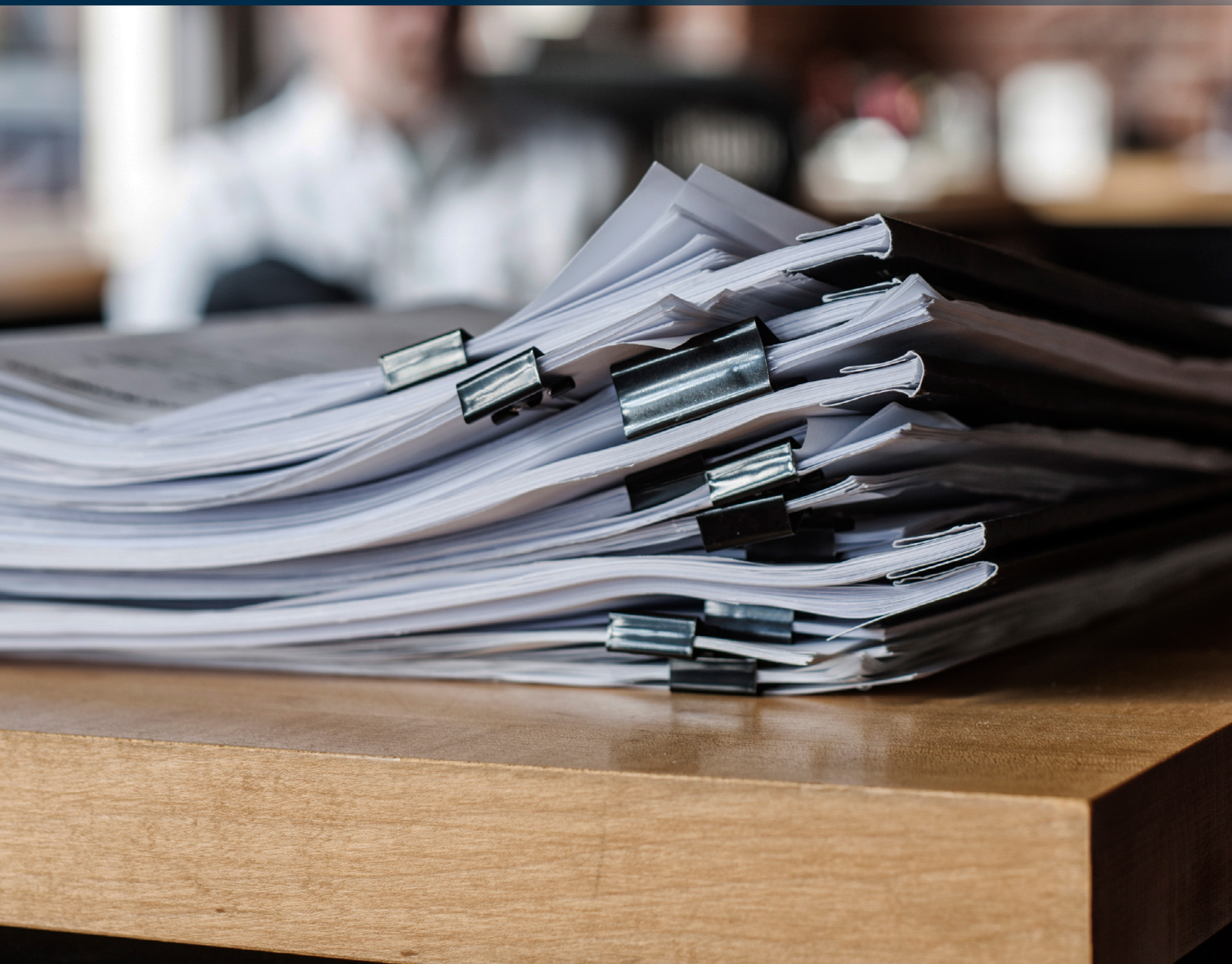
ANNUAL GAMBLING ADVERTISING AND SPONSORSHIP REPORT

MAY 2025



A REPORT FOR THE BGC
BY ALVAREZ & MARSAL

EXECUTIVE SUMMARY

This report sets out advertising and sponsorship data for GB-regulated betting and gaming operators and the economic contribution this makes to the UK. This is based on raw BGC member advertising data.

The report covers the advertising- and sponsorship-related regulatory requirements for operators and the additional social responsibility measures that operators implement voluntarily.

It concludes with a discussion of emerging trends in the industry. These include emerging threats, such as the techniques used by unlicensed operators targeting the GB market to advertise illegally.

Here, we summarise our findings across each of these areas.

Notice:

This standalone document summarises a detailed report constructed by Alvarez and Marsal Corporate Transformation Services LLP.

It should only be considered in conjunction with the detail set out in that report.

1

ADVERTISING AND SPONSORSHIP DATA

Key findings:

1 **£1.15 billion was spent on gambling advertising by Great Britain-licensed operators in the period from October 2023 to September 2024 (the "relevant period").**

Of this, £341 million (29.6%) was spent on broadcast advertising and £768 million (66.8%) was spent on digital advertising.

2 **Gambling advertising accounted for 2.7% of spend in the total GB advertising market in 2024.**

This was a reduction from 3.0% in the previous year.

3 **A further £138 million in the relevant period was spent on sponsorship by betting and gaming operators.**

4 **Gambling advertising expenditure (excluding perimeter advertising) has reduced from the equivalent period from 2021 to 2022 by a combined annual growth rate ("CAGR") of -1.7%.**

This is mostly driven by a reduction in television advertising, which has reduced by £30 million (-4.4% CAGR).

5 **Betting and gaming operators commit 20% of their advertising to safer gambling messaging, in addition to the messaging that sits within all advertisements.**

As such, a material proportion of total advertising spend is directed towards ensuring consumers gamble safely.

6 **72% of television advertising by BGC members was post-watershed.**

This is despite an exemption for bingo (at all times) and sports betting (at certain times) to be advertised pre-watershed.

2 CONTRIBUTION TO THE UK ECONOMY

Key findings:

1 **The indirect Gross Value Added (GVA) supported within the supply chain in relation to advertising and sponsorship was estimated at £506 million in the relevant period.**

This comprises £251 million from activities taking place within businesses engaged by regulated betting and gaming operators for advertising and sponsorship activities and £255 million from activities within the broader supply chains of those businesses.

2 **£84 million was spent on marketing employee salaries during the relevant period.**

An average of approximately 1,400 full-time employees were employed in gambling marketing roles in the UK in the same period.

3 **Approximately 9,900 further jobs were supported by gambling advertising and sponsorship on average in the relevant period.**

This comprises those supported indirectly within businesses engaged for advertising and sponsorship activities and their broader supply chains.

4 **These data are likely to underrepresent the economic contribution to the UK economy of gambling advertising and sponsorship as they do not include induced GVA and employment.**

Induced activity represents the secondary impacts on the economy stemming from the subsequent expenditure of employees and shareholders of the businesses in question, and those in the supply chain, as a result of the income they receive.

3

SUPPORT TO SPORT AND THE MEDIA

Key findings:

1 **Gambling advertising and sponsorship supports broadcast media and sports such as horse racing and darts beyond the quantifiable GVA and employment it adds.**

Free-to-air sports coverage and the lower levels or grass roots of certain sports are largely dependent on gambling advertising and sponsorship.

2 **In a hypothetical scenario in which gambling advertising and sponsorship were no longer permitted, there would likely be further repercussions than a marginal change in GVA and employment.**

These could include less sport being shown on free-to-air television, structural shifts towards subscription models for television resulting in increased costs for consumers and vendors of sports broadcasting rights receiving less revenue.

3 **Without gambling advertising and sponsorship, the UK sporting landscape would likely undergo structural shifts.**

Less variety and depth and the potential loss of sports particularly reliant on these funds are some of the logical consequences.

4

ADVERTISING AND REGULATION

Key findings:

1 **Operators licensed in Great Britain are subject to a number of requirements across the CAP and BCAP codes and the LCCP.**

Further LCCP requirements on direct marketing are set to be introduced in May 2025 with a focus on customer consent.

2 **The Advertising Standards Authority's upheld rulings related to less than 0.01% of betting and gaming operator search advertising campaigns and 0.02% of social media advertising campaigns.**

5 SOCIALLY RESPONSIBLE ADVERTISING AND SAFER GAMBLING CAMPAIGNS

Key findings:

1 **Operators licensed in Great Britain are expected to comply with the BGC's Industry Code for Socially Responsible Advertising.**

Recent updates include several amendments, including expanding on the existing requirement to dedicate 20% of broadcast advertising to safer gambling messaging to include digital advertising as well, restricting self-excluded and high-risk customers from paid-for social media campaigns and targeting sponsored or paid-for digital media advertisements at consumers aged 25+ where such a filter is provided.

2 **In 2024, codes of conduct for gambling related agreements were implemented across a number of sports, including football, horse racing and rugby league.**

3 **Great Britain-licensed operators use further standalone campaigns to promote safer gambling.**

These include the "Take Time To Think" campaign, Safer Gambling Week and further operator-specific campaigns.

4 **Operators continue to innovate to promote safer gambling, including using existing relationships to promote socially responsible messaging, funding of new research and encouraging social media sites to incorporate tools on their platforms.**

The future of socially responsible advertising is likely to involve increased use of data to target advertisements away from underage and vulnerable consumers, among other initiatives linked to advancing technology.

5 **Based on data from 17 operators, 1.53 million safer gambling tool limits were in place during Safer Gambling Week.**

This represents an increase of 22% against Safer Gambling Week in 2023.

6 **115,000 unique account holders set 194,000 deposit limits during Safer Gambling Week, an increase of 14% on the previous year.**

47% of customers setting a deposit limit during Safer Gambling Week were doing so for the first time.

6

EMERGING THREATS AND TRENDS

Key findings:

1 **Prior reports have estimated stakes on the illegal market to equate to £4.3 billion. Techniques used by illegal operators to advertise include communicating the specific advantages of using their sites rather than those of licensed operators.**

Examples include promoting the fact that they are not on GAMSTOP to encourage customers who have registered with the scheme to continue to gamble.

2 **Illegal operators and their affiliates assume names and brands associated with charities and educational institutions in their listings.**

This allows them to bypass checks by search engines and social media sites.

3 **Future threats posed by advertising by illegal operators include the use of generative artificial intelligence to create appealing advertisements outside the bounds of regulatory restrictions.**

Developments in personalisation may allow illegal operators to target potentially lucrative customers more easily, many of whom may be vulnerable.

4 **Consumers will continue to respond to influencer advertising.**

This will include micro-influencers and deinfluencers, who may impact both the licensed and illegal gambling advertising markets.

5 **Digital video advertising is growing in popularity.**

These include short-form and outstream video, both of which require the advertiser to engage with its audience in a short period of time.

6 **Consumers are starting to use AI language models in place of traditional search engines.**

This will require operators to amend their search advertising techniques, which are currently geared towards search engines.

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