

Responsible gaming and IVT's
(Interactive Video Terminals)

The Norwegian story *- with a happy ending?*

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Norsk Tipping AS - Norwegian National Lottery



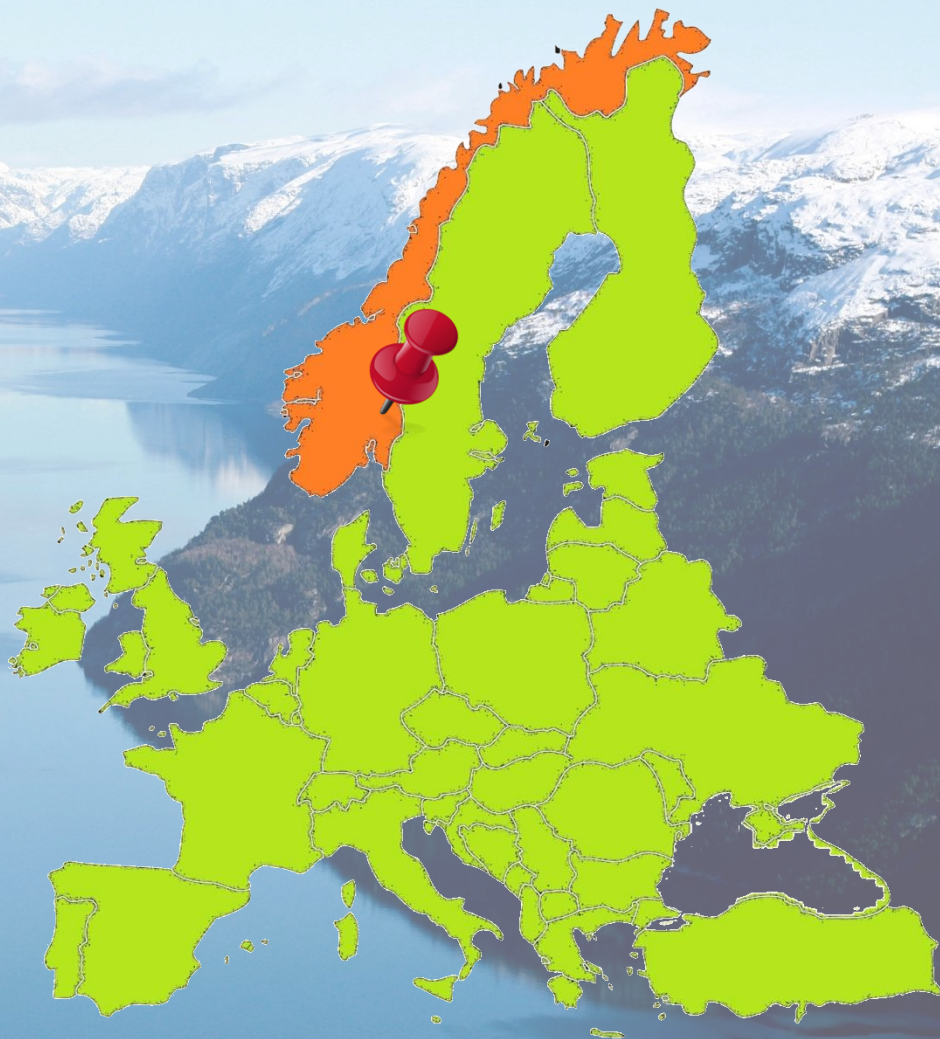
- Brief **introduction** - Norway and Norsk Tipping
- Background - The **rise** and **fall** of the **slot machines**
- Our **solution**
- **Did it work?** - The results

Thanks to:



Norway

- ☐ Population 5 million
- ☐ Density 15 persons /km²
- ☐ 3.6 mill over 18 years old
- ☐ 20% of the population never plays
- ☐ **1 - 2 %** have gambling problems (estimate)



Norsk Tipping – key facts

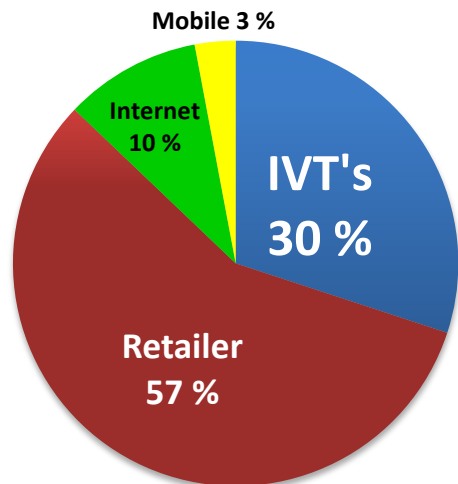
(Norwegian State Lottery)



- Est **1948** – State owned by the Ministry of Culture
- 16.2 BN NOK = **\$2.8 BN**
Gross Revenue (2011)
- **31 %** return to beneficiary causes
 - 45.5 % Sports
 - 36.5 % Culture
 - 18 % Humanitarian/health
 - **12 mill NOK** to fight gambling addiction

Norsk Tipping – key facts

(Norwegian State Lottery)



Lottery	49 %	(70%)
Sports	14 %	(13%)
Instant	7 %	(10%)
IVT	30%	(7%)

- **2 million** customers
= **55 %** of population 18+
(mandatory registered play)
- **4 000+** retailers
- **370** employees

Our Mandate

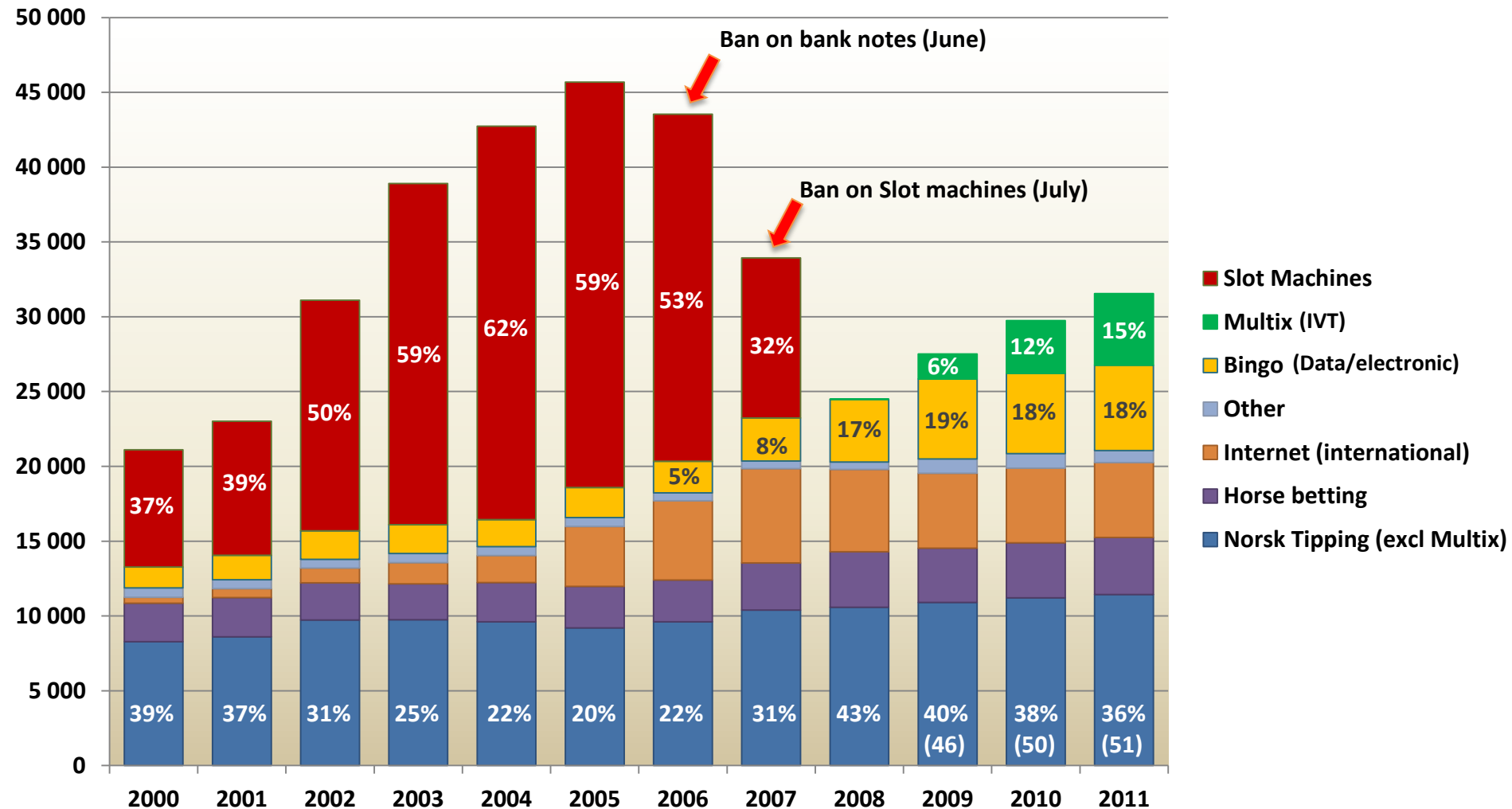
- ❑ Provide **responsible** games
- ❑ Provide **attractive** games
- ❑ Profit for **good causes**



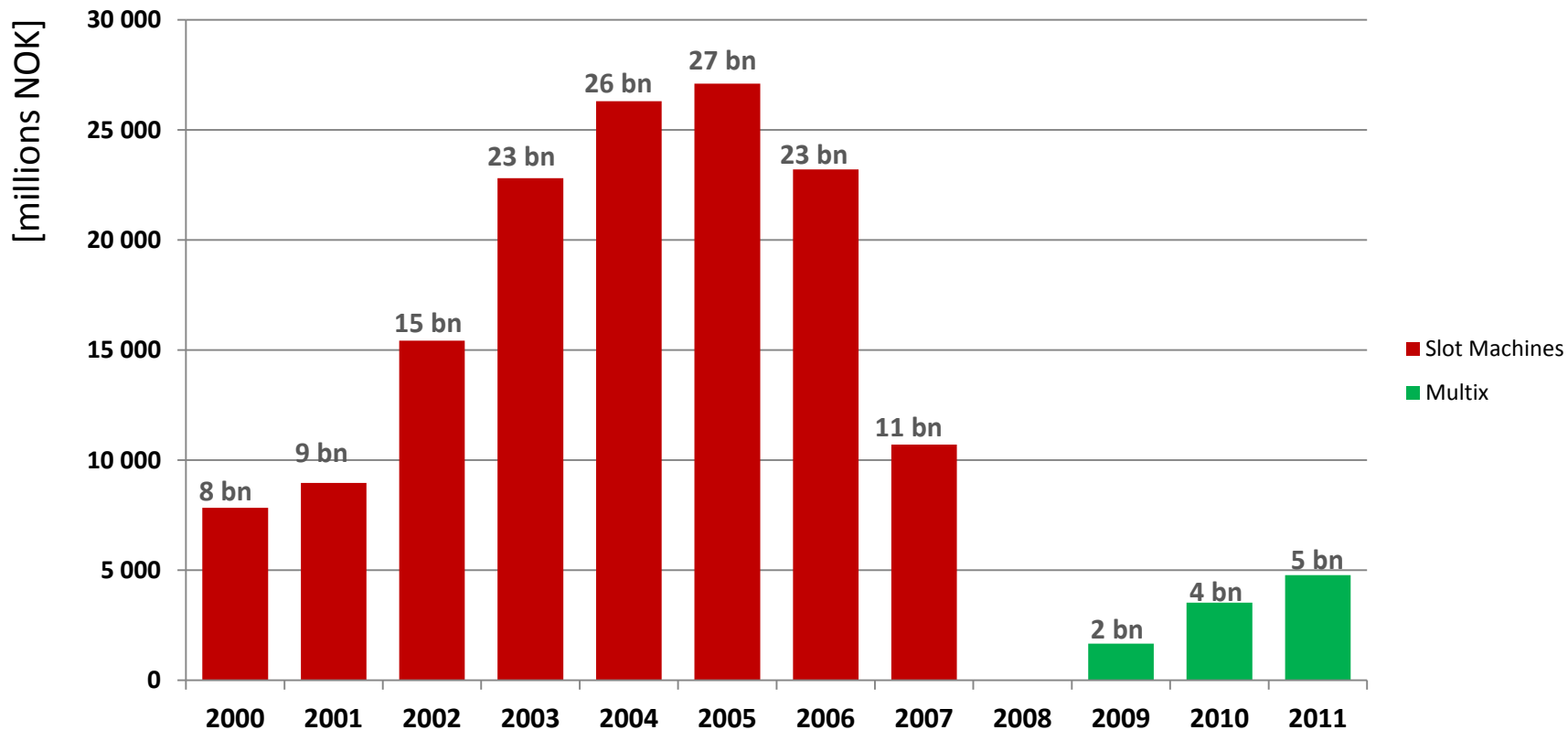
NORSK TIPPING

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The Norwegian Gaming Market (gross Revenue)



Slot machines and Multix development



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Introducing **Multix** (2008)



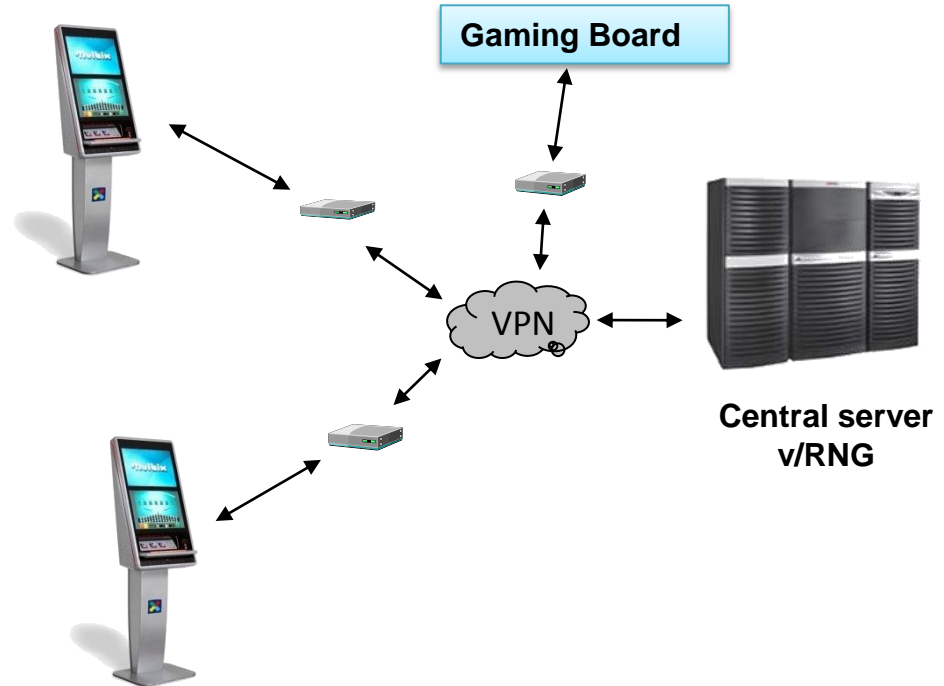
Norsk Tipping introduced a **new** state of the art gaming **terminal** to meet **strict gaming demands** of the Norwegian regulators

Delivered by *Aristocrat Lotteries*

What makes our solution special?



+



= Opens totally new possibilities in responsible gaming



**Second
screen**

**Touch
screen**

Pinpad

**Playercard
slot**

Multix (IVTs) terminals

- **2 750** terminals in 1 200 venues (mostly kiosks)
- **Cash less** (player account, ID on player card)
- Age limit **18** years old
- Global **limits** (net loss):
 - NOK **400** (\$ 75) per day
 - NOK **2 200** (\$ 390) per month
 - Mandatory break after **1** hour
- All terminals connected to one **central server**
- More restrictive distribution



Multix (IVTs) terminals

- **Personal** limits (time and money)
- Personal player breaks: day/week/month
- Permanent exclusion
- Max bet: NOK 50 (\$ 10)
- Min. game duration: 3 sec
- Max win: NOK 1 500 (\$ 300) per game round



Players ID card – Multichannel Identification & Payment



Examples of player card data:

Demographic data:

- Age, gender, address, phone number

Transaction data per customer

All sales and pay-out transactions are stored in our data warehouse:

- What game did you buy, how many tickets, what did you pay, for how many weeks, when did you buy, where did you buy? (pr day/month/year, channel, game etc)
- Did you win/lose, how much, on what game, at what date?



All channels: Retailer, Multix, Internet, Mobile

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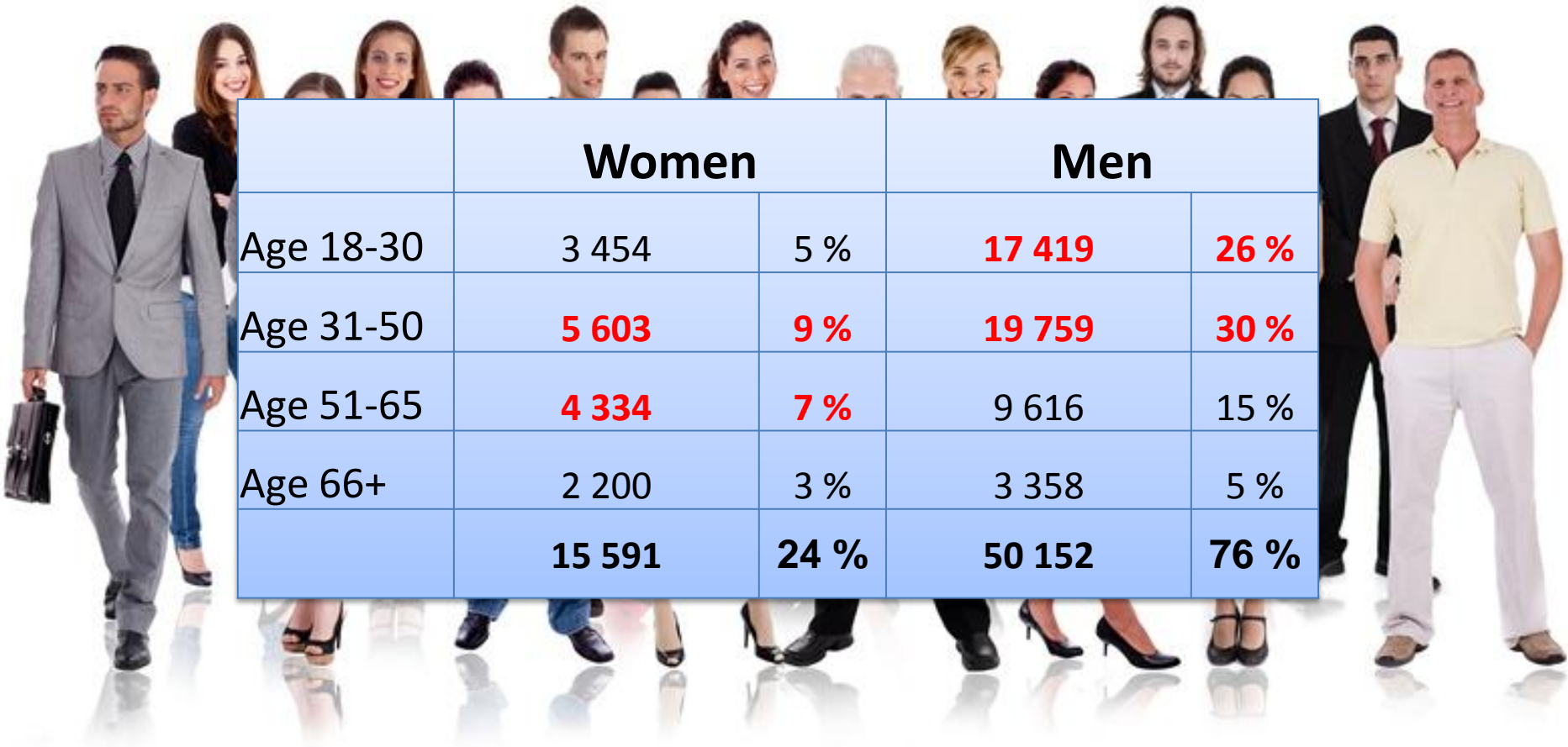
Multix – figures 2011



Quarterly limit:
 $2200 \times 3 = 6600$

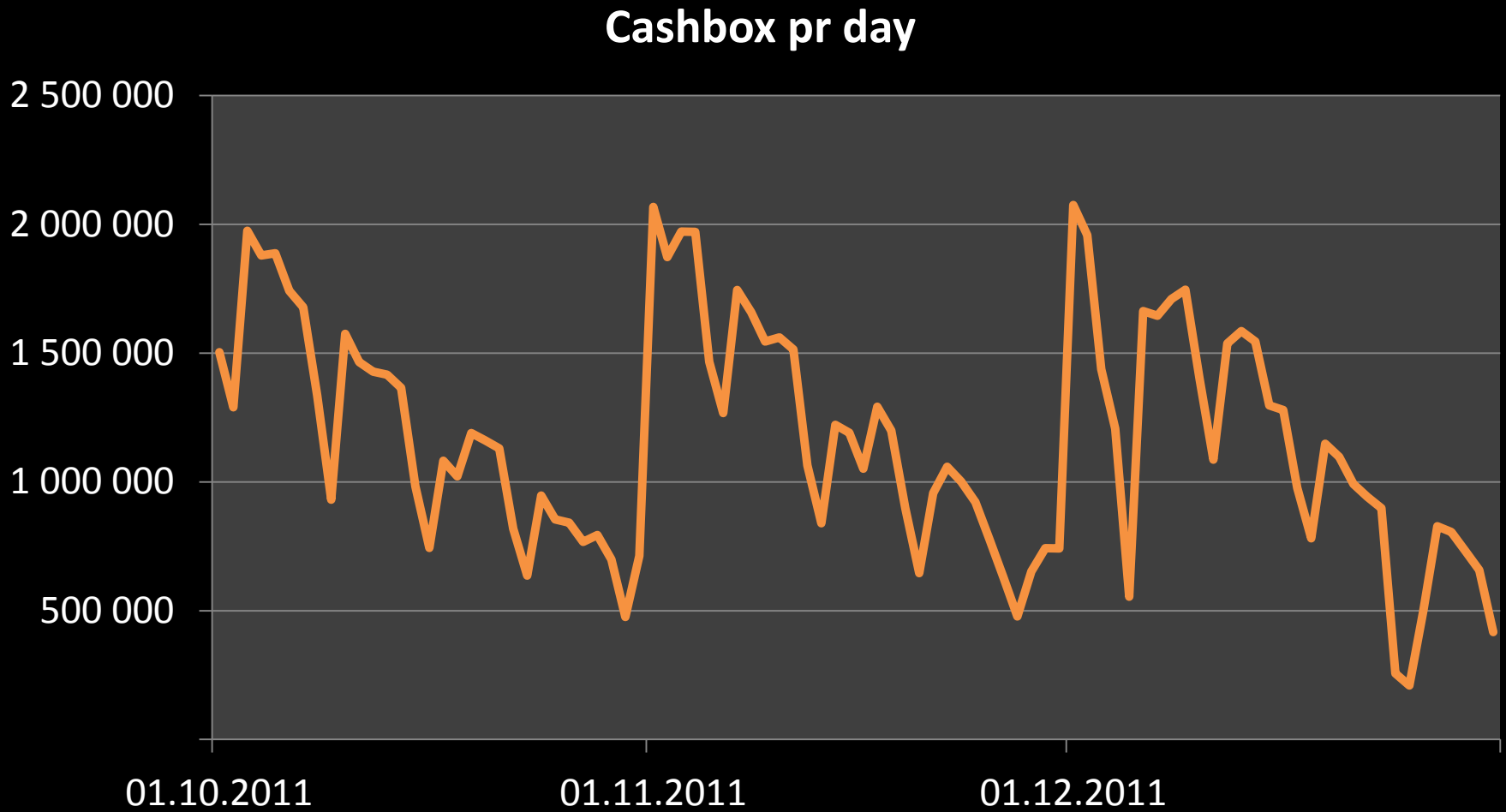
	Q1	Q2	Q3	Q4
Number of players	58 785	59 425	62 500	65 743
Average age	42	42	42	42
GGR per player NOK (cash box)	1 600	1 705	1 661	1 632
Average days played	12,1	12,7	12,9	13,1

Multix – figures Q4 2011



	Women		Men	
Age 18-30	3 454	5 %	17 419	26 %
Age 31-50	5 603	9 %	19 759	30 %
Age 51-65	4 334	7 %	9 616	15 %
Age 66+	2 200	3 %	3 358	5 %
	15 591	24 %	50 152	76 %

Monthly pattern – monthly limits



Before

Hypothesis - Slot machines:

- **20 %** of the players -> **80 %** of the revenue

After

Facts – Multix Q4 2011:

- ✓ **26 %** of the players -> **80 %** of the revenue
(Average loss = 4250 NOK, Max = 6600)
- ✓ **15 %** plays maximum (6600) -> **45 %** of cash box

Did it work?

Multix – more details (Q4 2011)

- 15 % stopped by Global monthly limit (NOK 2 200)
- 1.6 % of gambling sessions stopped with the mandatory break (after 1 hour continuous play)
- 1.1 % have set personal limits for time
- 2.3 % have set stricter personal limits for money spent

Player can set
personal limits for
spend per day, week
or month

MIN SIDE

Mine spillgrenser

MAKS PENGEBELØP



Per dag	<div>Endre</div> <div>400</div> <div>Maks (400)</div>
Per uke	<div>Endre</div> <div>1200</div> <div>Maks (1200)</div>
Per måned	<div>Endre</div> <div>2200</div> <div>Maks (2200)</div>

MAKS ANTALL TIMER



Per dag	<div>Endre</div> <div>1</div> <div>0=Ingen Grense</div>
Per uke	<div>Endre</div> <div>3</div> <div>0=Ingen Grense</div>
Per måned	<div>Endre</div> <div>10</div> <div>0=Ingen Grense</div>

... also on time spent
per day, week or
month

Tilbake

Lagre



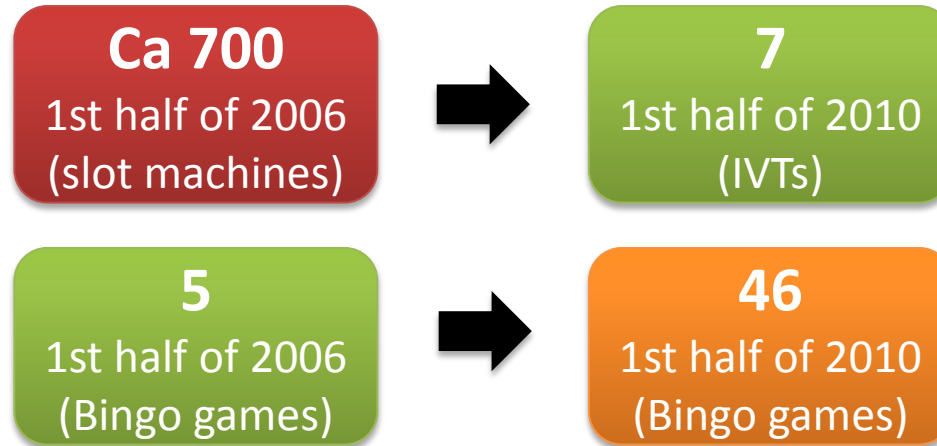
JOE



kr 0,00

Other indications

- Calls to Help line (problem gambling)



So, did it work?



	2005 (Slot machines)	2011 (Multix)	Reduction
Sales/Revenue [millions NOK]	27 000	4 800	82 %
Number of players	490 000	105 000	79 %
Number of machines/units	>20 000	2 750	86 %
15% of the players reached their monthly limit of NOK 2,200 (USD 380) in 2011. 3% of the players uses personal limits/exclusions.			
	1st half 2006	1st half 2010	
Calls to Help line (slot/IVT)	711	7	99 %

- **Yes**, it is definitively a success, but ...?

Yes, but ...

- Ban on bank notes and the later ban of slot machines had the biggest effect
 - **but introduction of Multix didn't bring problems back = SUCCESS**
- Bingo games GROWTH in the market (indicate players moved)
- The Player Card imposes some challenges
 - Impulse (transfer of money, availability)

Yes, but ...

- No clear answer to the **Philosophical dilemma**:

Should players regulate themselves?
or
Should government regulate players?



Responsible Gaming Platform - **Next steps**

- Increased focus on this in Norsk Tipping
- **Monitoring** (in process of purchasing a tool)
- Cooperation with **R&D institutions** (public procurement)
- Customer data/monitoring + cooperation R&D
 - > Insight and knowledge
 - > better basis, tools and communication

... and **One** more thing



2011: Introducing BELAGO (IVT)

- ❑ Computer bingo was «forgotten» in the 2008 Multix discussion
- ❑ The Bingomarket experienced a large growth
- ❑ BELAGO is another new state of the art IVT introduced to meet strict gaming demands of the Norwegian regulators
- ❑ Same platform as Multix



Thank you



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