any party other than your chosen bank performing the transfer. Neither the venue, nor ebet, has access to this information at any point.
- Gaming data such as amounts spent, games played, time and date of transactions at your venue will be managed by the venue and ebet. It will be moved to an archive after either seven years or at the discretion of the venue. NSW Government will not have access to this data.
- Gaming data related to cashless payments connected to your app/Digital Gaming Wallet at the venue will be managed by ebet and retained for seven years. NSW Government will not have access to this data.
- Grouped, de-identified transactional data will be provided by your participating venue to the research partner, 3arc Social, for research purposes. This data is stripped of all personally identifiable information to protect your privacy.
- If you wish to share your thoughts on this new technology and app experience, voluntary surveys and feedback forms will be made available to you, to gather qualitative insights about your experience. This will be de-identified survey data, held by 3arc Social and retained for 5 years.

#### **Data usage**

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## 9.2.7 Factsheet: Light and Wonder (August)

### Safeguarding your data

Thank you for considering participating in the NSW cashless gaming trial. We take your privacy very seriously and comply with all legal obligations in how we handle, store and dispose of your personal information and data – to ensure individuals and businesses remain protected.

#### How your data will be managed

When participating in the NSW cashless gaming trial, personal and transactional data will be collected to enhance the user experience, improve operational efficiency and to understand the impacts of the trial.

Your personal data will be managed by three parties:

- Your gaming venue will oversee the operational aspects of data collection and ensure compliance with relevant regulations.
- The technology provider (Light & Wonder and ALH IT) will manage the infrastructure and systems necessary for secure data storage and processing.
- Researchers involved in the trial will handle gathered deidentified data for analysis and insights generation.

#### Type of data collected and for how long

- Personal data such as your name, age and contact information etc provided when signing up to the trial will be managed by your participating venue and retained for 7 years. NSW Government will not have access to this data.
- Your banking information such as PayIDs, BSB, and account number will not be retained by any party other than your participating bank performing the transfer. Neither your venue, nor Light & Wonder, has access to this information.
- Gaming data such as amounts spent, games played, and time and date of transactions within your venue will be managed by the venue and Light & Wonder for 7 years. NSW Government will not have access to this data.
- Gaming data related to cashless payments within the gaming environment and apps will be managed by Banktech and retained for 7 years. NSW Government will not have access to this data.

- Grouped, de-identified transactional data will be provided by your participating venue and Light & Wonder to research partner 3arc Social, for research purposes. This data is stripped of personally identifiable information to protect your privacy.
- If you wish to share your thoughts on this new technology and app experience, voluntary surveys and feedback forms will be made available to you, to gather qualitative insights about your experience. This will be de-identified survey data, held by 3arc Social and retained for 5 years.

#### Data usage

All data collected will be used solely for the purpose of facilitating and evaluating your experience during this cashless gaming trial. This may include analysing playing and spending patterns, transaction frequency, and other relevant metrics.

#### Data security and privacy protection

The security and privacy of your personal data is our priority. Robust measures have been implemented to safeguard against unauthorised access, disclosure, alteration, and destruction of your information. This includes encryption protocols, access controls, regular audits, and compliance with industry standards and regulations.

**Your privacy is of paramount importance to us. If you have any concerns or enquiries regarding the handling of your personal data, please do not hesitate to contact us on [ipforgaming@liquorandgaming.nsw.gov.au](mailto:ipforgaming@liquorandgaming.nsw.gov.au)**

**Alternative text:** A factsheet shows 2 panels of information with no images. Title: Safeguarding your data

Thank you for considering participating in the NSW cashless gaming trial. We take your privacy very seriously and comply with all legal obligations in how we handle, store and dispose of your personal information and data – to ensure individuals and businesses remain protected.

### **How your data will be managed**

When participating in the NSW cashless gaming trial, personal and transactional data will be collected to enhance the user experience, improve operational efficiency and to understand the impacts of the trial. Your personal data will be managed by three parties:

- Your gaming venue will oversee the operational aspects of data collection and ensure compliance with relevant regulations.
- The technology provider (Light & Wonder ALH IT) will manage the infrastructure and systems necessary for secure data storage and processing.
- Researchers involved in the trial will handle gathered deidentified data for analysis and insights generation.

### **Type of data collected and for how long**

- Personal data such as your name, age and contact information etc provided when signing up to the trial will be managed by your participating venue and retained for 7 years. NSW Government will not have access to this data.
- Your banking information such as PayIDs, BSB, and account number will not be retained by any party other than your participating bank performing the transfer. Neither your venue, nor Light & Wonder, has access to this information.
- Gaming data such as amounts spent, games played, and time and date of transactions within your venue will be managed by the venue and Light & Wonder for 7 years. NSW Government will not have access to this data.
- Gaming data related to cashless payments within the gaming environment and apps will be managed by Banktech and retained for 7 years. NSW Government will not have access to this data.
- Grouped, de-identified transactional data will be provided by your participating venue to the research partner, 3arc Social, for research purposes. This data is stripped of all personally identifiable information to protect your privacy.
- If you wish to share your thoughts on this new technology and app experience, voluntary surveys and feedback forms will be made available to you, to gather qualitative insights about your experience. This will be de-identified survey data, held by 3arc Social and retained for 5 years.

### **Data usage**

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### **Data security and privacy protection**

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## 9.2.8 Factsheet: IGT (August)

### Safeguarding your data

Thank you for considering participating in the NSW cashless gaming trial. We take your privacy very seriously and comply with all legal obligations in how we handle, store and dispose of your personal information and data – to ensure individuals and businesses remain protected.

#### How your data will be managed

When participating in the NSW cashless gaming trial, personal and transactional data will be collected to enhance the user experience, improve operational efficiency and to understand the impacts of the trial.

Your personal data will be managed by three parties:

- Your gaming venue will oversee the operational aspects of data collection and ensure compliance with relevant regulations.
- The technology provider (IGT) will manage the infrastructure and systems necessary for secure data storage and processing.
- Researchers involved in the trial will handle gathered deidentified data for analysis and insights generation.

#### Type of data collected and for how long

- Personal data related to your venue membership such as your name, age and contact information etc. will continue to be managed by your venue as per existing policies.
- Your banking information, such as PayID, BSB, and account number will not be retained by any party other than your chosen bank performing the transfer.
- Gaming data related to your loyalty account such as amounts spent, games played, and time and date of transactions within your venue will continue to be managed by your venue as per existing policies.
- Grouped, de-identified transactional data will be provided by your participating venue to the research partner, 3arc Social, for research purposes. This data is stripped of all personally identifiable information to protect your privacy.
- If you wish to share your thoughts on this new technology and app experience, voluntary surveys and feedback forms will be made available to you, to gather qualitative insights about your experience. This will be de-identified survey data, held by 3arc Social and retained for 5 years.

#### Data usage

All data collected will be used solely for the purpose of facilitating and evaluating your experience during this cashless gaming trial. This may include analysing playing and spending patterns, transaction frequency, and other relevant metrics.

#### Data security and privacy protection

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**Alternative text:** A factsheet shows 2 panels of information with no images. Title: Safeguarding your data

Thank you for considering participating in the NSW cashless gaming trial. We take your privacy very seriously and comply with all legal obligations in how we handle, store and dispose of your personal information and data – to ensure individuals and businesses remain protected. How your data will be managed

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- Your gaming venue will oversee the operational aspects of data collection and ensure compliance with relevant regulations.
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#### **Type of data collected and for how long**

- Personal data related to your venue membership such as your name, age and contact information etc. will continue to be managed by your venue as per existing policies.
- Your banking information, such as PayID, BSB, and account number will not be retained by any party other than your chosen bank performing the transfer.
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- If you wish to share your thoughts on this new technology and app experience, voluntary surveys and feedback forms will be made available to you, to gather qualitative insights about your experience. This will be de-identified survey data, held by 3arc Social and retained for 5 years.

#### **Data usage**

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## 9.3 Case studies for technology users

### 9.3.1 User case 1

User #1 reported that they joined the trial because a staff member approached them at the venue and due to curiosity about the technology, as they enjoy trying out new technological developments. Additionally, they felt positively about the convenience of being able to transfer funds from their bank account to avoid using the ATM. With regard to using gaming machines, they liked the idea of being able to easily monitor and control their pokies playing and felt that the information summary of gambling activity would be particularly useful. They were also supportive of joining the trial to help the government take action against money laundering and reduce problem gambling in clubs and hotels.

User #1 experienced some technical glitches in using the technology, including finding it difficult at first to fund the digital wallet from their personal bank account, and transfer money from the digital wallet to the gaming machine. These issues were resolved with help from staff. Overall, they felt that information and support provided during the trial (especially by staff) was good.



*"I still wasn't too sure how to get those funds on it and the difference between the gaming wallet and financial wallet...I tried to start using it maybe a week and a half ago and it was a little bit difficult because it was late at night, and I'd been out for quite a few hours beforehand. It [was] a bit hard to wrap my head around because it wasn't extremely clear how to get money. I couldn't find how I could put money in it from an account basically and [tried] clicking on different things. And I'm like nah, this is too hard. It doesn't matter because it was starting to chew up too much time... it was probably a 45-minute process. I probably could have made it a 10-minute thing but by the time I looked up my bank details..." [User 001]*

User #1 also indicated that disconnecting from the EGM by walking away presented some minor challenges and concerns over whether they had left money on the machine for others to play.



*"It was just a bit of uncertainty as to [whether] I walk away from it and [if it] automatically moves [my money], which it did. But it was one of those 'will it or won't it' things, because [there] was a little bit of time lapse between it being collected. And it was new, so I'm not going to collect, grab the ticket. Probably need a bit more information because [there] was a bit of just a bit of uncertainty of how I go about it." [User 001]*

**During the trial**, user #1 felt that the technology had minimal impact on their gambling behaviour i.e. how long or how much they spent gambling on gaming machines. They had been using the technology for a short period of time (less than a month) at time of survey. This user tried out the limit setting features, which they found easy to use, but ended up removing the limit they set. The user indicated that being a casual gambler spending low amounts, such limits may be unnecessary. They also accessed their Player Activity Statement prior to completing the survey, which they reported was easy to access and understand, and would be a useful tool to help them manage their gambling expenditure.



*"For a person that is really only going to spend very minimum and only every other week...if this comes in all of a sudden, it wipes out even just those, \$5, \$10 casual players." [User 001]*

However, in the case of a **permanent roll out of cashless gaming technology** in the future, user #1 felt that cashless gaming technology would change the way they gamble. They believed that the technology, and associated information available in the app (such as Player Activity Statements) may slightly increase their awareness of how much they spend on gaming machines, their ability to control their gambling, and their sense of security about their gambling information and activity. They felt using the technology would likely result in a decrease the amount of time and money they spent playing gaming machines. In particular, they felt there would be a big decrease in the amount of money they spend playing gaming machines per day. They did not expect that using cashless gaming technology would affect their privacy in any way.



*"Anything that can make people more aware of what they might be spending and as opposed to what they should be spending money on to live and provide for their families... I'm thinking about 8 or 10 different people that this would probably be beneficial for." [User 001]*

This technology user felt that limit setting choices needed to be provided to gamblers, and prescribed limits were less likely to be acceptable. Based on firsthand experience with other wagering technology, they felt that the limit setting exercise raised awareness of their spending.



*"[Time limit] not really [useful]. I don't spend hours in there. But I might go in five or six times... It'd be interesting if it accumulated because, you might go in for little bits at a time, but you're still maybe sometimes doing as much spending as you would if you were staying there for [hours at a time]... a weekly [limit] perhaps."*

*"I did a few years ago on an [online wagering app], set a limit for \$40 a day. And I ended up taking it off it because it was a bit limiting... I found it a bit limiting on [the app], but then I also had [other apps], which didn't have the deposit limit to take advantage of different promotions, so jump across... But it did sort of work for a while. And it did raise my own awareness of what I was spending. You know that money can disappear very quickly or it can be topped up and then you play on that for a while... I do sort of [set a budget for playing pokies], but whether I follow [it] or not... it's never to really to the point of overspending." [User 001]*

When asked about their preferred format for cashless gaming technology in the future, they indicated that a physical gambling card would be the most convenient option.



*"I don't want to continuously, always need to pull [my phone] out of a pocket, especially if I'm only going to sometimes just go in there to chuck 5 or 10 in and then I'm out again. That would take up too much time." [User 001]*

Despite feeling positive about their experience with the digital gaming wallet overall, user #1 reported personally feeling 'somewhat negative' about cashless gaming becoming mandatory in NSW, and positively about cashless gaming being a voluntary option (i.e. as part of a hybrid model). However, they also recognised that mandatory limits may benefit others.



*"Mandatory may not go well with a lot of people. I know a lot of people that are \$10 hitters and they'll go through a lot of money, but they're not out of control. They're not inebriated or anything. That's just what they like to do. It's not affecting their family or anything like that. So, I think that'd be a tough one to swallow for people in control that just enjoy going really hard on the pokies. And then they just make it up at work again. Involuntary is a bit hard...I think it'd probably be good [to have mandatory limits]. I understand why you want to do that because it's [for] the greater good of society." [User 001]*



### 9.3.2 User case 2

User #2 reported that they joined the trial because a staff member approached them at the venue and out of curiosity about the technology. Other drivers for uptake included the convenience of being able to transfer funds from bank account to avoid the ATM and to play the pokies with tap and pay.

For user #2, the cashless gaming technology greatly improved how easy it was to move between gaming machines, and also slightly improved how easy it was to start playing and their overall enjoyment of using gaming machines. They also felt that information and support provided during the trial (mostly via staff) was good.

They also indicated they were not very interested how the technology might improve their ability to monitor and control their gambling, but still set up limits. They said this was very easy to do, and they did not reach or change their limits during the trial.

User #2 felt that cashless gaming technology did not have any impact on their gambling behaviour **during the trial** and would not impact their behaviour into the future. They spent the same amount of time and money on gaming machines when using the digital wallet as they did when using cash, and they indicated that their spending behaviour would remain consistent regardless of whether they used cash or the digital wallet. However, they also indicated that cashless gaming technology improved their ability to control how much they spent in a session, and their ability to manage how much they spend on gaming machines over time.

When asked about their opinion on the impact of a **permanent rollout of cashless gaming technology** in NSW, user #2 believed that it would lead to a big decline in:

- their sense of security around private information,
- ability to gamble in private / without being monitored, and
- ability to take out a bank loan.

When asked about their preferred format for cashless gaming technology in the future, they indicated that a mobile app would be the most convenient option.

Despite their good overall experience with the digital gaming wallet, user #2 reporting feeling 'very negative' about cashless gaming technology becoming mandatory across venues in NSW. They provided no reason as to why.



## 9.4 Staff survey tables

**Table 42. Staff – Awareness and familiarity with safe gambling features**

	n=	% of total	% of those who were aware
Awareness of limit setting features (e.g. session length, frequency of play, amount spent, total bet, max bet)	40	91%	
Very/familiar with features	27		68%
Somewhat/little/not at all familiar with features	13		33%
Awareness of Player Activity Statement	29	66%	
Very/familiar with features	21		72%
Somewhat/little/not at all familiar with features	8		28%
Awareness of Self-Exclusion	28	64%	
Very/familiar with features	21		75%
Somewhat/little/not at all familiar with features	7		25%

Q1. Which of the following features of the cashless gaming technology are you aware of?

Q2 Please rate your familiarity with the following features of the cashless gaming technology

Base: All staff respondents (n=44)

**Table 43. Staff - Training, support and information during the trial**

	Very good/ Good	Average	Very poor/Poor	Not applicable
Training on the features and functions of the app	55%	27%	14%	5%
Training on common issues / troubleshooting	48%	30%	18%	5%
Information on the purpose of the trial	70%	23%	5%	2%
Information on the benefits of cashless gaming technology	66%	23%	9%	2%
Information on what was involved in the trial (e.g. pokies included, length of trial)	66%	20%	11%	2%
Support from venue management	80%	11%	7%	2%
Support from the technology provider	52%	32%	14%	2%
Support from Liquor and Gaming NSW	52%	25%	18%	5%

Q3 How would you rate the training, information and support available for staff during the cashless gaming trial?

Base: All staff respondents (n=44)

**Table 44. Staff – Effectiveness of harm minimisation features**

	Extremely/Very effective	Moderately effective	Not very/ Not at all effective	Don't know
A notification based on how much the user has lost	36%	30%	18%	16%
A feature which excludes the user from the venue	34%	34%	14%	18%
A notification based on how much money has been spent in a session of gambling	32%	43%	11%	14%
A feature which gives the user access to player activity statements about how much they have gambled	32%	34%	23%	11%
A feature which sets a maximum daily transfer limit	30%	34%	23%	14%
A notification based on how often the user has gambled	25%	41%	18%	16%
A notification based on the amount bet	23%	36%	20%	20%

*Q13a. How effective do you think these in-app features would be in helping users to gamble safely and within their limits?*  
*Base: All staff respondents (n=44)*

**Table 45. Staff – Impact of digital gaming wallet technology on patrons**

	Big / Slight decrease	No change	Big / Slight increase	Don't know
How often patrons participating in the trial visited the venue	9%	45%	9%	36%
How long patrons participating in the trial stayed at the venue	9%	39%	16%	36%
How long patrons participating in the trial played pokies	9%	39%	14%	39%

*Q10. Do you feel the cashless gaming technology trial affected any of the following? Base: All staff respondents (n=44)*

