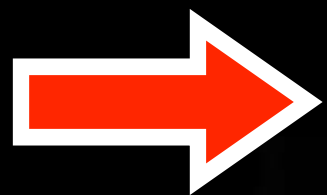


L'économie politique de la gamblification

CRI-2019

Dr. David Nieborg - Université de Toronto

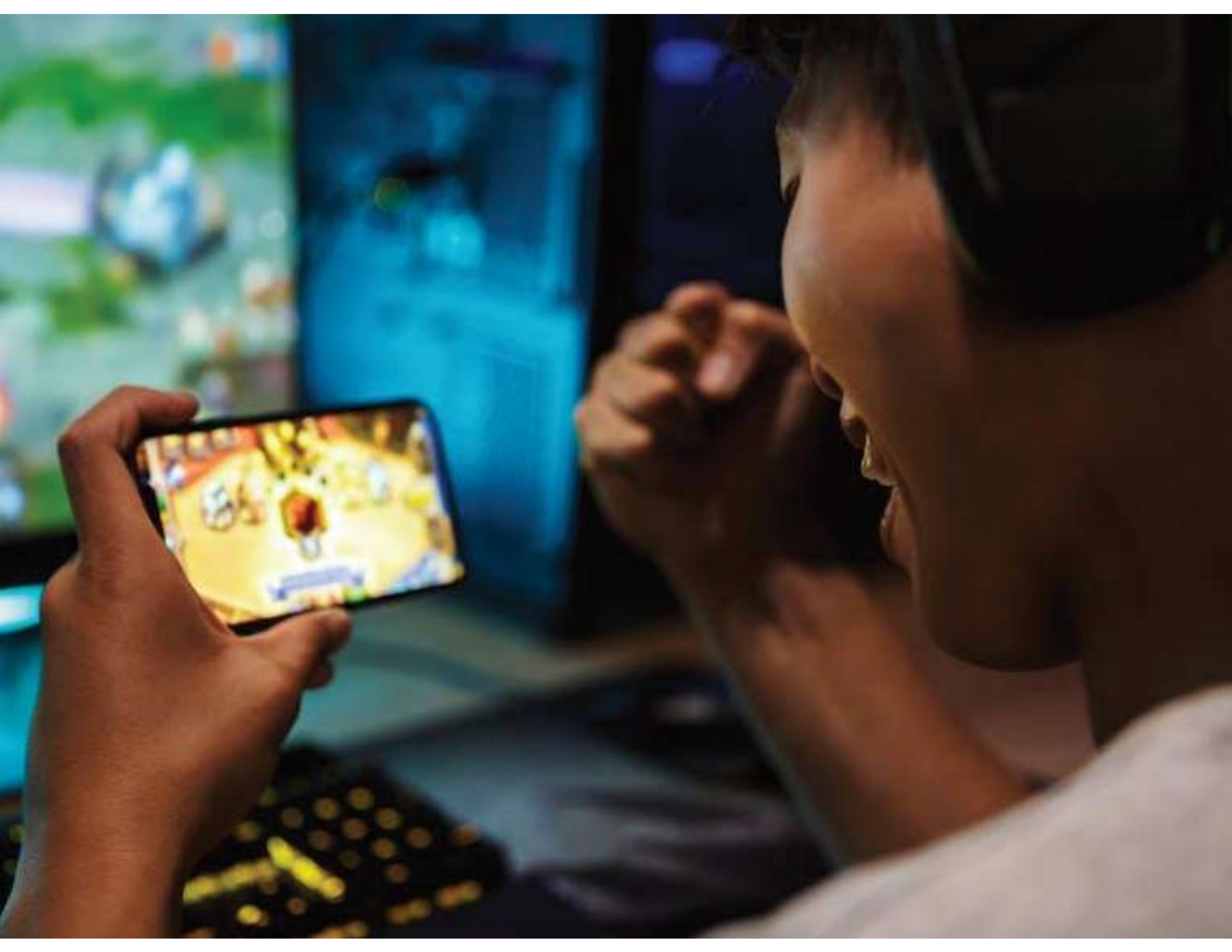


<http://bit.ly/cri-2019>



“Only the addiction economy could produce a business model that relies on placing a casino in the hands of every child in America with the goal of getting them desperately hooked”

Senator Josh Hawley



Academic context



Nieborg, D. B., & Poell, T. (2018). The platformization of cultural production: Theorizing the contingent cultural commodity. *New Media & Society*, 20(11), 4275-4292.

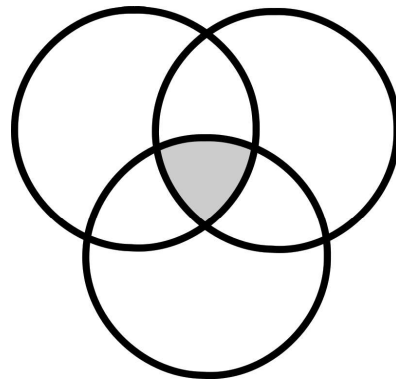
Platformization of cultural production

Critical political economy

Business studies

Software/platform studies

Markets



Infrastructure

Governance

Historical trajectories of platformization

- "Platform dependent" media
 - Software and digital games
- "Platform independent" cultural production
 - Journalism and gambling
- "Platform native" media
 - Streaming, vlogging, instagramming, etc.

The platformization of gamblification

ANYTIME. ANYWHERE. ONLINE.

Right from your mobile phone, tablet or desktop.



DOWNLOAD FREE TODAY!
Seminole Social Casino



“Social casino games”



/w Alexander Ross

Argument

- **Social casino games** are a form of “**gamblification**” at the intersection of three industries: casinos, social networks, and mobile apps.
- Each industry has its own business models and economic logic(s), but each industry is (or is becoming) **more platform-dependent**.
- Each of the three industries is (each in its own way) oriented towards **engagement and retention**.
- To better understand (and to regulate) **gamblification**, we must account for the political economy of each of those disparate industries

**What does the political economy
of gamblification look like?**

games

VR/AR

gambling

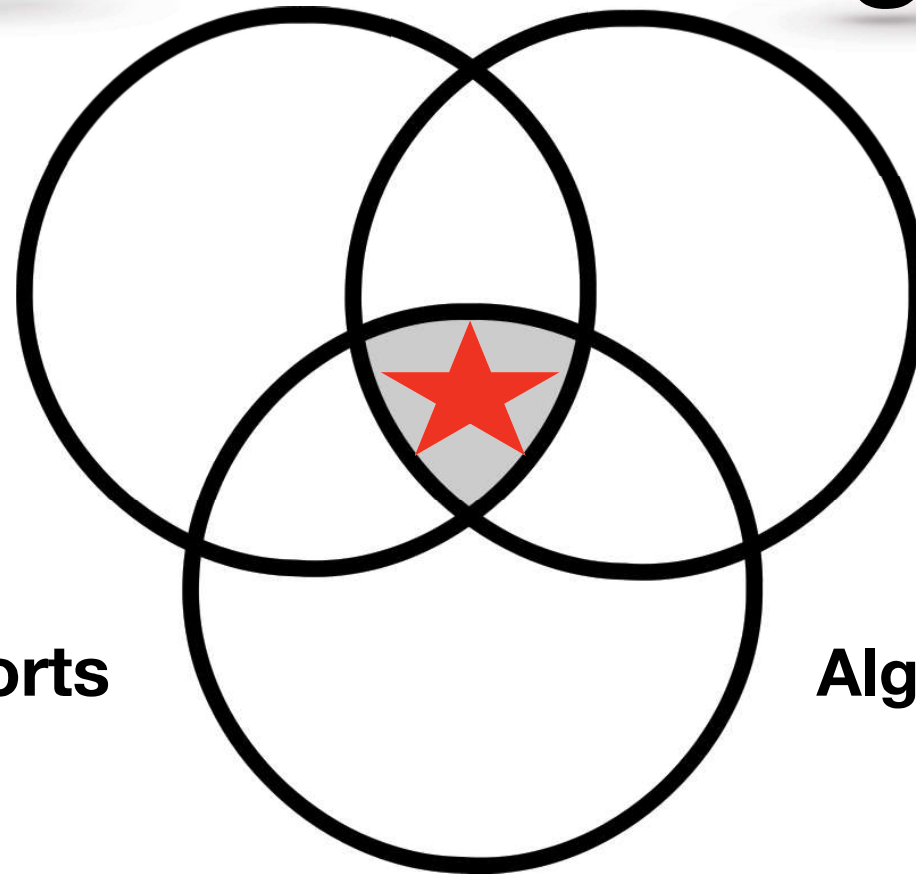
Virtual worlds

Virtual currency

eSports

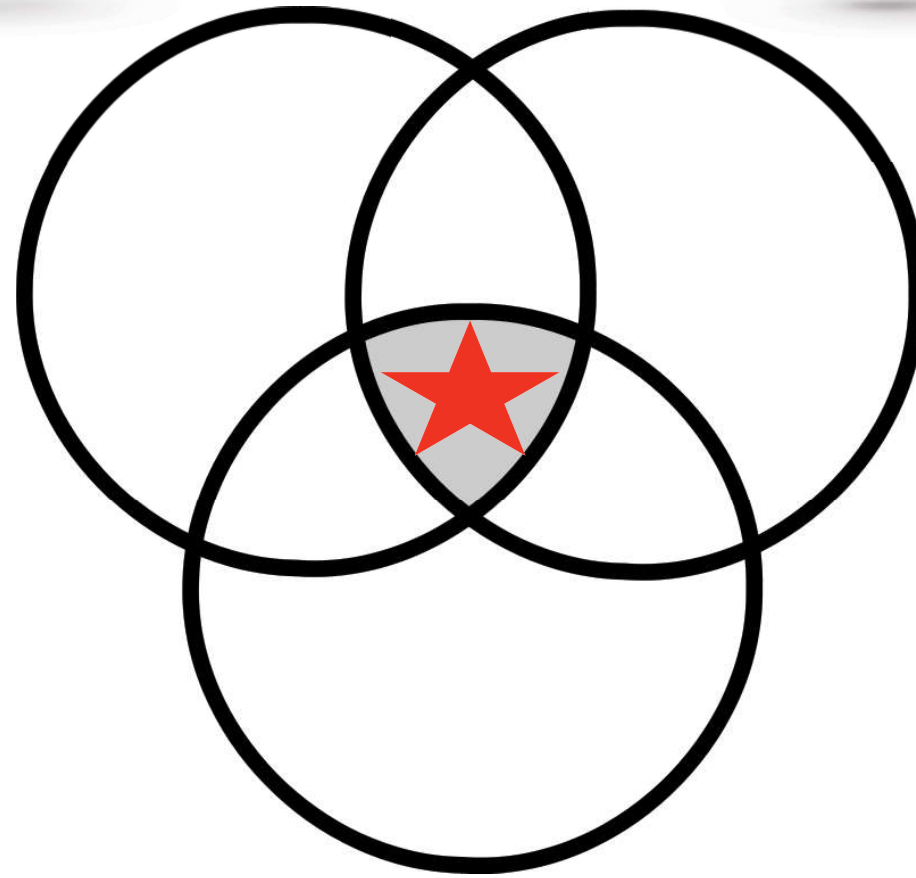
Algorithms

Platforms



**(free-to-play)
games**

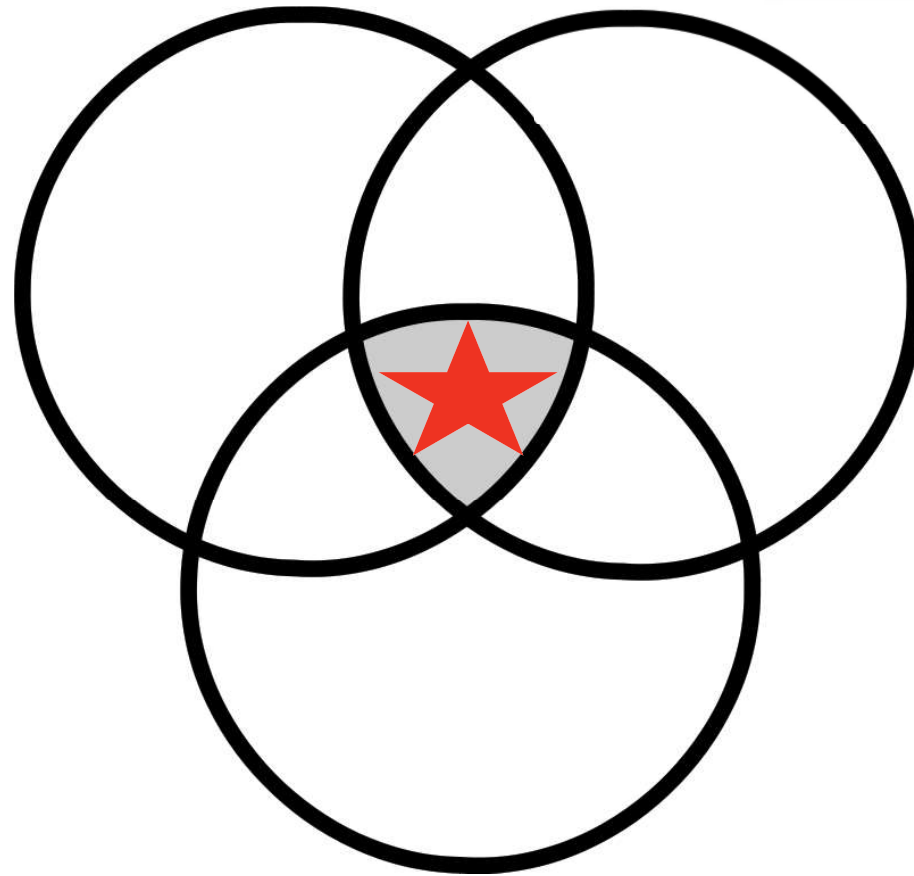
**(real money casino)
gambling**



**(ad-driven digital)
Platforms**



(real money casino)
gambling



ADDICTION BY DESIGN

Machine Gambling in Las Vegas



NATASHA DOW SCHÜLL

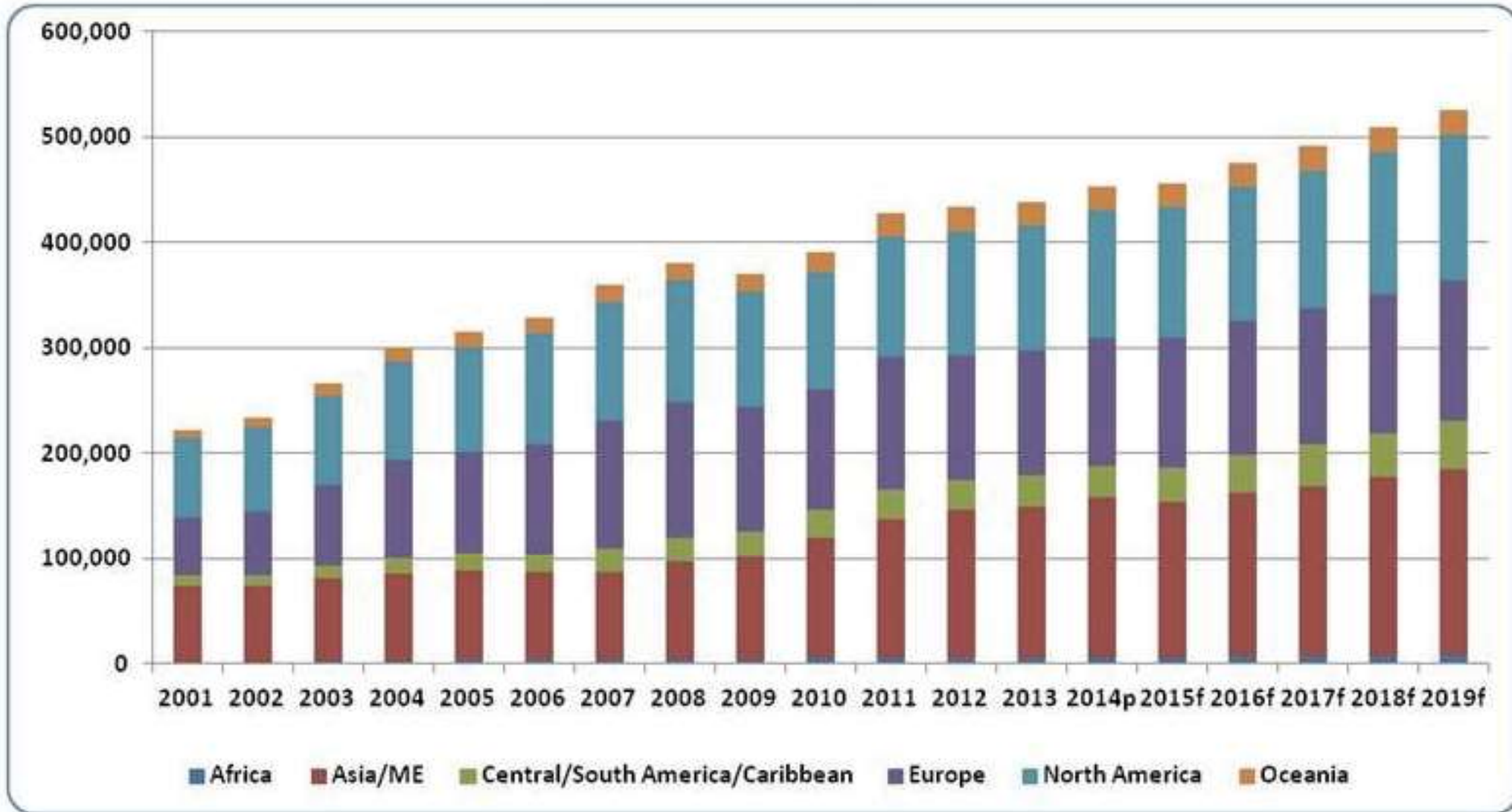


- Shift from table games to slot machines
- “Time-on-device” and “being in the zone”
- The focus on “high-rollers” and “whales”

A close-up photograph of a file folder tab. The tab is made of light brown cardboard and has a white rectangular label with rounded corners. The word "Compliance" is printed on the label in a black, serif font. In the background, other similar file folders are visible, some with labels that are out of focus. One label to the left clearly shows the word "Clients".

Compliance

Global gambling revenue



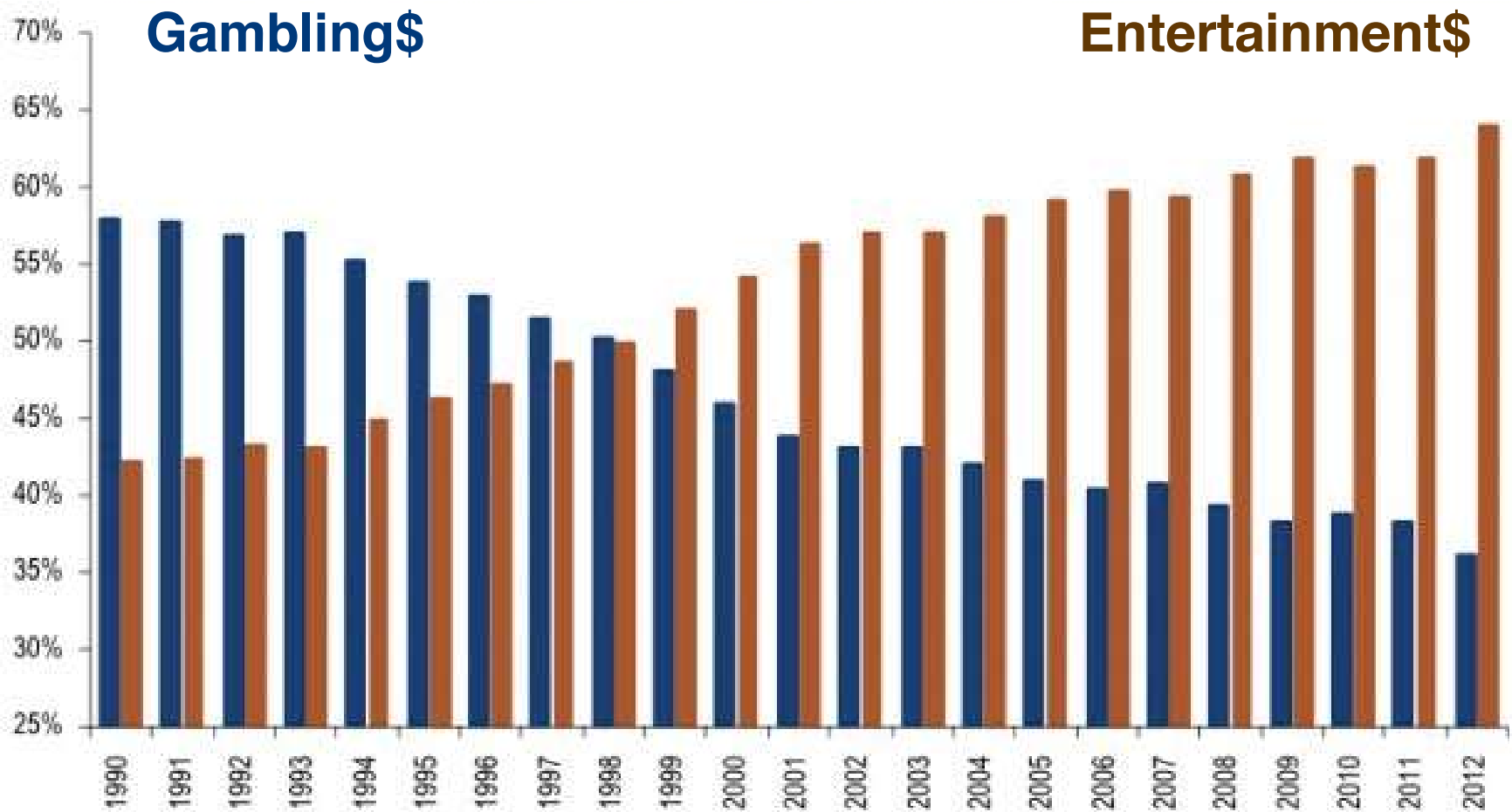
Q: What's the state of the casino industry?

A: “The gambling market hasn't really changed much over the last 50 or 60 years. Slot machines have gotten bigger and brighter and more beautiful, but the core game play is the same, which is why the average slots players are pushing 60. That audience is literally dying out. The slots makers are not pushing any technology to actually bring skill-based gaming onto the floor.”

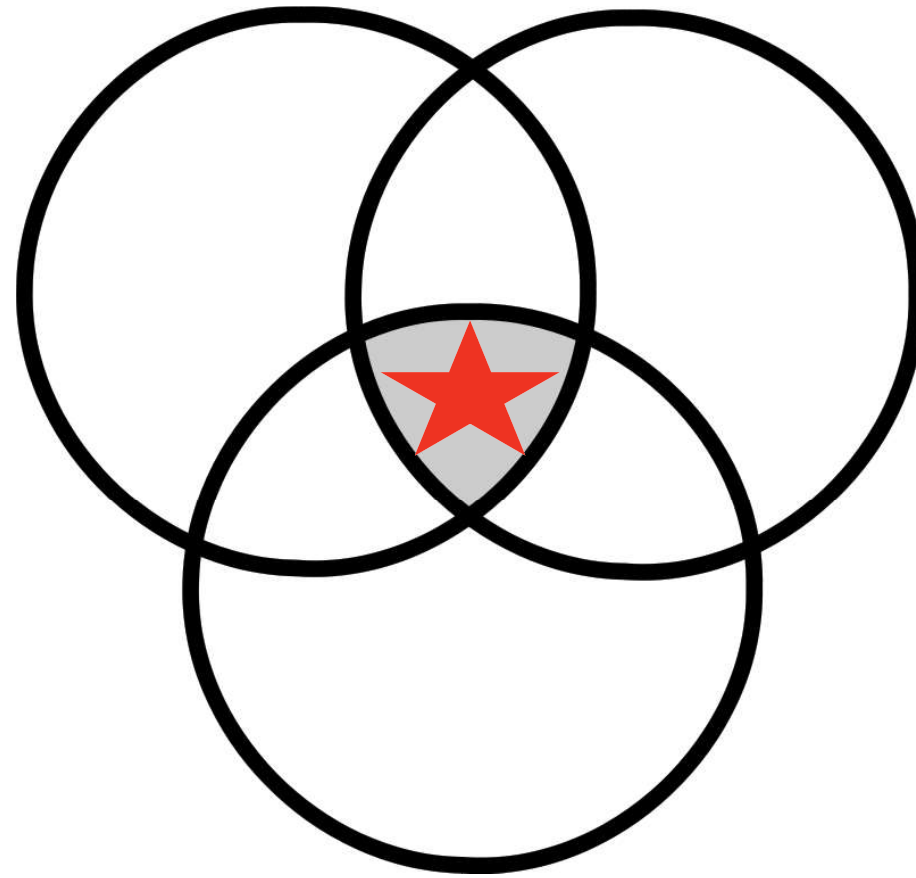
Q: What's preventing growth?

A: “... here's a market that has millions of people coming into each casino every day **who like gambling, who like to play games, but don't like slot machines because they are boring, because you sit there and hit one button over and over again.”**

“Now that Las Vegas set itself successfully up as an **entertainment destination**, they're trying to find ways, okay, how do we get these **younger audiences to monetize and gamble.**”



Las Vegas casino revenue



(ad-driven digital)

Platforms





Engagement = Monetization

"As if to prove his point, Adam Alter has written a truly addictive book about the rise of addiction. *Irresistible* is a fascinating and much needed exploration of one of the most troubling phenomena of modern times."

—MALCOLM GLADWELL

IRRESISTIBLE

THE RISE OF ADDICTIVE
TECHNOLOGY AND THE BUSINESS
OF KEEPING US HOOKED

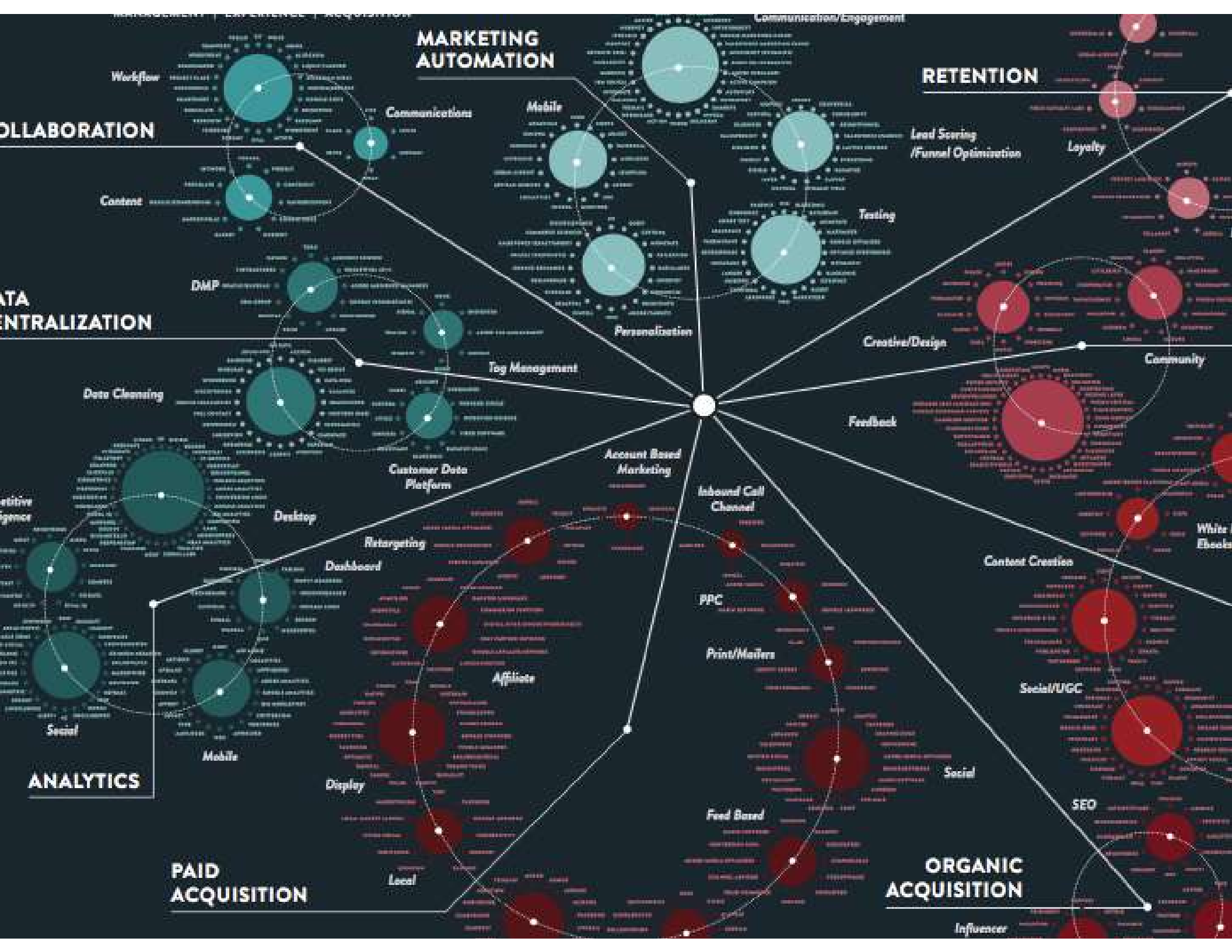


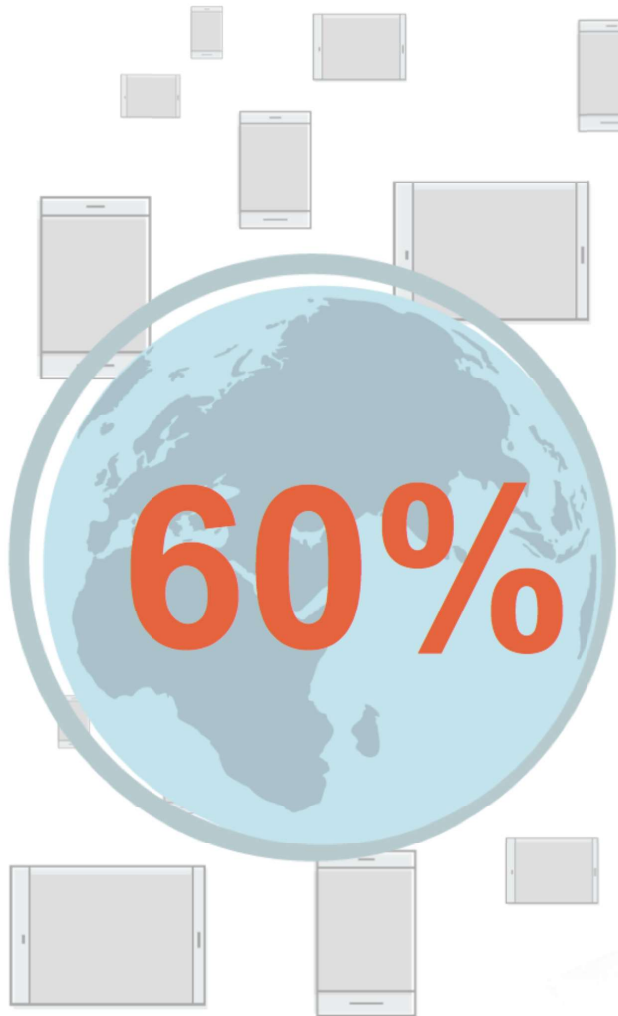
ADAM ALTER

New York Times bestselling author of

DRUNK TANK PINK







FIKSU data includes mobile ID-based profiles of **over 60% of all smartphones and tablets** ever shipped worldwide

Mobile profiles are the basis of Fiksu **Personas**

 Millennials	 Urban dwellers	 Casual gamers	 Pop culture mavens
 Sports enthusiasts	 Travelers	 Frequent mobile shoppers	 Investors
 Music lovers	 Loyal QSR customers	<p>Over 250 personas Average size: 23M • Range: 1M - 50M <i>All continually updated with new users and expanded profiles</i></p>	

UNITED STATES DISTRICT COURT
DISTRICT OF NEW MEXICO

STATE OF NEW MEXICO *EX REL.*
HECTOR BALDERAS, ATTORNEY
GENERAL,

The State,

v.

TINY LAB PRODUCTIONS; TWITTER
INC.; MOPUB, INC.; GOOGLE, INC.;
ADMOB, INC.; AERSERV LLC;
INMOBI PTE LTD.; APPLOVIN
CORPORATION; and
IRONSOURCE USA, INC.

Defendants.

Case No. _____

COMPLAINT

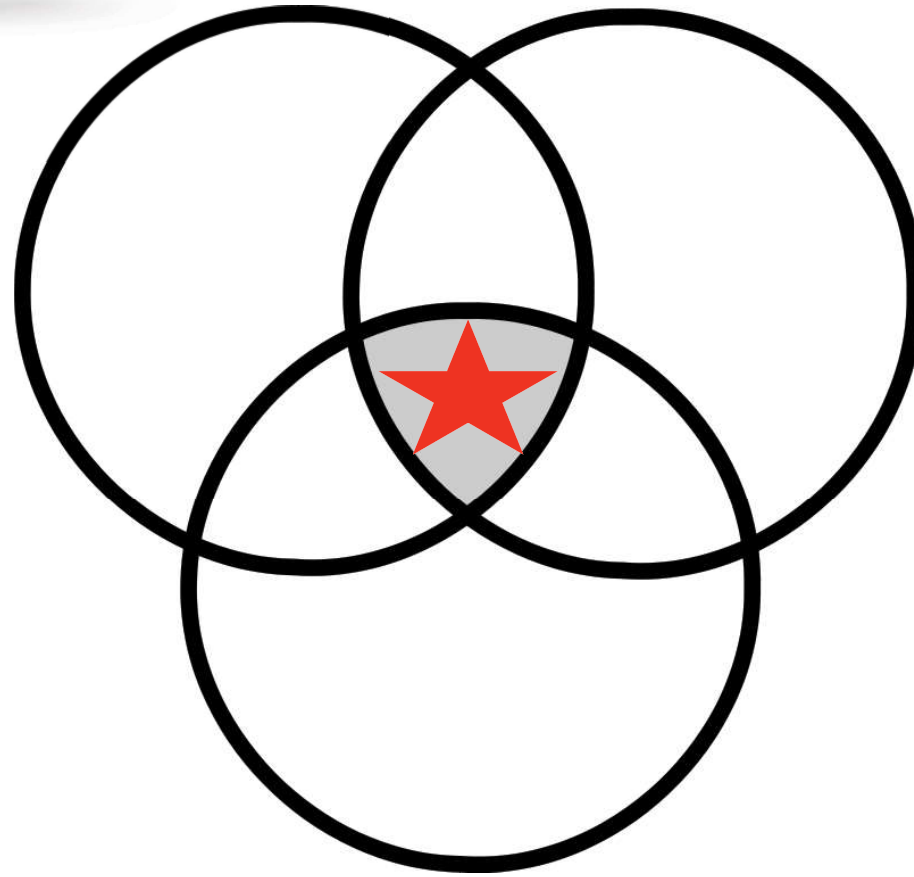
DEMAND FOR JURY TRIAL

COMES NOW, the State of New Mexico, by Attorney General Hector Balderas (“the State”), who brings this Complaint against Defendants Tiny Lab Productions (“Tiny Lab”), Twitter, Inc., MoPub, Inc., Google, Inc., AdMob, Inc., AerServ LLC, InMobi PTE Ltd., AppLovin Corporation, and ironSource USA (collectively “Defendants”), and alleges as follows:

I. INTRODUCTION

1. This action is brought to protect children in the State of New Mexico from Defendants’ surreptitious acquisition of their personal information for the purposes of profiling and targeting them for commercial exploitation.

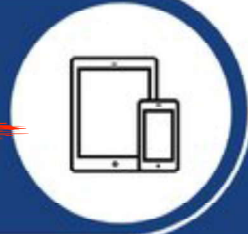
(free-to-play) games



MOBILE

\$70.3Bn

+25.5% YoY



TABLET GAMES



\$13.9Bn

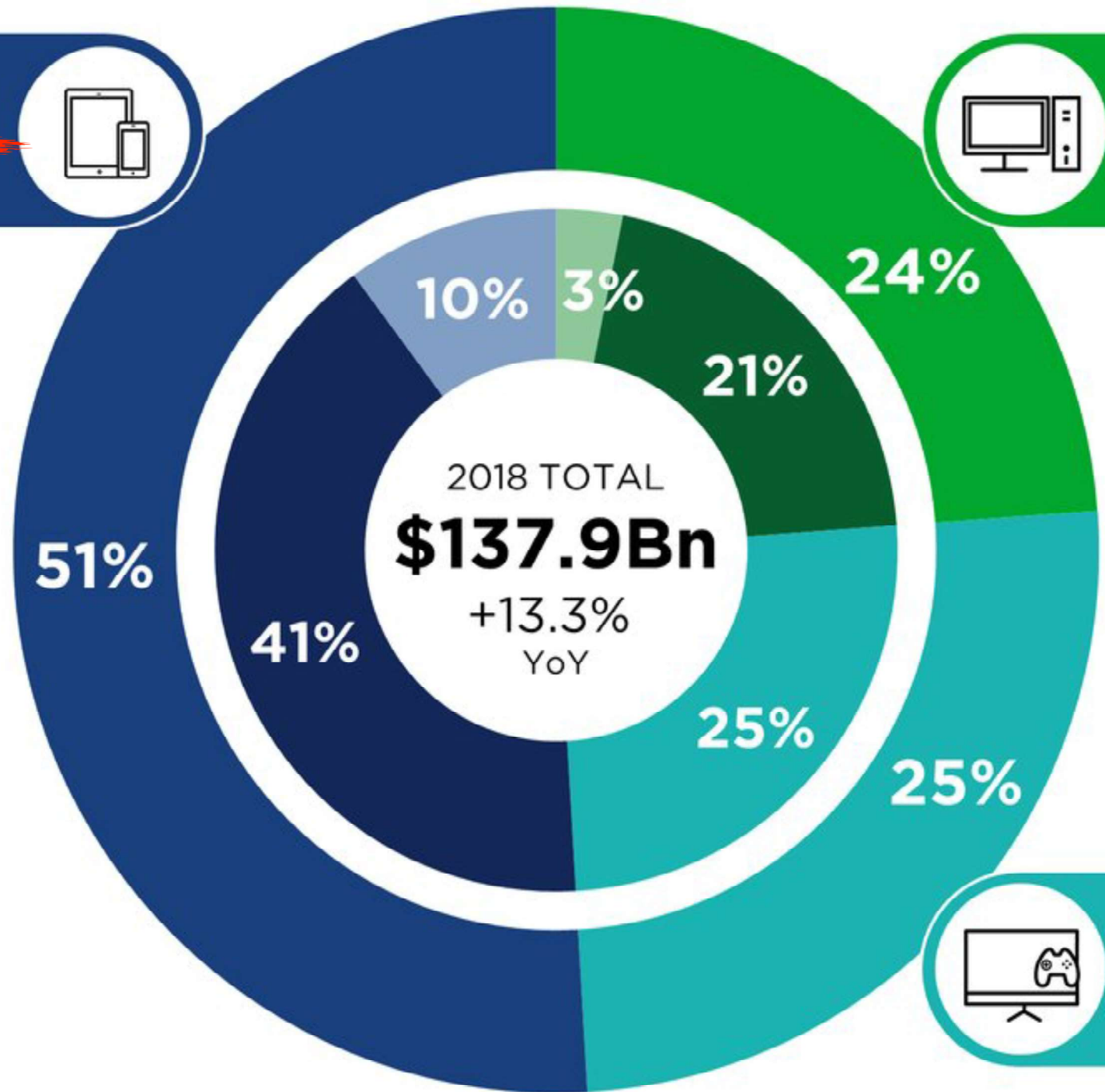
+13.1% YoY

(SMART)PHONE GAMES

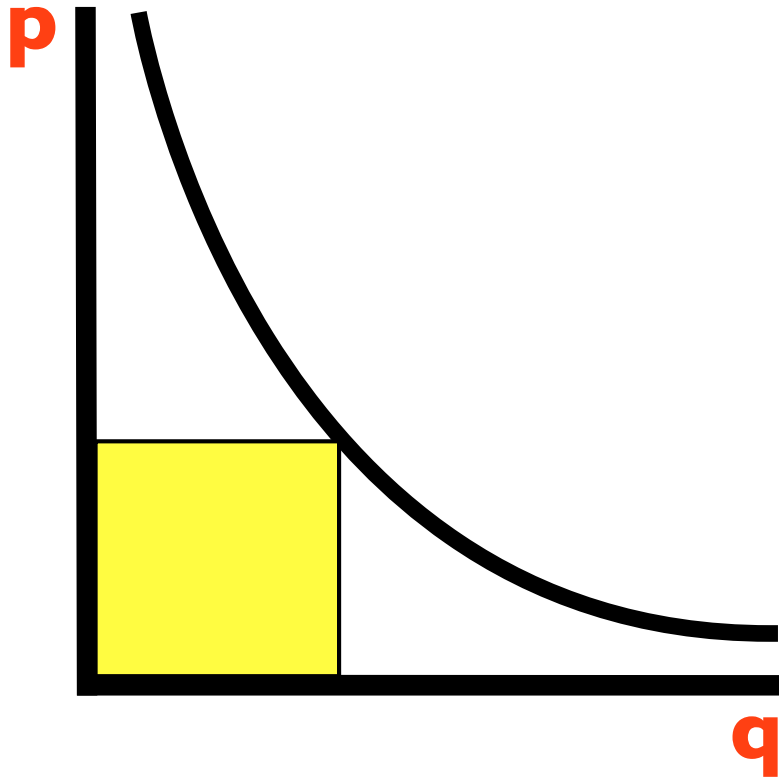


\$56.4Bn

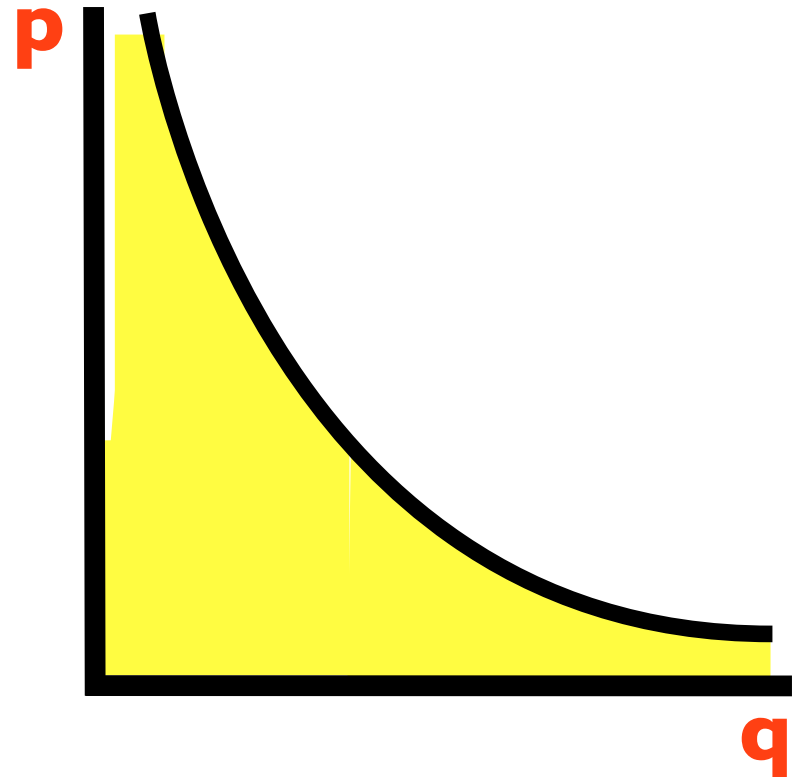
+29.0% YoY



Shift in monetization



Premium



Freemium

Freemium development cycle

- 1. Engagement (“fun”)**
- 2. Retention**
- 3. Monetization**

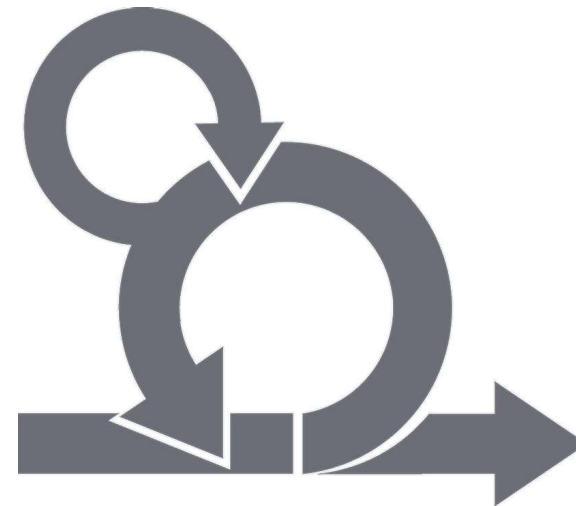
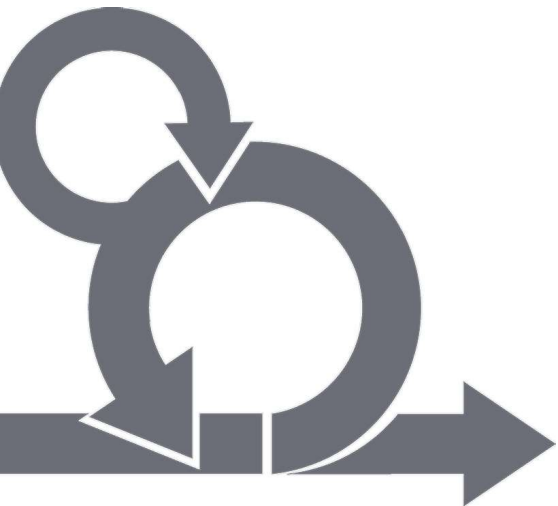


Candy
Crush
SAGA

The logo for Candy Crush Saga features the words "Candy" and "Crush" in a large, bubbly, golden-yellow font with a 3D effect and a dark outline. A red heart is positioned between the two words, nestled within the 'y' of "Candy" and the 'u' of "Crush". To the right of the main text is a white, vertical tag with a red border and a hole at the top. The word "SAGA" is written vertically on the tag in a red, sans-serif font.

Freemium development cycle

1. Engagement (“fun”)





Target: 660

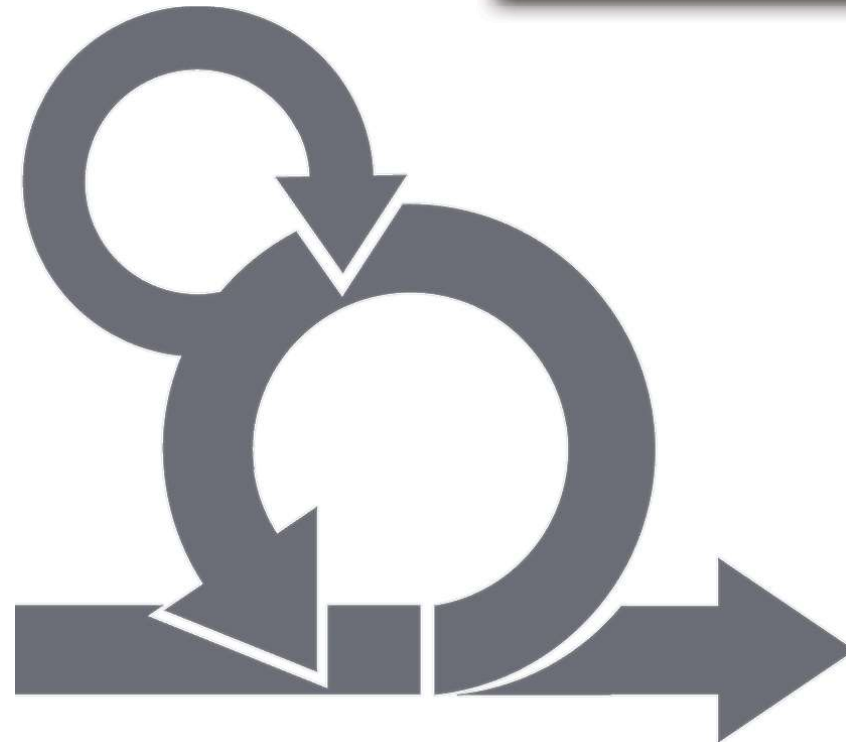
Moves:
6

Score:
0



Reward

(e.g. content, achievements, etc.)

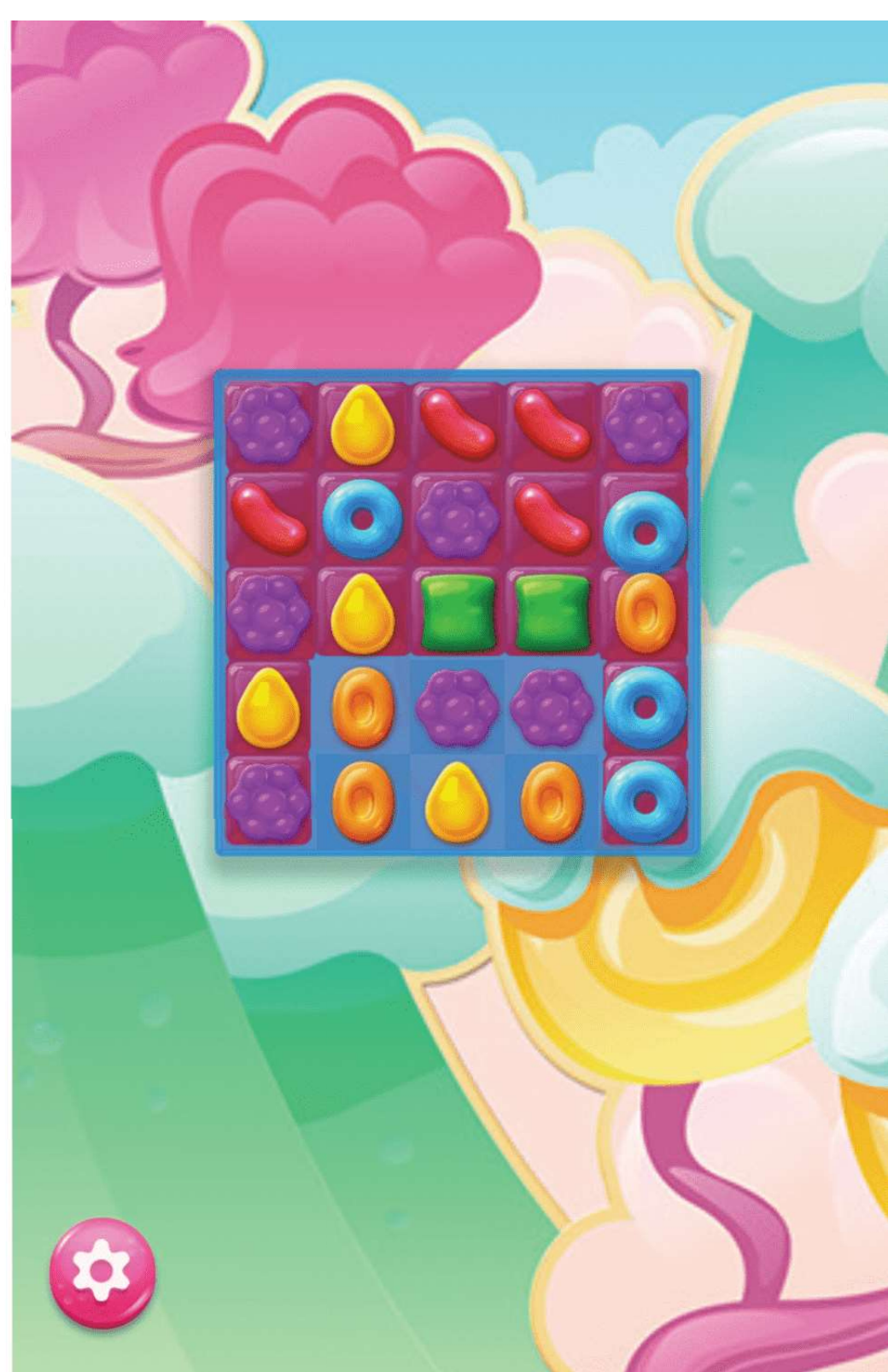


(meaningful)

Information

(System)

Feedback



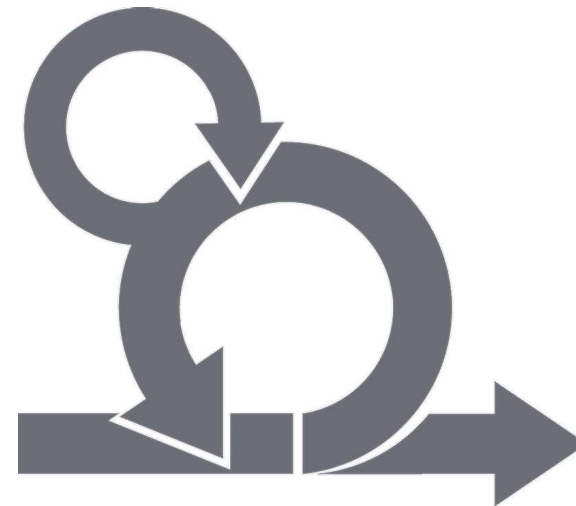
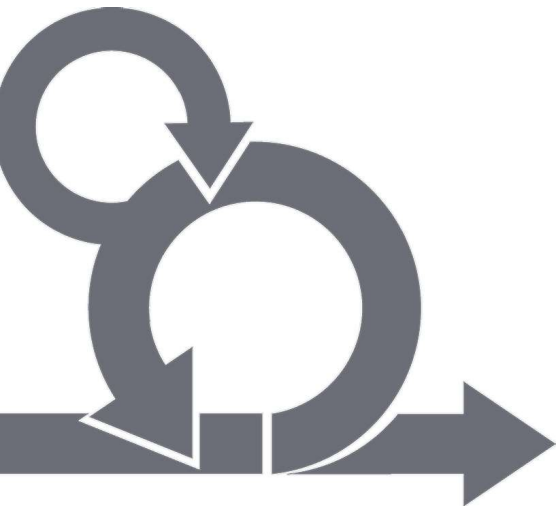
Sweet!

Sweet!

Pasty!

Freemium development cycle

2. Retention





Full



0



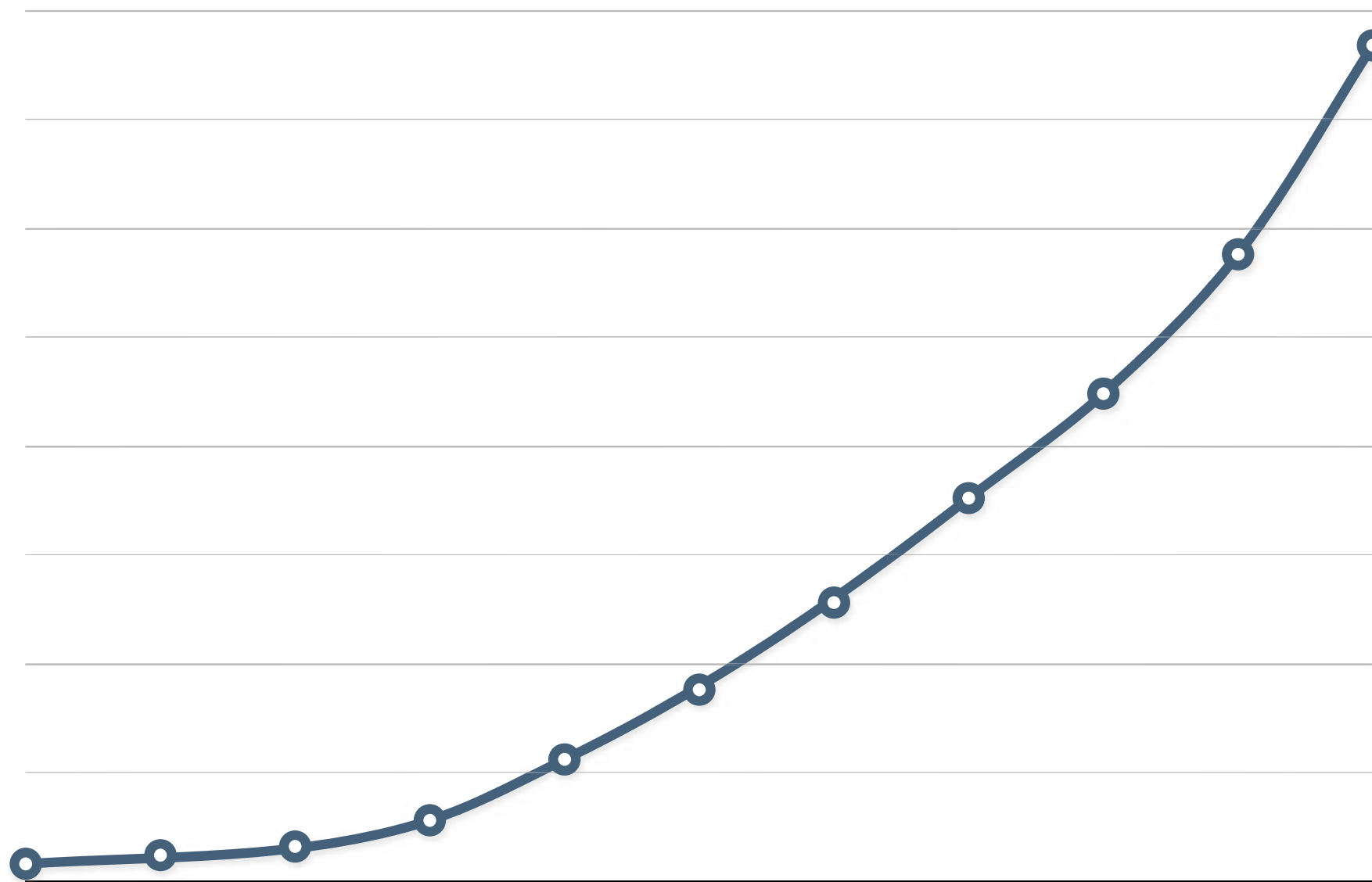
0



Gandy Town



Time



0 10 20 30 40 50 60 70 80 90 100

Level



35%

Limonademeer



Full



0



0

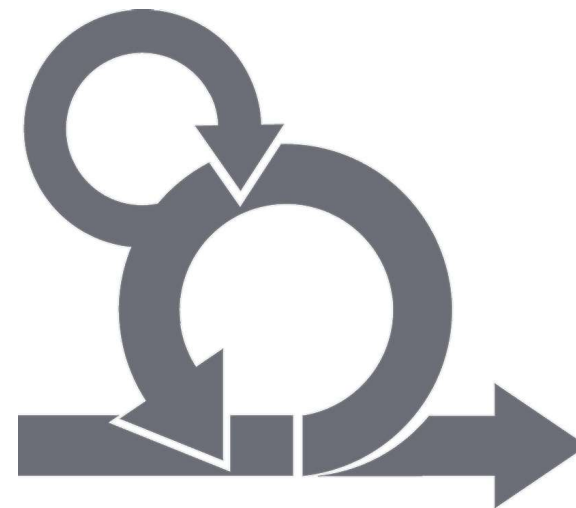
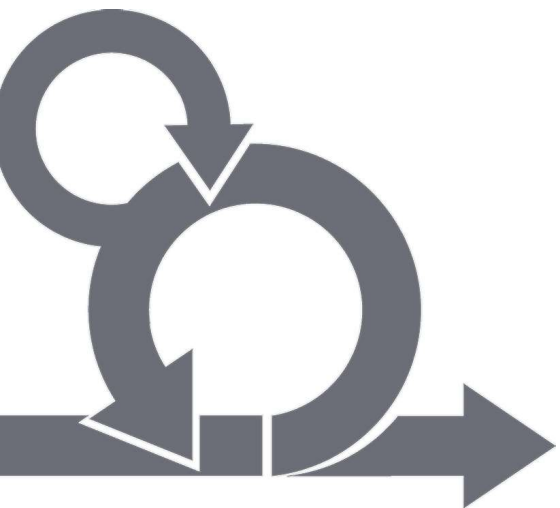


Gandy Town



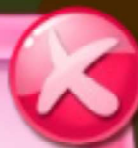
Freemium development cycle

3. Monetization





Candy Bank



10



\$0.99

50



\$4.99

100



\$9.99

150



\$14.99

Delicious Candy Pack



\$6.99

1. Play longer



Full



0



0



Gandy Town



2. Play more



Full



0



0



Gandy Town



3. Play better

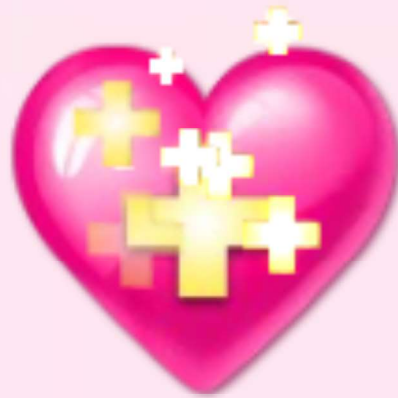




=



Get more lives!



Time to next life:

27 : 57

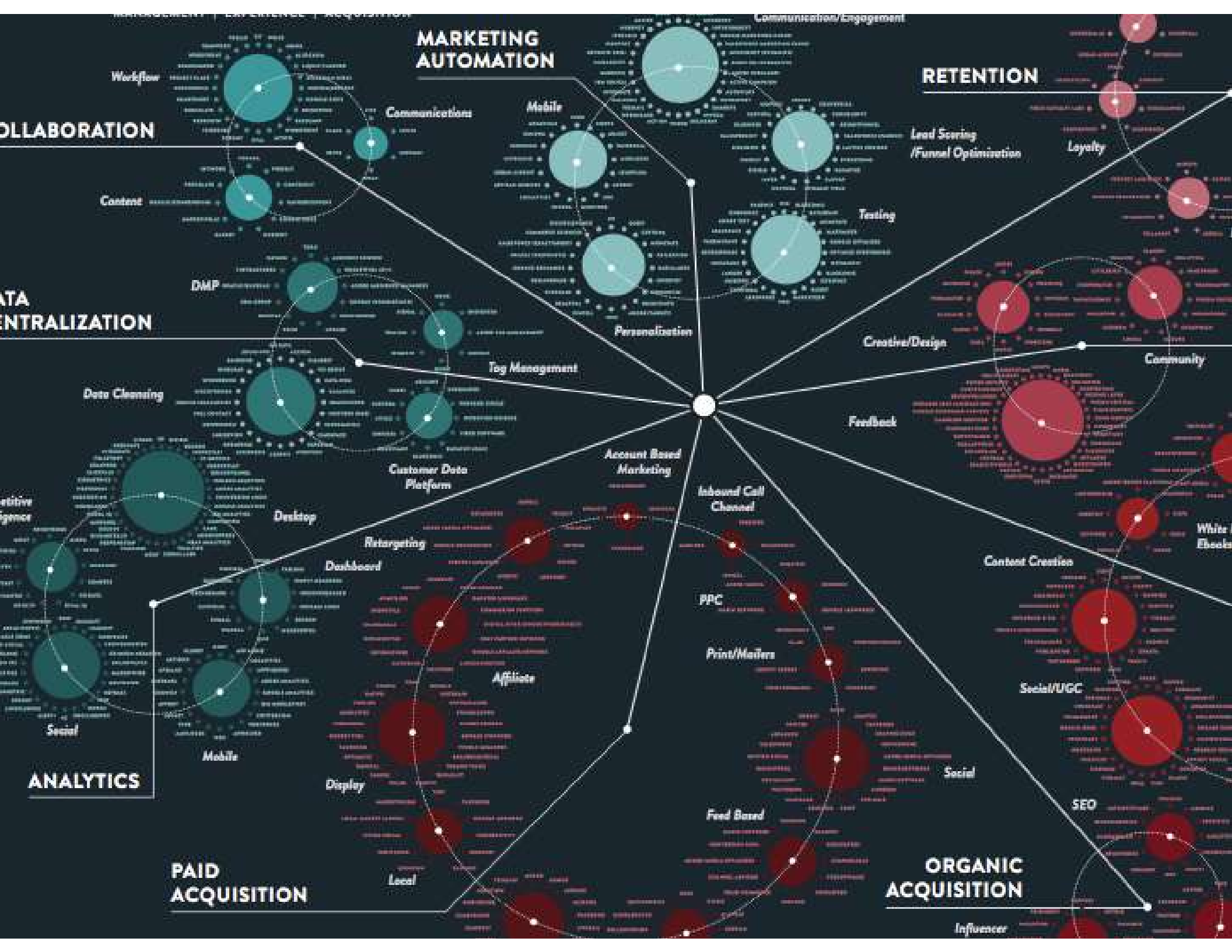
Notifications



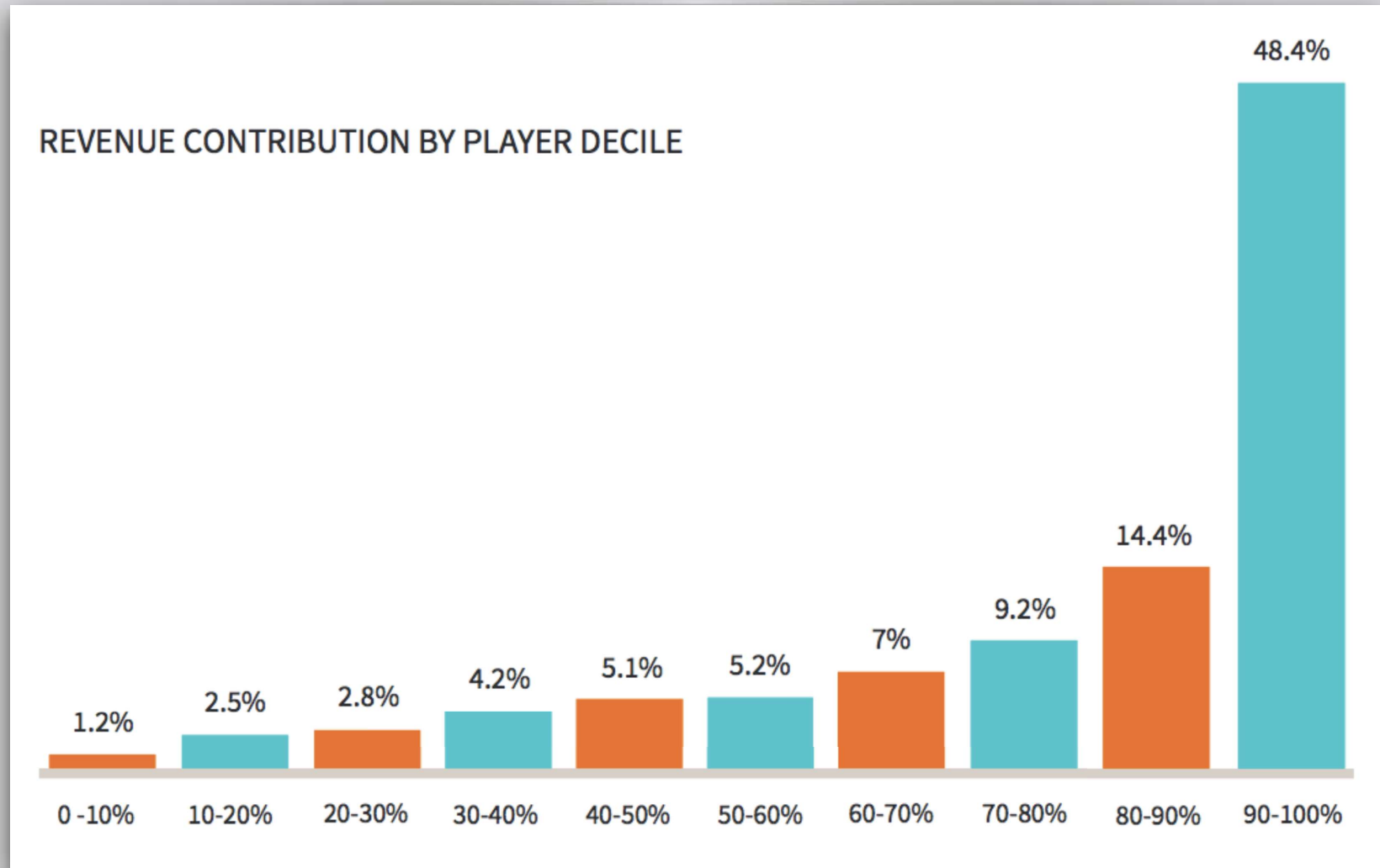
Ask friends

Freemium development cycle





**>48% of all revenues come from
a mere 0.19% of all players**

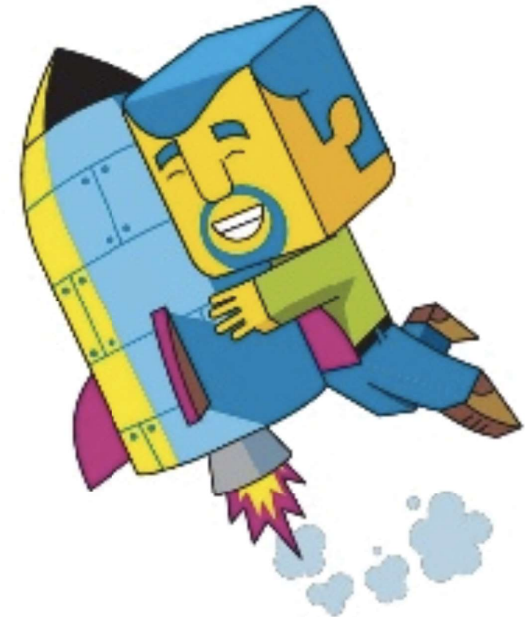


(Swerve, 2016)

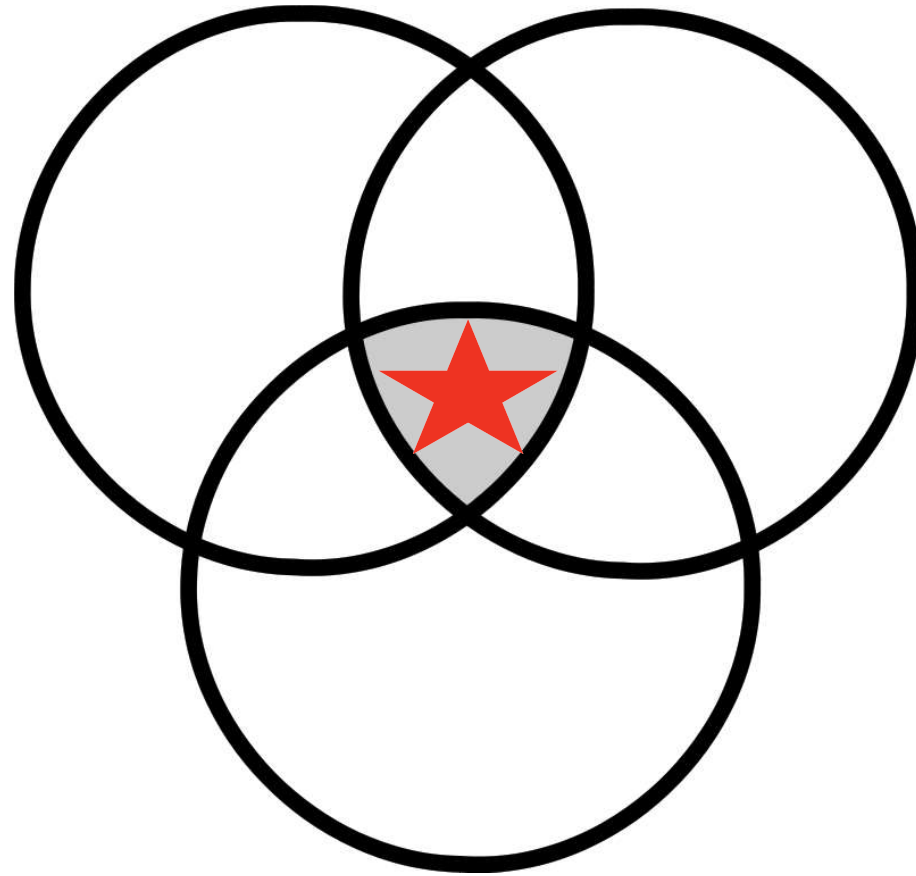
RESEARCH

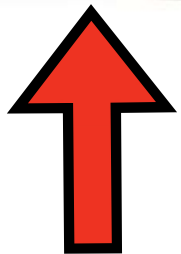


Optimove is a **retention automation platform** powered by predictive micro-segmentation technology. The software **personalizes** every campaign, to **maximize revenues** and customer **lifetime value**.



(social) casino games







12th

24,075,000 PTS

POOL: 8.6 M

0:18:51

SALE



JACKPOT 8,952,000

8

\$ In The Money! \$

GOAL \$15 M



6/50 SPINS



27,800,000



WIN:



625 K



TOTAL BET

MAX BET



0.70%

Research shows that young children who pay for “gambling-like” games on social media are more likely to gamble later in life.

Students That Paid for Social Casino Games ● Students That Did Not Pay for Social Casino Games



Buy Real Money Scratchies



Bet on Horses with Real Money



Pay Money for Card Games



Bet on Real Money Lottery Tickets

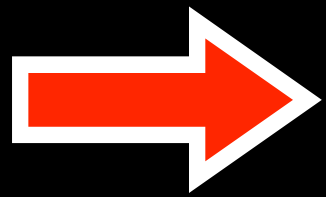


Engage in Bookmaker Bets

King, D. L., et al. (2016). The cost of virtual wins: An examination of gambling-related risks in youth who spend money on social casino games. *Journal of behavioral addictions*, 5(3), 401–409.



“Only the addiction economy could produce a business model that relies on placing a casino in the hands of every child in America with the goal of getting them desperately hooked”



<http://bit.ly/cri-2019>

appstudies.org

platformization.net

gamespace.nl

david.nieborg@utoronto.ca