

Gambling Administration Guidelines

Authorised Betting Operations Act 2000

Inducements and complimentary gambling products

Effective 23 December 2021

The following guidelines have been published by the Liquor and Gambling Commissioner under section 17 of the *Gambling Administration Act 2019* for the purposes of the Authorised Betting Operations Gambling Code of Practice.

1. Introduction

The Authorised Betting Operations Gambling Code of Practice (code of practice) does not allow gambling providers to offer or advertise certain rewards or benefits that may encourage a person to gamble or to gamble more than they normally would. These rewards or benefits are called “*inducements*”.

These guidelines are intended to provide authorised betting operators with guidance about the offering and advertising of inducements in South Australia in accordance with the requirements of the code of practice.

In addition to any requirements specified in the code of practice, gambling advertising must also be compliant with any other relevant State or Federal laws and industry codes of practice in place.

The Commissioner may by notice in the Government Gazette vary or revoke these guidelines at any time in accordance with section 17(3) of the *Gambling Administration Act 2019*.

2. Overview

Under the *Gambling Administration Act 2019* the Commissioner must, in considering whether a matter is or is not in the public interest for the purpose of a gambling Act, have regard to the need for gambling harm minimisation.

The offering of certain rewards or benefits may cause serious gambling related harm, for example by encouraging a person to gambling beyond their means. These guidelines are intended to inform authorised betting operators of those matters that the Commissioner considers are necessary to prevent and minimise the risk of these harms occurring when offering such rewards or benefits.

The information in these guidelines is provided on the understanding that the Commissioner is not giving legal opinion, interpretation, or other professional advice.

When considering whether an offer or the advertising of an offer by a gambling provider is compliant with the code of practice, the Commissioner will have regard to any relevant information provided in these guidelines. It is not the purpose of these guidelines however to mandate or approve specific offers or forms of advertising by gambling providers, but rather to provide guidance on the types of promotions, benefits or rewards that may be allowed and those that will not be permitted.

It is the responsibility of gambling providers to consider the appropriateness of any type of reward or benefit that is proposed to be promoted or advertised and if necessary, seek independent legal advice on whether the offer may be contrary to the code of practice.

The Commissioner has unqualified discretion to determine at any time that an offer of a reward or benefit is an inducement and prohibit that inducement from being advertised or offered by a gambling provider.

Any matters arising from the regulation of the offering or advertising of inducements not covered by these guidelines will be resolved at the discretion of the Commissioner.

3. Gambling Inducements

- (1) Clause 22 of the code of practice requires that a gambling provider must not offer or provide any inducement directed at encouraging a person to gamble (including an inducement to open a gambling account, or an inducement to not close a gambling account).
- (2) An inducement for this purpose includes any credit, voucher, bonus bet, or reward (however described), that is offered by a gambling provider as an inducement to encourage a person to participate or to participate frequently in any gambling activity. Such inducements are considered by the Commissioner to be separate and distinct from the core gambling product or activity being promoted.
- (3) If a legal bet type has core parts that include an offer, such as paying the best totalisator price, the offer is not considered an inducement.
- (4) If an offer by a gambling provider does not contravene clause 22 of the code of practice and is proposed to be advertised, the advertising of the offer must still comply with the responsible gambling advertising requirements set out in clause 9 of the code of practice.
- (5) Under no circumstances are gambling providers permitted to offer or advertise an inducement to encourage a person to open a gambling account with them, or to encourage a person not to close a gambling account. Interactive wagering service providers may however explain the consequences of closing a gambling account and ask the account holder if they wish to proceed.
- (6) Interactive wagering providers must also not offer or advertise an inducement to encourage a person to consent to or to continue to receive direct marketing.

4. When can inducements be offered

Although the code of practice generally prohibits a gambling provider from offering or providing an inducement, there are a few exceptions where this does not apply. They are—

- (a) the offering or provision of participation in a rewards program (an acceptable loyalty program);
- (b) the offering or provision of participation in an acceptable trade promotion lottery, by drawing attention to the prizes;
- (c) the offering or provision of a complimentary gambling product, however in respect of an interactive wagering service provider, only if the winnings from a bet made with a complimentary gambling product can be withdrawn by an account holder without being subject to a requirement that the account holder continue to bet with those winnings;
- (d) the offering or provision in a gambling area of complimentary non-alcoholic beverages and refreshments of nominal value; or
- (e) in respect of a pre-commitment trial approved by the Commissioner, subject to the terms of the approval.

5. When can inducements be advertised

The code of practice only allows for the advertising of permitted inducements and complimentary gambling products (see *clause 4 above*), subject to the following requirements—

Acceptable loyalty programs

- (1) An acceptable loyalty program is a structured program that is approved by the Commissioner in terms of its rules, conditions, promotions, predictive monitoring processes and the manner in which it is to be advertised and promoted (see *clause 23 of the code of practice for more details*).
- (2) A gambling provider may advertise an inducement for participation in an acceptable loyalty program, however the **primary purpose** of the advertisement must be to draw attention to—
 - (a) the name of the loyalty program;
 - (b) its availability to customers; and
 - (c) the benefits of being a member of the program.
- (3) Customers must also be directed to the program's full terms and conditions that are published on a public website, or in a document available in or near a gambling area.

Acceptable trade promotion lotteries

- (4) An acceptable trade promotion lottery is a licensed lottery or a permitted lottery under the *Lotteries Act 2019*. Its **dominant purpose** is to reward or retain existing customers and not to attract new customers.
- (5) Entry must be free, but customers may have to buy goods or services which are the subject of the promotion. Winners must be determined by lot, draw or chance.
- (6) The Commissioner must approve the lottery in terms of its rules, conditions, and the manner in which it will be advertised.
- (7) The permissible advertising of an acceptable trade promotion lottery is restricted to advertising direct to existing account holders—
 - (a) on a private webpage maintained by the gambling provider;
 - (b) by direct communication to customers that have expressly agreed to receiving advertising; and
 - (c) within gambling areas.
- (8) Advertisements for participation in an acceptable trade promotion, that includes an inducement, are permitted to be advertised on platforms which provide predominantly thoroughbred horse, harness or greyhound racing content and the advertisement has been published or communicated on the part of the platform that exclusively contains racing-related content, provided the advertisement draws attention to the prizes and complies with the requirements in the code of practice for acceptable trade promotion lotteries (see *clause 25 of the code of practice for more details*).
- (9) An acceptable trade promotion lottery—
 - (a) must not be advertised to the wider community or used as an inducement to attract new customers; and
 - (b) must not encourage people to gamble for a minimum period or for a minimum amount to qualify for a reward or benefit.
- (10) If the Commissioner forms the view that the proposed advertising renders the trade promotion unacceptable because the dominant purpose of rewarding or retaining existing customers is not satisfied, but rather is to attract new patronage, the approval of the promotion as an acceptable trade promotion will be refused.

Complimentary gambling products

- (11) A complimentary gambling product is an inducement that may be advertised as long as it is provided free of charge to reward an existing customer as a courtesy for their patronage.
- (12) Complimentary gambling products must not be offered to encourage a person to open a gambling account or to not close a gambling account.
- (13) The offer or advertising of a complimentary gambling product must genuinely be to reward existing customers. If a complimentary gambling product requires a person to deposit an amount of money into an account, or if the offer is not genuinely complimentary these will not be permitted.
- (14) Offering or advertising complimentary gambling products that are excessive or disproportionate to the amount being wagered are likely to be considered inducement, rather than genuine complimentary gambling products and therefore, if offered, would likely contravene the code of practice.

Bonus bets

- (15) Depending on the terms of the offer, bonus bets may be accepted as an offer of a genuine complimentary gambling product, provided the offer is to reward existing customers.
- (16) To be considered a genuine complimentary gambling product, bonus bet offers must not—
 - (a) be excessive or disproportionate to the amount wagered; or
 - (b) encourage a person to gamble more or for longer than they otherwise would.
- (17) Bonus bets offered as complimentary gambling products by interactive gambling providers may only be offered if the winnings from a bet made with the complimentary gambling product can be withdrawn by an account holder without being subject to a requirement that the account holder continue to bet with those winnings.
- (18) Bonus bets in the form of a genuine complimentary gambling product are only permitted to be advertised on platforms which provides predominantly thoroughbred horse, harness or greyhound racing (that is dedicated racing television channels, websites, written publications or radio stations and within the boundaries of racetracks and must be published or communicated on the part of the platform that exclusively contains racing-related content).
- (19) A complimentary gambling product in the form of a bonus bet offer may not be advertised if it exceeds \$100.

Racing platform advertising

- (20) The Commissioner accepts that people who watch racing content broadcast on racing channels and purchase publications about racing tend to be people already engaged in gambling or be existing customers of gambling providers.
- (21) The code of practice allows for the permissible advertising of inducements if—
 - (a) the advertised inducement is only available for a bet placed on a racing event and not a bet placed on any other sport or fixture; and
 - (b) the advertisement has been published or communicated on a platform which provides predominantly thoroughbred horse, harness or greyhound racing (that is, dedicated racing television channels, websites, written publications or radio stations and within the boundaries of racetracks); and
 - (c) the advertisement has been published or communicated on the part of the platform that exclusively contains racing-relating content.
- (22) Some dedicated racing channels may broadcast sport or other programs when racing content is not available, however inducements may not be advertised during these programs.

6. Gambling advertising

- (1) It is the responsibility of the gambling provider to ensure that their gambling advertising complies with the relevant provisions of the code of practice.
- (2) When considering whether the advertising of an offer by a gambling provider is an inducement, the Commissioner will have regard to—
 - (a) whether the advertisement includes an offer that might encourage a person to engage in gambling behaviour, or encourage a person to gamble more than they otherwise would;
 - (b) whether the advertisement includes an offer that might encourage a person to gamble for longer or more frequently;
 - (c) whether the advertisement includes an offer that might encourage a person to gamble in a certain manner or during certain times;
 - (d) whether the advertisement includes an offer that might encourage a person to bet an amount more than they otherwise would;
 - (e) whether the advertisement includes an offer that is excessive or disproportionate to the amount to be wagered; and
 - (f) whether the advertisement includes an offer that might suggest new customers receive benefits that existing customers do not.

Advertising of offers that are not available to SA residents

- (3) The code of practice restricts the advertising of offers in South Australia that include a disclaimer that the offer is not available to South Australian residents.
- (4) Gambling providers must, to the greatest extent practicable not advertise offers in South Australia that are not available to South Australian residents, if they can control or it is reasonable to expect that directions could be given that the offer is not to be advertised or communicated in South Australia.
- (5) *For example—*

If the advertisement appears in a local South Australian newspaper, it would be expected that the gambling provider is likely to have control over the placement of the advertisement and can avoid it being published in that newspaper.

However, if the advertisement is to appear during a nationally televised broadcast that cannot be separated, then the gambling provider will not be in breach of the code of practice if the advertisement appears and includes a disclaimer that the offer is not available to South Australian residents.

7. Direct communication with customers

- (1) Gambling providers will not be regarded as advertising when communicating directly with customers—
 - (a) who have expressly agreed to receiving advertising material;
 - (b) on a private webpage maintained by the gambling provider, where access is controlled by the use of a secure login;
 - (c) or by drawing attention to printed point of sale material in gambling areas.
- (2) For a person to expressly consent to receiving advertising material, they must '**opt-in**' rather than '**opting-out**' to receiving marketing material.
- (3) Additionally, interactive wagering service providers must not provide any credit, voucher or reward or other benefit to encourage a person to consent or to continue to receive direct marketing.

- (4) Interactive wagering service providers must—
- (a) ensure that a person can unsubscribe easily to receiving advertising and are not sent direct marketing after 5 business days from unsubscribing; and
 - (b) not provide any inducement to encourage a person to consent to or to continue to receive direct marketing.

8. Examples

Example 1

The code of practice prohibits the offering or advertising of inducements that encourages a person to open a gambling account, or to not close a gambling account. For example, the following types of offers are not permitted:

- *“Place your first bet and get \$250 in bonus bets”*
- *“Double your winnings for the first 6 months if you join now”*
- *“Join now and receive \$100 in bonus bets”*
- *“Open an account this month and go into the draw to win a prize”*
- *“Stay with us a bit longer and receive \$50 in bonus bets”*
- *“Refer a friend, and you’ll receive \$100 in bonus bets”.*

Example 2

The following is an example of an acceptable trade promotion lottery that may be advertised to existing customers:

- *“Place any bet this month and go into the draw to win a prize”*

The following is an example of an offer that will not be permitted:

- *“Place a bet of \$10 or more this week and for every bet you make enter our draw to win a prize”.*

Example 3

Complimentary gambling products that are given free of charge to customers, as a courtesy for their patronage, could include offers such as:

- *“Cashback for running 2nd or 3rd” up to \$25*
- *“Double your winnings up to \$25”*
- *“Winnings paid if leading at half time”*
- *“enhanced odds” or “increased odds”.*

Example 4

The following examples are likely to be considered inducements and will not be permitted to be advertised:

- *offers that require customers to deposit money into their account to receive rewards or bonus bets for example (“Deposit \$10 cash and get \$50 bonus bets”)*
- *offers that include bonus bets of more than \$100 (for example “Take up \$300 bonus bet offer”)*
- *offers that are disproportionate to the amount of bet (for example “Bet \$5 and receive \$50 bonus bet offer”)*
- *offers that encourage customers to gamble more frequently (for example “Bet with us every day for the next month and receive enhanced odds”).*

9. References

[Gambling Administration Act 2019](#)

[Authorised Betting Operations Act 2000](#)

[National Consumer Protection Framework for Online Gambling](#)

10. Revision History

Version	Changes	Release Date
1	Original document	23 December 2021

End of Gambling Administration Guidelines