

Review of the 14th International Conference on Gambling & Risk Taking Lake Tahoe, Nevada, May 25-29, 2009

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Humble beginnings. Thirty-five years ago a small group of eager souls assembled at the Sahara Hotel in Las Vegas to learn new ideas and share mutual concerns about the gaming industry, thus launching the first ever International Conference on Gambling & Risk Taking. At the opening address of this year's event, conference host **Bill Eadington** shared revealing memories of that very first conference. Back then, sessions featured presentations on the (too?) rapid growth of Las Vegas, industry secrecy (especially with academics), the prevalence of organized crime, and the escalating problem of expert card counters. While the industry was reportedly skeptical at first, this early conference contributed to the adoption of scientific management practices and the acceptance of academic expert opinion, both of which have in turn shaped the global gaming industry today.

A prominent theme throughout the 2009 conference was, appropriately, 2009 – and all that this year's global economic downturn means for the gaming industry. Ever the economist, Professor Eadington appropriately cited the “irrational exuberance” that has led to massive investments in Las Vegas and elsewhere. Though perhaps understandable given rising stock prices, financially successful expansion, and a belief in the resilience of the gambling industry, the plastic wrapped steel girders of half-completed projects and silent construction sites on the Strip today are manifest reminders that exuberance alone does not finish projects.

Networking opportunities. Of course, the International Conference on Gambling & Risk Taking is about more than attending conference sessions in a beautiful setting. As is often the case with quality conferences, attendees find most valuable the opportunity to initiate discussions with colleagues in entirely different areas of the academic and gaming world. It is a tribute to Dr. Eadington's fine bridge-building work that colleagues in fields as diverse as medicine, finance, and anthropology can sit side by side and engage in a multi-disciplinary conversation that can be found nowhere else in the field of gambling studies.

Highlighting and name-dropping. This 14th conference brought together the best and brightest in gaming worldwide. With apologies to the dozens of luminaries omitted because of space restrictions, we will focus briefly (too briefly!) on the contributions of a select few. At the end of this review, we will let readers in on how they might learn more by listening to the entire conference proceedings.

From a treatment perspective, **Magnus Eidem**, from Norway's Innlandet Hospital Trust, discussed the recently launched internet-based therapy for problem gambling, established as a means to increase treatment uptake and completion rates in a difficult to treat population. Although still in the early stages, initial results suggest this approach may be effective, based on positive feedback and client outcomes.

Another constant theme that emerged throughout the conference was the increasing impact of technological developments. Responsible gambling strategies in particular

have become more technologically sophisticated. **Tobias Hayer** from the University of Bremen discussed the success of self-exclusion programs for internet gambling sites, suggesting that it appears that these programs are used more often by online gamblers than by their counter parts in brick and mortar casinos.

One session that indirectly highlighted the enhanced capabilities of technology featured **Steve Macdonald**, a representative of Nova Scotia Gaming Corporation, who was actually in Nova Scotia — presenting and answering the Tahoe audience's questions live via Skype. To be sure, it is difficult to predict the future of gambling (and of those who study it), but it seems certain that its messages will be delivered via technological mechanisms not yet envisioned.

Technological advances have also driven changes in research methodology. Professor **Brad Humphreys** from the University of Alberta presented the results of a study that compared telephone and online data collection methods. Results indicated that online surveys may increase disclosure and access a younger section of the population than telephone surveys (which are often skewed towards middle-age females). These results recognize that younger generations are increasingly relying on the internet for many aspects of their day-to-day life, and suggest that researchers would be wise to do the same.

In contrast to many academic gatherings that focus almost exclusively on problem gambling, other research fields were also well represented at this conference. Two research papers relied upon methodologies developed at Harvard Business School's "Mind of the Market" lab, focusing specifically on the Zaltman Metaphor Elicitation Technique (ZMET) to analyze customers' subconscious feelings about consumer environments (including gambling environments). **Kathy LaTour** gave a thorough explanation of the ZMET and the ways in which this method improves over standard in-depth interviews and focus groups. For those unfamiliar with this method, this was a terrific introduction to an approach rarely seen in gambling research. Meanwhile, **Catherine Prentice's** presentation addressed the importance of emotional intelligence in frontline employees who cater to high end gamblers. Her work suggested that sophisticated "emotional intelligence" was required to satisfy these demanding souls.

UNLV Professor **Anthony Lucas** brought his inimitable (and award-winning) empirical perspectives to this conference for the first time, focusing on many of the faulty (but popular) assumptions that have been called into question by sophisticated casino operations research. Lucas' work suggests that the gaming industry still lags behind other comparable industries in understanding through research the nuances of customer behaviors.

For the numerically inclined, two different sessions featured high-powered mathematical analyses. The presentations in the "Quantitative Analysis" session focused on curiosities within the realm of casino operations. For instance, **Robert Marks** considered the value of ticket-based casino drawing promotions. He questioned if a casino patron should earn as many tickets as possible near the beginning of the promotion in order to optimize the expected value from the drawing. Marks' conclusion led him to believe his concept would work only in theory, as a patron can only be sure of their own absolute ticket count, and not of the proportion within the population — a key for probability of win. Later, **Stewart Ethier** took us back in time to an old-fashioned Futurity slot machine, bringing great joy to the hearts of theoretical mathematicians through his application of Markovian chain theory to measure the Futurity game's hit and payout probability.

In a gambling era characterized by a "poker boom," the conference provided interesting empirical insights into a phenomenon usually subjected to bombastic media treatments on television and on the internet. In the "Analyzing Poker" session, **Robert Hannum** provided an interesting analysis of a very current argument on Capitol Hill: is poker a game of skill or is it a game of chance? Hannum created a computer simulation of a competition between a player who made a betting option at random against an extremely aggressive "skilled" player. While the simulation was very simple — the

“skilled” player had only one strategy – Hannum’s work suggests some fascinating future implications for research on a “skill scale.”

Dave Umback and **John Emert** followed with a presentation on how introducing a “wild card” to a five card draw game would disrupt the order of hand ranking. It was certainly a presentation of value to those in the audience who host home games with a wild card – we will no longer hold fast to the old ranking rules.

Ingo Fielder and **Philipp Rock** concluded the session with a presentation on quantifying skill for casino games, most specifically in poker. It was an excellent supplement to Hannum’s earlier presentation, and suggested a humorous but often accurate hypothesis: poker is “not a game of skill, but a game of lack of skill.” Their conclusion hinted at interesting strategies for governments to regulate games of skill on a different level than they do with games of chance.

Two strong plenary sessions revealed the breadth of academic perspectives available to those interested in gambling research today. In fact, one would be hard pressed to find two fields more diverse than neuro-economics and music appreciation – but at this conference, one found them in back-to-back lunchtime addresses. Improbably representing both the University of Cape Town and the University of Alabama-Birmingham, **Don Ross** presented what Eadington called a “very important” new set of perspectives from the burgeoning field of neuro-economics. As both neuroscience and economics have long been enamoured with the study of rewards (especially rewards that work), it was perhaps to be expected that the two would merge in a fruitful manner. Attendees left this energetic presentation with whetted appetites for an enhanced understanding of the ways in which these fields might explain the vexing problems associated with those who gamble excessively (available, conveniently, in Ross’ new book *Midbrain Mutiny*).

Meanwhile, **Don Feeney’s** lunchtime speech was similarly well received, perhaps because it allowed attendees to break into song – in this instance, songs that over the years have referenced the travails of the gambler. Were this a Broadway affair, critics would have called it a “triumph,” as only Mr. Feeney could so skillfully weave insights on ancient hymnals all the way up to this summer’s quirky (and catchy) dance hit “Poker Face.”

See you next time. In the end, attendees enjoyed lessons from history and predictions for the future with a multitude of current topics in between. To find an appropriate conclusion, we might return to Professor Eadington’s opening address and its invocation of Darwin’s theory of “survival of the fittest” and species’ capacity to be “responsive to change.” This quote was a fitting reminder to all 270 attendees that regardless of their interest -- whether they were academics, researchers, students, treatment providers, industry representatives, regulators, or gamblers -- that simply attending and participating in this conference is a strong sign of their capacity to survive. Learning about current circumstances and new findings enables individuals and organizations to make informed decisions that facilitate adaptation -- and, indeed, survival.

[Note] Complete sound recordings of all conference sessions are available for in-library listening at the UNLV Libraries, Lied Library Special Collections Division. 80 compact discs are aggregated in 4 parts. Ask for the 14th International Conference on Gambling and Risk Taking, library call number: HD9999/G252/I568/2009. To purchase recorded conference proceedings: contact www.hungryminds.com

