

From Vice to Virtue – Transforming the Gambling Industry through Social Purpose

Peter ter Weeme, Chief Social Purpose Office and VP, Player Experience, BCLC

We have a reputation issue in the gambling industry.

There is a negative perception of gambling — due to the very real gambling—related harms that do exist—but there is also a positive story to tell about how we offer great entertainment and create exceptional and impactful value for our communities.

So how do we reframe an industry? How might we channel social purpose to transform gambling from a vice to a virtue?

At BCLC, we believe that we can change this negative perception by highlighting the positive work we do as a part of our social purpose. With social purpose at the heart of our company, we believe we can be an exceptional gambling entertainment company that offers products in a safe and responsible manner. It's through social purpose that we invite our players to contribute to the change that we are making towards a better world.

Whether or not your company has a social purpose, we all need public consent to operate and must earn it everyday. To that end, there are three key themes to a purpose-led reputation transformation strategy:

- 1. Create Community
- 2. Behavior Change
- 3. Risk Literacy

THEME 1: CREATE COMMUNITY

During the session, we asked the audience - how do we unite within our community? The top responses were:

- Collaboration
- Conversation
- Education
- Communication

There is so much division in the world right now. However, with this divide, we have also seen the power of possibility when industries have come together to overcome challenges. For example, the oil and gas industry has recently pulled together to promote one aligned and concise message to the public on the benefits of their products.



For the gambling industry, we must broaden our community of influence to co-create solutions that address and reframe the industry's reputation. Collaboration amongst players, operators, regulators, and suppliers is essential to developing a consistent and impactful message.

We must encourage this open communication and collaboration to create a movement behind our industry and mobilize the gambling community to amplify the positive messages and the safe gambling initiatives that we champion.

THEME 2: BEHAVIOUR CHANGE

Social purpose drives the behaviours and daily decision-making of a company's leadership and employees. It ensures decisions and behaviours align with and help to mobilize behaviour change amongst stakeholders.

This is not about sacrificing the fact that we are in business to make money – in fact, it helps to build player trust. When we are honest about who we are as an industry and acknowledge the dark parts of our business, people will understand that authenticity.

In the session, we watched <u>Heineken's</u> ad campaign. A parallel we often see in our work is the line between gambling and alcohol. Like Heineken did, we must acknowledge the shadow of our business. By understanding our dark side and really looking at what our industry means, we can see the people in that space and reduce the stigma associated with our industry. It is about changing attitudes by normalizing gambling experiences, both positive and negative.

The best way to create positive behaviour change in the gambling industry is by rewarding the positive behaviours with added value and benefits. The value becomes the basis for the loyalty and in turn captures new and loyal players into our ecosystem.

Gamification is a useful approach to promote positive behaviours. Gamification connects people through games and experiences. That connection can create changes in behaviour and drives loyalty. It ultimately creates rewards and incentives to build a stronger relationship.

An example of successful gamification is the *Starbucks Rewards* program, which gives tangible rewards to players with an expiry date, so it rewards the players for using their products more frequently. And so, whether it is through gamification or loyalty programs, there are solutions in this model as a way to create behaviour changes.

THEME 3: RISK LITERACY

We are currently living with a lot of risk and uncertainty. We are experiencing the global climate crisis – for example, heat dome, atmospheric rivers, extreme weather events – and this influences our players and employees, but also our operations.



We must begin to evaluate risk and value in a purpose-driven way. There is not just risk in the games we offer, but all throughout our lives. Whether the risk is outside of our control, or through choices we have agency within, risk literacy is informing, understanding risk, and helping people build their risk literacy. By having more loyal players that understand risk, we can create more value in our industry.

During the session, we asked the audience: how do we, as an industry, motivate players to better understand risk? The top responses were as follows:

- Provide tools that help players understand risk
- Create value for players and us around healthy play
- Educate players about safe play programs
- Reward positive behaviours

Call to Action: What is one action you can take today in your role to help transform the perception of gambling from 'vice to virtue'?

To keep driving this important conversation, we would like to invite interested parties to join an informal virtual discussion group on a bi-monthly basis. The hope is to continue to collaborate and discuss ways to reframe the gambling industry's reputation and push the needle towards a positive transformation.

If interested, please email horizonsrg@bclc.com and we will reach out to you with more details.

