

Submission on Restricting Athlete and Celebrity Participation in Advertising for Internet Gaming

May 2023

Context

The Canadian Marketing Association (CMA) is pleased to respond to the Alcohol and Gaming Commission of Ontario's consultation on restricting athlete and celebrity participation in advertising for internet gaming.

Our membership comprises private, not-for-profit, public, and post-secondary organizations representing virtually all business sectors, and all marketing disciplines, channels and technologies. We help our members maintain high standards of professional conduct through our Canadian Marketing Code of Ethics & Standards, our series of compliance and best practices guides, and training and professional development offerings. In addition, we provide resources to educate consumers about their rights and obligations, and we respond to inquiries and work to resolve complaints from consumers.

The CMA and its members recognize that maintaining high standards of practice is a fundamental responsibility to the public and the foundation for a successful and strong Canadian business community. iGaming has characteristics that underscore the importance of high standards and a compliance-first approach. Public confidence in the integrity of iGaming is critical to its long-term success.

Marketers in the regulated market have taken a measured approach, reflecting their commitment to high standards in support of responsible gambling. Overall, public concern has been nominal on this issue.

It is important for Ontario's competitive framework for iGaming in Ontario to reflect:

- A measured regulation of activities that are fair and consistent across the industry, not an outright ban; and
- A responsible gambling approach that presents iGaming for entertainment purposes to ensure that existing and potential consumers make informed choices.

We offer the following comments on the questions contained in the consultation paper.

1. What feedback do you have on the draft amendments to the Registrar's Standards for Internet Gaming?

- Clarity is needed on the factors used to determine whether an individual appeals to minors, along with a description of who would judge what is "reasonably expected to appeal to minors" and how the process would work. What criteria will be used to ensure consistency across the industry? For example, one criterion might be to avoid any person whose follower audience skews primarily to minors at the time the campaign is launched.
- Businesses need to understand where the boundaries are to operationalize and comply. Specificity and alignment on what constitute an athlete and social influencer is vital to support compliance. The rules should differentiate between the use of athletes who are still actively engaged in their sport and those who are retired.
- The use of celebrities and athletes for the purpose of responsible gambling messaging to support efforts that address social impacts of gambling should be permitted.

2. Are there additional implementation considerations the AGCO should be aware of related to the proposed standard amendments?

• Consideration should be given to grandfathering existing contracts until they come up for renewal, based on principles of fairness and notice.

- 3. Is there anything else you would like to highlight for the AGCO to consider when developing a regulatory response for this issue? Are there other concerns, factors, data, or comments you wish to share related to this matter?
 - Ontario businesses have established robust safeguards and measures to create user accounts in the regulated market that go a long way to avoiding issues experienced in other jurisdictions.
 - Activities by unregistered operators are a real threat to a safe and strong regulated market. Strong efforts
 must be made to bring grey market operators into the regulated market. Swift and firm action should be
 taken against those operating illegally to help distinguish regulated and unregulated market players in the
 eyes of consumers. When action is taken, transparency and visibility would support education and
 awareness about the benefits that the regulated iGaming market provides to consumers.
 - The cross-over media market with the United States brings its own sets of considerations. For example, when a broadcaster plugs into US feeds, digital and onsite advertising that is beyond the broadcaster's control might appear on air. The proposed restrictions could potentially have unintended consequences that disadvantage Canadian companies, so potential impacts must be carefully considered.

In closing

To support compliance, the CMA would welcome the opportunity to work with the Commission to ensure that guidance and resources are both effective and practical.

For questions or to discuss our submission, contact:

Sara Clodman

Vice-President, Public Affairs and Thought Leadership sclodman@thecma.ca

Florentina Stancu-Soare Director, Public Affairs and Regulatory Standards <u>fstancu-soare@thecma.ca</u>

About the CMA

The CMA's purpose is to embolden Canadian marketers to make a powerful impact on business in Canada. We provide opportunities for our members from coast to coast to develop professionally, to contribute to marketing thought leadership, to build strong networks, and to strengthen the regulatory climate for business success. Our Chartered Marketer (CM) designation signifies that recipients are highly qualified and up to date with best practices, as reflected in the Canadian Marketing Code of Ethics and Standards. We represent virtually all of Canada's major business sectors, and all marketing disciplines, channels and technologies. Our Consumer Centre helps Canadians better understand their rights and obligations. For more information, visit thecma.ca.