

Svenska Spel and ATG sacrifice consumer protection

Tighten the conditions for licensed gambling companies even further, demand gambling company CEOs Anna Johnson and Hasse Lord Skarplöth, Svenska Spel and ATG respectively, on SvD Debatt. Today, all forms of programs for loyal gambling customers are already prohibited in the Gaming Act. Johnson and Lord Skarplöth want this ban to now be extended to the currently permitted bonuses for new gambling customers. All in the name of protecting the gambling consumer.

Their reasoning may seem logical to someone who is not more deeply familiar with the conditions in the gambling market. What the reasoning, however, completely ignores is the elephant in the room when it comes to consumer protection in the Swedish gambling market: that consumers are increasingly abandoning licensed gambling companies in favour of companies that operate outside the regulated gambling market. According to a recent study by ATG, one of the signatories of the op-ed, the share of unlicensed online casino gambling can now account for just over 40 percent of turnover. In the unlicensed gambling market, the absence of consumer protection is total. The Swedish state receives zero kronor in gambling tax there and zero kronor in profit from its own state-owned gambling operations.

In the name of good consumer protection, the 40 percent lost to the unlicensed gambling market outweighs the 60 percent who still play licensed. This is because most high-volume gamblers are found among the 40 percent. High-volume gamblers are not synonymous with problem gamblers, but it is among these 40 percent that Swedish consumer protection needs to reach. Which it does not do today.

We believe that everyone agrees and is concerned that gambling among young people under the age of 18 is a growing problem, but to claim that this is due to the welcome bonuses that are currently offered to adult players, without mentioning how today's young people learn to play for money through so-called skins and loot boxes in their favourite games, is not serious. Especially since data from our neighbouring country Denmark clearly points to the latter as the main reason for the increase in youth problem gambling there.

A high proportion of legally licensed gambling is achieved through striking a balance between consumer protection and gambling pleasure. The gambling consumers must themselves want to be in the licensed gambling market. If this is not achieved, the entire system will collapse.

The gambling authority Spelinspektionen has asked gambling consumers why they prefer to play unlicensed in Sweden to such a large extent. Among the main explanations is always the absence of loyalty programs for existing customers. Now Johnson and Lord Skarplöth also want to remove the possibility of giving a bonus to a new gambling customer. If they get their way, we probably haven't seen the bottom yet in how low the proportion of legally licensed gambling can fall. As a reference, the Netherlands can be mentioned, whose gambling authority KSA recently announced that

the proportion of illegal gambling now accounts for more than half of their gambling market.

So why are Svenska Spel and ATG acting in this way? Well, because even in a shrinking legal gambling market, there are market shares to defend. Both of these gambling companies, which emerged from the Swedish gambling monopoly, took significant market shares with them from the start when the Swedish gambling market was reregulated in 2019. The fact that their competitors, who in many cases start with zero customers on their data base, are prohibited from offering a bonus when a new customer is recruited is of course tempting for the old monopolists.

But they bite their own tail. Because with demands for further restrictions on the legal licensed gambling market, they can only defend their market share in an increasingly shrinking license market.

This is sad to see, because the Swedish gems ATG and Svenska Spel, where in the latter case all Swedes are part-owners of the company, could instead have shown leadership in defending a sustainable gambling license market. These two companies could have brought together the gambling market, or at least the members of their own trade association, for some common good. However, they ignore this and run solo games for short-term benefit for themselves, but not for Sweden and above all not for consumer protection in the gambling market.

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